

**GREATER AUSTIN AREA TELECOMMUNICATIONS
NETWORK (GAATN)
INTERLOCAL AGENCY**

**625 East 10th Street, 6th Floor
Austin, Texas 78701**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
MEETING HELD August 5, 2002
Lower Colorado River Authority
Shapiro Building Room 517
3701 Lake Austin Blvd**

Agenda Item No. 1:

The meeting was called to order by Chairman Patrick Jordan at approximately 1:30 p.m.

The following Board members announced as present:

Patrick Jordan, on behalf of the City of Austin
Wayne Wedemeyer, on behalf of University of Texas
George Mirick (alt.), on behalf of the University of Texas
Walter LaGrone, On behalf of Travis County
Frederick Harris, on behalf of Austin Independent School District
Steve Zoromsky, on behalf of the Lower Colorado River Authority
Martha Riekenberg (alt.), on behalf of the City of Austin
John Kohlmorgan (alt.), on behalf of Austin Independent School District
Dave Kelly, On behalf of the State of Texas

GAATN Personnel present:

Ronald Roberts, Project Coordinator
Ashley Caron, Project Manager
Stephen Fogel, GAATN Attorney

Agenda Item No. 2:

Citizen Communication

Chairman Jordan welcomed Mr. William Gammon from Gammon Insurance to the meeting and also Heidi Cottingham from CoCom.

Agenda Item No. 3:

Approval of July 8th , 2002 Board Minutes

There were no changes required in the minutes. Wayne Wedemeyer made the motion to accept the minutes with a second from Frederick Harris, the motion passed unanimously. Patrick took a moment to thank Steve Zoromsky for his service to the Board. Wayne asked that item 6A be discussed in respect to Mr. Gammon's time, this was agreed to by all.

Agenda Item No. 6, A

Discussion of Bid information on new insurance carrier for GAATN. John shared that there was one respondent to the bid for insurance. He then went over the packet with the Board explaining recommendations by Mr. Gammon. John noted page 6 in the packet as the different deductibles. Patrick asked about the level of cost budgeted, was told \$150,000 by Martha. Mr. Gammon added that there was a 15% increase in premiums, indicative with an increase in insurance due to events last September with 9-11 and also economic downturns. Mr. Gammon went on to explain the Aggregate deductible, terms and conditions, and GAATN history over the past year. There were no claims submitted this year. He also discussed the lack of bid response to GAATN and mentioned discussions with Scott Wyatt to obtain letters from companies as to why they did not submit packages. Steve asked about the difference in policy from last years, was told by Mr. Gammon that the only difference was the rider about wars and terrorism being excluded. Martha explained that the present thought was to either pursue small claims with the Maintenance Contractors help or not to turn them in at all.

Efforts have been made to save the insurance for catastrophic use. An official vote was needed but not possible due to a posting error. Discussion on vote by fax or a special meeting was thrown out. Ron stated that he and Steve Fogel would figure out a resolve before the September 1st deadline when the insurance runs out. That stated the Board excused citizens and moved into Agenda item 4.

Agenda Item No. 4:

Executive Session: Adjourn for closed session, under Tex Gov't Code section 551.071, to seek legal advise regarding contemplated litigation for construction, equipment, and product warranty claims. Reconvene for discussion and decisions, if any, on matters considered in closed session.

Chairman Jordan moved to executive session at 1:50 p.m. Patrick reconvened from Executive Session at 2:15 p.m.

Agenda Item No. 5:

Hear report and discuss/consider Board Chairman Update.

Patrick had no specific update to report. He shared the upcoming City of Austin budget has CIP money for improving electronic at sites and added that some sites will be adding separate ingress/egress. He stated that proper notice and procedures will be followed.

Agenda Item No. 6:

Discuss/consider Financial Report from AISD

Frederick Harris distributed the June Financial Report. Wayne asked about insurance vs repairs. Martha asked if there were any specific items that needed to be noted. Martha commented that the average repairs were around \$100,000 to \$120,000 a year and added that it costs less to pay for repairs than to submit them to the insurance company. Wayne asked about the budget so far noting that GAATN looked to be \$1.2 million better off than we were a year ago. Martha stated that the ARA project had not posted yet but that the budgeted \$400,000 was never met, in fact there was a savings of \$270,000. 8A of the agenda will discuss this further, she stated. Ashley added that City Hall project had not been drawn on yet either and would bring the budget down.

