

FRONTIER TELENET
BOARD OF DIRECTORS MEETING
JULY 21, 2017
MINUTES

The regular meeting of the Frontier TeleNet Board of Directors Meeting was called to order by Judge Steve Shaffer at 10:06 AM. This meeting held in the Courtroom of the Gilliam County Courthouse in Condon, Oregon.

Board of Directors Present: Judge Steve Shaffer, Judge Gary Thompson and Judge Lynn Morley

Also Present: Todd Cox and Steve Wynn, Day Wireless Systems, Mac Stinchfield, Times- Journal Newspaper, Kathryn Greiner, City of Condon, Rachel Weinstein, Giliam County Community Development, Will Carey, Legal Counsel, Elizabeth Farrar, Rob Myers, Mike Smith and Jeanne Burch.

Directors' Changes or Additions to Agenda: None

Minutes: Minutes for June 16, 2017 and June 29, 2017 (Special Meeting) reviewed by Directors. Steve Shaffer noted his name is misspelled once in the June 29, 2017 minutes. Moved by Lynn Morley, seconded by Gary Thompson to approve minutes of June 16, 2017 and June 29, 2017 minutes with correction. Motion carried with all present voting aye.

Financials: June Financial Statement reviewed. Mike Smith discussed pricing structure and bandwidth expense. Mike Smith and Rob Myers will be meeting to review contracts and pricing. Moved by Gary Thompson, seconded by Lynn Morley to approve June Financial Statement as presented. Motion carried with all present voting aye.

Resignation of Jeanne Burch: Jeanne Burch stated she is still very concerned about liability insurance for contracted services. Steve Shaffer has been trying to reach City County Insurance about this issue and will contact agent, John Anderson of Wheatland Insurance. This item tabled until information is received.

Review of Existing Contracts, Contractors and Duties of Contractors. A lengthy discussion held on contracting goals and what is needed in the contract renewals. It was agreed that marketing is very important. A question had been raised by outside entities if the \$52,000.00 in additional revenue has been achieved by marketing director. The following was reported: Burns Tribe an additional \$60,000.00. \$265,000.00 from the State of Oregon for the digital switch. Presently negotiating e-rate renewal and Harney and Lake Counties are in negotiation for services. Goals of \$52,000.00 met as over \$325,000.00 have been brought in as of now.

Letter from Les Ruark: Mr. Ruark requested the following letter be read into the record:

For the Record.

20 July 2017

Steve Shaffer, Chair

Frontier TeleNet Board of Directors

Condon, Oregon

Steve:

For the record, I respectfully request there be no final action taken Friday by Frontier TeleNet's board on agenda items 7, 8, definitely 17, and 18 (the latter item pending the specifics to be determined of the proposed AOC assessment and its resulting MOU).

To move forward on either of these significant and substantive matters (certainly and especially items 7 and 17) without first having provided the record-building agenda support material for each (of which none has been readily made available to date, that I'm aware of), and in turn providing a fair and truly meaningful opportunity for interested persons (aka the public) to access

this record and subsequently weigh in on it, would be to unduly, purposefully, and unnecessarily,

leave meaningful solicitation and serious consideration of public comment by the wayside.

With regard to the AOC proposal to conduct an assessment of Frontier TeleNet's past and current

work, and facilitate the forging of a Memorandum of Understanding (MOU) reflecting how to proceed with the results of that assessment, as I've previously indicated, I certainly support putting this collective effort in place and as quickly as possible.

Nonetheless, as I'm viewing the effort as it stands today, there should not be formal action taken

Friday in this matter—if that's what's contemplated—until such a proposed agreement has actually been committed to writing and disseminated to all interested parties, with adequate opportunity afforded them to react to and comment on it, and, that comment is then seriously considered at a subsequent board meeting.

To my knowledge, all that's been referred to date, as a proposed agreement, is an informal outline of the major elements of what could be involved, that's been shared by AOC with (essentially) a limited number of the interested parties involved. There's been no definitive proposed agreement (an AOC "contract" as the agenda refers to this matter) placed on the table

Friday that I'm aware of—as had been anticipated, or at least as I understood would occur.

Frankly, it's surprising and disappointing there's been no agenda support material prepared by now for Friday's meeting, reflecting the serious attempt that's needed here to proceed with arriving at an agreement that puts in place the assessment and MOU.

Preparation of such "asm" could likely have precluded the need there now is for having to have yet another meeting to achieve the appropriate and needed steps to get this effort underway.

Whatever, it is what it is.

Please have this comment incorporated into the record of the board's meeting Friday. Since I will

be working wheat harvest operations, I'm unable to attend Friday's meeting.

Thank you.

Sincerely,

Les Ruark

leswruark@gmail.com

(541) 454-2511

Director Lynn Morley objected strongly to this letter and requirements and stated that Frontier TeleNet must go on with their business.

Moved by Lynn Morley, seconded by Gary Thompson to approve contracts with Connections LLC and Jeanne E Burch. Jeanne Burch stated her renewal would be contingent on solving insurance questions. Motion carried with all present voting aye.

