

FRONTIER TELENET
BOARD OF DIRECTORS MEETING
MINUTES
NOVEMBER 10, 2016

The regular meeting of the Board of Directors for Frontier TeleNet was called to order by Chairman Steve Shaffer at 4:40 P.M. This meeting was held in the conference room of the North Central Education District, 135 South Main Street, Condon, Oregon.

Directors Present: Judge Steve Shaffer, Judge Lynn Morley and Judge Gary Thompson by telephone.

Also Present: Mike Smith, Sherman County, Garrett Winter, Day Wireless, Ron Spenser, Motorola Solutions, Ryan LeBlanc, Day Wireless, Steve Wynne, Day Wireless, Todd Cox, Day Wireless, Ken Gross, Home Telephone, Mac Stinchfield, Times-Journal Newspaper, Rachel Weinstein, Giliam County, April Stream, Frontier 911, Kathryn Greiner, City of Condon, Dale Scobert, City of Condon, Brian Morgan, Windwave, Blake Lawrence, Windwave, Delene Durfey, Rob Myers, Frontier Telenet General Manager and Jeanne Burch, Staff.

Minutes: Minutes of October 17, 2016 Board of Directors Meeting reviewed. Moved by Lynn Morley, seconded by Gary Thompson to approve October 17, 2016 meeting as presented. Motion carried with all present voting aye.

Financial: Financial Statement for October 2016 reviewed. Moved by Lynn Morley, seconded by Gary Thompson to approve October 2016 financial statement as presented. Motion carried with all present voting aye.

Annual Audit: No update.

Old Business:

Sherman County Fiber Project Update: Mike Smith and Blake Lawrence gave an update on Sherman County Fiber Project. The project will be ready to go by Thanksgiving. The Erskine to Grass Valley portion finished. Mike Smith met with the Grass Valley City Council and reports they are very pleased. Phase 3 will be Wasco to Rufus.

Frontier TeleNet RFQ/RFP: Rob Myers reported there had been two responses to the RFQ/RFP. First opened was Home Telephone: Home Telephone response included only ROM per mile installation estimates there were no project totals or quotes. Ken Gross representing Home Telephone explained that there was not enough time to do engineering for a detailed project but that the cost per mile for aerial installation is \$18,000.00 and buried installation is

\$45,000.00 per mile. Mike Smith asked how many conduits go in the ground and Ken Gross answered that they usually do two but more can be added. Ken Gross also talked about an alternative proposal where Frontier Telenet would loan Home Telephone money for the project and would make money on the interest.

Inland Development Responses and Quotes: Blake Lawrence representing Inland Development presented a quote for RFQ 816, Slatt to Condon at the cost of \$2,080,185.00. RFQ 817, Condon/NCESD to Wheeler County Courthouse in Fossil \$2,186,185.00 for a total cost of \$4,266,370.00 for both phases. This quote is for 10 GB and also dark fiber. There was a discussion about whether Erskine would be a better location for the head end main connection. Ryan LeBlanc reported that some of this being done now with the Core upgrade.

Also reported that the build from Wasco to Rufus would be \$868,000.00.

Steve Shaffer asked how the connection with Day Wireless would work. Ryan LeBlanc replied if Gilliam County owns the fiber, Gilliam County would be responsible.

Rachel Weinstein asked if there is a lease, what would be the length of lease and also how service would be extended to rural customers. These questions not answered at this time.

Condon RFP: Steve Shaffer read a letter from the City of Condon asking to partner with Gilliam County on the middle mile installation. Steve Shaffer will meet with the City of Condon about this opportunity.

Connections LLC: A lengthy discussion held on the contract with Connections LLC for the Executive Marketing Director position. It was pointed out that the contract does cover both the Frontier TeleNet and Frontier Digital Network entities and also the Frontier Regional 911. At this time it is best to pay the monthly remuneration from Frontier TeleNet. Lynn Morley asked if the contract was going to be signed by Connections LLC and the answer was yes. It was pointed out that Mike Smith dba Connections LLC had done substantial work during the month of October 2016. Moved by Gary Thompson, seconded by Steve Shaffer to start the Connections LLC Personal Services Contract with a date of October 1, 2016. Motion carried with all present voting aye.

Wireless System Upgrade: Ryan LeBlanc reported that parts for this upgrade have arrived at the Day Wireless facility and that project will be underway right away.

New Business:

Frontier TeleNet Purchasing/Pricing Structure: Steve Shaffer stated that there needs to be attention to the Frontier TeleNet pricing structure as there is marketing for broadband opportunities. There is a need for a different pricing structure in the next year and he would request that an analysis could be available by January 2017.

Other:

North Central Education District Withdrawal. Steve Shaffer reported that a letter from North Central Education District has been received requesting withdrawal as a partner from Frontier TeleNet. Discussion followed if Frontier TeleNet should remain as a three county entity or should other organizations be added. Moved by Lynn Morley, seconded by Gary Thompson to accept the withdrawal of North Central Education District from Frontier TeleNet effective immediately. Motion carried with all present voting aye. It was agreed that at the next meeting a decision needs to be made on how the structure of Frontier TeleNet will be and how to restructure an ORS 190.

Next Meeting: Schedule of next meeting not decided at this time.

There being no further business, the meeting adjourned at 6:08 P.M.

Respectfully Submitted:

Jeanne E. Burch, Frontier TeleNet Staff