

FRONTIER TELENET
BOARD OF DIRECTORS MEETING
JUNE 16, 2017
MINUTES

The regular meeting of Frontier TeleNet Board of Directors was called to order by Vice-Chair Gary Thompson at 10:20 AM. This meeting held in the Conference Room of the North Central Education Service District, 135 South Main Street, Condon, Oregon.

Roll Call: The following attended this meeting. Judge Gary Thompson, Judge Lynn Morley, Judge Steve Shaffer, by telephone, Ryan LeBlanc, Day Wireless System, Todd Cox, Day Wireless System, Garrett Winter, Day Wireless System, Ron Spencer, Motorola Solutions, Steve Wynn, Day Wireless System, Mike Smith, Frontier Telenet/Frontier Digital Marketing Director, Will Carey, Legal Counsel, Pat Shaw, Gilliam County Resident, Mac Stinchfield, Times-Journal Newspaper, Les Ruark, Gilliam County Resident, Kathryn Greiner, City of Condon, Elizabeth Farrar, Gilliam County Resident, Ken Gross, Home Telephone, Lori Anderson, Rob Myers, Frontier Telenet/Frontier Digital General Manager and Jeanne Burch, Frontier Telenet/Frontier Digital Staff.

Directors' Changes/Additions to Agenda: Request to add Jeanne Burch resignation to agenda.

It was agreed to have this item added to Agenda and Judge Thompson requested that this matter is discussed first.

Public Input:

Resignation: Jeanne Burch explained the reason for her resignation. Jeanne felt that the recent letters in the Times Journal Newspaper had gone too far in indicating that Frontier TeleNet Contractors have been doing things that are not legal and not being honest. Since Jeanne is one of the four contractors she feels that these unwarranted accusations are not right and she is resigning. Jeanne said she would stay to finish up the minutes, financial reports for this fiscal year and arrange the materials for the auditors, which they have requested to be boxed up by July 5. Jeanne also stated she would finish the budget documents for the fiscal year and file with proper State of Oregon Department.

Mike Smith followed up Jeanne's comments with a statement that something needs to be done about these unwarranted accusations in the newspaper regarding Frontier TeleNet. Legal Counsel Will Carey stated the Board of Directors needs to respond to articles.

Judge Shaffer reported that he has been in contact with Association of Oregon Counties to assist in Communications regarding the operation of Frontier TeleNet and Frontier Digital Network and helping the public understand what these organizations do.

Pat Shaw, Gilliam County Citizen, and retired Gilliam County Judge, made a strong statement about the good work that Frontier TeleNet and Frontier Digital have accomplished over the years and her objection to the negative statements being made about the organizations.

Les Ruark asked Steve Shaffer if anyone else was listening to this meeting on his telephone. Judge Shaffer replied no, he is in a private room at the hospital in The Dalles.

No action was taken on the resignation of Jeanne Burch and tabled until the next meeting.

Minutes: Frontier TeleNet Minutes of May 5, 2017 meeting reviewed. Moved by Lynn Morley, seconded by Steve Shaffer to approve minutes of May 5, 2017 Special Meeting. Motion carried with all present voting aye.

Financials: Financial Statements for March, April and May 2017 reviewed. Moved by Lynn Morley, seconded by Steve Shaffer to approve March, April and May 2017 Financial Statements. Motion carried with all present voting aye.

Resolution to Move Funds. Resolution to move funds due to the hiring, during the year, of a Marketing Director. Moved by Lynn Morley, seconded by Steve Shaffer to transfer \$53,000.00 from Contingency to Personal Services in the 2016-2017 Frontier TeleNet Budget. Personal Services will now be \$150,000.00 and Contingency \$477,277.00. Motion carried with all present voting aye.

Resolution Adopting 2017-2018 Budget: Moved by Lynn Morley, seconded by Steve Shaffer to approve Resolution No. 2017-006, a Resolution Adopting the Frontier TeleNet Budget and making appropriations as follows for the fiscal year 2017-2018.

Personal Services	\$104,000.00
Materials and Services	895,000.00
Capital Outlay	940,000.00
Contingency	<u>721,758.00</u>
Total Appropriation	<u>\$2,660,758.00</u>

Motion carried with all present voting aye.