B. Discuss/Consider Closeout of Travis County Financial Issue

Frederick opened this discussion with a list of issues with Travis County. He stated the first issue of network rights payments due from 1999 for \$58,245.58 was now received and closed out. He added that CFO for AISD, Larry Throm, has sent a check for \$12,293 to Travis County to close out a change order issue left over from construction. Frederick went on to state that Travis County owed \$88,633 due from original retainage for construction. Walter who added that there was also a \$52,633 difference from other change orders acknowledged this. Frederick then stated his wish to settle the difference for \$40,337 through GAATN vote, adding that records for this information is sparse at AISD. Walter stated that the \$88,633 would be handed over to AISD upon receipt of the \$40,337 due them. Patrick noted that the retainage accounts being discussed was in AISD's budget, not GAATN's. Patrick was grateful for efforts to close out the balance owed on the network rights but failed to see how the Board could assist in these other matters between AISD and Travis County. He added also that Final Payment and Acceptance was between SWBell and GAATN and that the issue was closed at that time. Frederick stated that his CFO had considered the \$40,337 due from GAATN. Wayne noted that the construction change order activity should be due from AISD and added that GAATN voted to close out the contract with all participants giving up on some issues. Patrick again noted that this was a construction issue, AISD was construction manager, the problem was not a Board concern and encouraged Travis County and AISD to work it out themselves. Frederick suggested moving on with the next item.

Agenda Item No. 7:

Hear report and discuss/consider Technical Subcommittee Update. (Lott, 20 minutes)

- A. Update on Tech Discussions about NOCC at City Hall.**
- B. Audit for Pole Attachment Agreement.**
- C. Update on Locate Services for GAATN.**
- D. Internet Bandwidth Pricing.**

- A. John explained that entranceway maps were being put together by both Martha and Ashley for review. They would be based on recent discussion by the Technical Committee. He noted that discussion involved using ZNET pathways and various routes down 5th and 6th streets.
- B. John reported that the audit was ongoing.
- C. John asked Ron to update. Ron stated that Lone Star was going to be on line in a few days, the hold up was getting a .ftp system set up between SM&P and Lone Star but that these issues had been worked through.

D. John explained that this topic had been discussed with no dissenting opinions from the Tech Committee.

In other tech news, John discussed some recent teardowns and the reelection of Tom Lott as Chairman. Patrick asked for an update on NOCC requirements and was told by Ashley that none of the participants had anything beyond the standard. Patrick also asked that the Tech Committee discuss an issue raised by the Construction group at City of Austin, specifically what contribution should GAATN have towards the inside of the NOCC. Patrick was not sure what was fair or what should be done but asked that discussion take place to get feedback from other participants. He explained that associated costs were the fire suppression system, AC, Power and other expenses. This completed the Tech update.

Agenda Item No. 8:

Hear report and discuss/consider Network Manager's Update

A. Discuss/Consider reallocation of construction cost savings from Carver/ARA project to the BIN extension.

Martha shared that the left over savings from Carver/ARA would just roll into holding account for next year. She wanted the Board to consider using the funds to complete the BIN extension. She explained that the BIN extension had not been specifically identified in the budget this year but that the opportunity to strand the run and lock down an assignment had already been done.

Patrick wanted to look at when the BIN extension should be done. ACC wants to link up with Round Rock, the City has sites that would benefit but they are being served ok for the present. Patrick felt that there was enough budget pressure to look at reducing the budget this year instead. Discussion of diverting funds to BIN or reducing budget followed but no action was taken.

Agenda Item No. 9:

Confirm date, time and location for the next regular Board meeting as September 9, 2002 at 1:30 p.m. in room 517 of the Shapiro Building at LCRA on Lake Austin Blvd.

Time and location for next meeting was confirmed and the meeting was adjourned at 3:35 p.m.