Update on Frontier TeleNet/Frontier Digital Network Merger. Legal Counsel Will Carey reported on how the merger of Frontier TeleNet/Frontier Digital Network will take place. Will Carey recommended that Frontier Digital Network be terminated. Each County will need to pass an ordinance and all Frontier Digital Network assets will go to Frontier TeleNet. After

ordinances are passed by each county, a copy of these ordinances needs to be filed with the Oregon Secretary of State within thirty days. All entities that Frontier Digital Network has contracts with will need to be notified.

Cottonwood Tower Update: Mike Smith reported this project is going very well. A land use permit has been approved and tower height has been solved with additional money becoming available. A cell phone company is showing interest in locating on the tower. Signed contracts will be coming soon.

Wheeler County Wireless Project Update: Mike Smith reported the State of Oregon has approved the changes to the Wheeler County Wireless Project. Wheeler County has interim financing in place and Lynn Morley and Mike Smith toured the County and progress coming along very well.

Light Speed Network (LSN)

Request for Arlington-Slatt Usage: Mike Smith gave an update of the needs for Arlington Slatt site and needs of Mr. Krebs and Arlington Co-Op TV. Will Carey will look at lease. Mike Smith stated he is opening conversations with other providers in the Mid-Columbia area. Day Wireless sees no problems with drawings submitted on LSN needs. CJIS (Criminal Justice Information Service) security issues discussed and Mike Smith suggested background checks for technicians are essential. Moved by Lynn Morley, seconded by Gary Thompson to approve co-location at Arlington Slatt location pending approval of legal counsel and landowner. Motion carried with all present voting aye.

Association of Oregon Counties (AOC) Assistance Contract: The Directors agreed that the quote for AOC Assistance at \$17,000.00 was too high for a small organization. Steve Shaffer will discuss with AOC to see if there can be a lower rate.

Website and Other Social Media and/or present public needs: Mike Smith is pursuing this project and will bring quotes back to Board.

SUAll Motorola Service Contract: This item discussed in Frontier Digital Meeting.

Sherman County Fiber Optic RFP for Wasco to Rufus: It was announced that funding is now available. Moved by Steve Shaffer, seconded by Lynn Morley to send out RFP for Wasco to Rufus Build with the approval of legal counsel. Advertising to be done in Times-Journal, East Oregonian and The Dalles Chronicle. Motion carried with all present voting aye. Mac Stinchfield informed directors that every legal ad in smaller papers goes to a Statewide Network.

Frontier 911 Burns Tribe Contract Request for Frontier TeleNet and alternative options for connections: Mike Smith reported that just a few changes to the contract have been made and Frontier Regional 911 has signed and sent to the Burns Tribe. Once the contract is signed, by both parties, the project must be done within 90 days. A discussion held on adding

their agencies. It was suggested that Frontier TeleNet talk to Harney County and see if Burns Tribe could co-locate equipment at the Harney County Courthouse. Moved by Lynn Morley, seconded by Gary Thompson to approve the Frontier 911 Contract with the alternative option of connection to Motorola Solution. Motion carried with all present voting aye.

Discussion/Possible Vote and Approval of Compensation Increases: Moved by Steve Shaffer, seconded by Gary Thompson to approve \$40.00 per hour for Rob Myers as part of the transition from Rob Myers to Mike Smith. Motion carried with all present voting aye. Moved by Gary Thompson, seconded by Lynn Morley to increase Mike Smith to \$6,750.00 per month and Jeanne E. Burch to \$1,800.00 per month. Motion carried with all present voting aye.

Audit Engagement Letter: Moved by Lynn Morley, seconded by Gary Thompson to approve the audit contract and engagement letter from Oster Professional Services for the fiscal year 2016-2017. Motion carried with all present voting aye.

Other Items: Mike Smith asked for direction if maintenance needs to be done. Moved by Lynn Morley to approve up to \$5,000.00 maintenance needs without prior authorization. Maintenance needs between \$5,000.00 to \$10,000.00 need Board Chairman approval. Motion carried with all present voting aye.

Gary Thompson requested that Mike Smith consult with Sherman County Commissioners McCoy and Dabulskis regarding Frontier TeleNet issues. Steve Shaffer also stated that Frontier TeleNet is the last mile organization and not a middle mile organization. Steve Shaffer also stated he is working with Zayo and other entities in the area regarding connectivity.

Will Carey suggested a Commissioner Orientation for all three counties would be a good idea so that Commissioners can understand what Frontier TeleNet does.

A discussion held about cities in the three counties having a seat on the Frontier TeleNet Board.

Steve Shaffer stated he feels we are not doing a good job of getting information out about who Frontier TeleNet is and what they do.

Public Input/Comment: None

Next Meeting: August 18, 2017 at 10 AM in Sherman County.

There being no further business the meeting adjourned at 12:45 P.M.

Respectfully Submitted:

Jeanne E. Burch,

Frontier TeleNet Staff