Contracting and Procurement Rules: Will Carey reported on hiring a firm to prepare Contract and Procurement Rules. Spear-Hoyt is the only law firm in Oregon who develops these rules for public entities. They also do these for a reasonable fee. Will Carey stated the reason to have

these rules is that you can then follow the rules they adopt. If you do not have adopted rules then you must follow State of Oregon laws, which might not fit your organization. Asked what the cost will be and Will Carey reported that it would be in the \$300.00 area, not to exceed \$500.00. Moved by Steve Shaffer, seconded by Lynn Morley to approve Legal Counsel Will Carey to work with Spear-Hoyt to develop Procurement and Contracting Rules. Motion carried with all present voting aye.

Records Request Policy: A discussion held on adopting a Records Request Policy as presented by Legal Counsel. Moved by Steve Shaffer to approve adopting a Records Request Policy. Les Ruark asked to comment on this motion. Mr. Ruark objected to moving this item forward until the public has a chance to review and comment. Mr. Ruark stated that if a member of the public is on the list to receive Board Agendas he or she should also receive Board Materials. Les Ruark stated that the Board needs to make the best effort to inform the public of important items. Steve Shaffer withdrew the motion. This item tabled.

Wheeler County Town Hall Meetings and Wireless Project Update: Lynn Morley reported that three town hall meetings held in the three Wheeler County cities. These meetings concerned Wireless vs Fiber Communications. Mike Smith also reported on the meetings and pointed out that wireless is a better form of communication than fiber due to the Wheeler County terrain. Also, the system can be up and running in a short time and bring service to all three areas. Lynn Morley reported that the Wheeler County Court has voted to go wireless with the money received from the State of Oregon for communication project in Wheeler County.

Cottonwood Project Update: Mike Smith reported on this project. Lots of preliminary work completed. Contracts are being developed and a taller tower is needed. The State of Oregon is working on this portion to identify a site for the tower.

Light Speed Contract Change: Mike Smith reported that there had been a discussion regarding contract change and work request for Slatt Site. This contract was just received this morning and he has not had time to review.

Request by Frontier Regional 911 Agency for Dispatch 911 Connectivity to Burns Paiute Tribe. Mike Smith reported he is working on an agreement to provide contract with the Frontier Regional 911 Board and the Burns Paiute Tribe for Dispatch Services. Mike also reported he is working with two other counties about the possibility of providing dispatch services.

Compensation Increases: This item tabled.

Public Input:

Les Ruark commented on the existing Professional Services Contracts and the renewal of the same. He wanted to know if the review of Mike Smith contract requirements is going to be reviewed? He also asked if Rob Myers position was to be filled? Steve Shaffer stated that Rob Myers position would not be filled. Les Ruark asked why the General Manager position will not be filled? Steve Shaffer reported that this was the agreement when Mike Smith was hired. It

was noted that Rob Myers is retiring and Jeanne Burch requested that her contract not be renewed. Les feels that this item must be available for the public to review before it is voted on. Les also asked about the reconfiguration of the ORS 190 and what is the time frame to consolidate Frontier TeleNet and Frontier Digital Network now that the North Central ESD is not a part of Frontier Digital Network. Les also asked about an Oregon Ethics Report that levied a fine when a form was not completed in the time allotted. Rob Myers stated that this was not his report and that the fine was due to the then Chair of Frontier TeleNet not filing a report as he should. Les Ruark wanted to know what money was going to be used to pay this fine? Steve Shaffer reported that nothing had been received from the Oregon Ethics Commission regarding a fine. Les then stated that having the Association of Oregon Counties work with Frontier TeleNet/Frontier Digital is a good idea but there needs to be a formal agreement. Les Ruark then addressed Jeanne Burch resignation and suggested that she does not take personally the allegations in the paper but that the intent was a matter of process.

Future Meeting Dates: Setting a permanent meeting date each month discussed and the suggestion was to consider the third Friday of each month. Next meeting will be July 21, 2017.

Day Wireless Presentation: Steve Wynn and Ryan LeBlanc of Day Wireless Systems presented a plaque to Rob Myers in appreciation of his years as Frontier TeleNet and Frontier Digital Network General Manager.

There being no further business the meeting adjourned at 11:45 A.M.

Respectfully Submitted:

Jeanne E. Burch

Frontier TeleNet Staff