

**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 February 5, 2007
Lower Colorado River Authority
Hancock Building, Board Room
3701 Lake Austin Blvd**

Agenda Item No. 1:

The meeting was called to order by Chairman Gray Salada at 1:30 p.m.

The following Board members announced as present at the start of the meeting:

Tom Lott, on behalf of the Lower Colorado River Authority
Gray Salada, on behalf of Austin Independent School District
John Kohlmorgan, on behalf of Austin Independent School District
Martha Krischke, on behalf of the City of Austin
David Kelly, on behalf of the State of Texas
Earbie Matheny, on behalf of Travis County
Gary Weseman, on behalf of Austin Community College
John House, on behalf of the University of Texas

GAATN Personnel present at the start of the meeting:

Syd Falk, GAATN Attorney
Heidi Cottingham, Maintenance Contractor
Jonathan Clasberry, COA Support
Tommy Diaz, COA Support

Guests

Billy Gammon, William Gammon Insurance, per Board request
Russ Rumney, COA

Agenda Item No. 2:

Citizen Communication

Not present

Agenda Item No. 3

Approval of January 8th, 2007 Board Minutes.

Gray moved to approve the January Board minutes; the motion was seconded by Tom Lott, and passed unanimously.

Agenda Item No. 4:

Discussion and possible action regarding the Board Chairperson Update.

Billy Gammon, a representative of William Gannon Insurance, was present for a question and answer session about the current GAATN insurance coverage.

- A. Policy in the amount of \$12,480,000.00 with an aggregate 12 month deductible of \$50,000 expiring in September. All incidents would be subtracted from the deductible.
- B. Normal threshold acceptable to the insurance company for loss ratio is 40%
- C. Vehicular damage currently top expense, although squirrels cause more damage in terms of dollars.
- D. Insurance company will need to clarify if squirrel damage is considered rodent damage, as rodents are not covered by the policy.
- E. Of the policy 8.2 Million is below ground; 4.1 Million is above ground.
- F. The success rate for GAATN collecting on vehicular damages is 60%, assuming the data collecting process is not impeded.
- G. Insurance company will stand in for the Agency to recover any loss from a negligent party.
- H. If operation is below threshold, GAATN will take a look at the cost vs. return in handling it through the insurance company versus GAATN Legal.
- I. Should a loss become a full loss, the policy total will reset back to \$12 Million.
- J. Continuing the current Agency practice of setting aside 10% of overall value of the plant (\$800.000 estimated annually) was discussed.

Martha will forward a copy of the Agency damage workbook to Mr. Gammon for his use in analyzing GAATN's damage history. He will then formulate options for the Board to consider. These will be brought to the Board either in March or April 2007.

Agenda Item No. 5:

Executive Session:

Adjourn for closed session, under one or more of Tex. Gov't Code sections 551.071, 551.072, 551.074, and/or 551.076, to seek legal advise about pending, anticipated or contemplated litigation concerning:

- A. Construction, equipment, and product warranty claims;
- B. Damage to GAATN fiber optic cables, equipment, hardware, and other property;
- C. Contractual or tort claims by or against GAATN; or
- D. the procedures and operations of the Board or the organization; and/or to consider matters concerning
- E. real property purchase, exchange, lease or value;
- F. personnel matters; or
- G. Security devices or security personnel.

Reconvene for discussion and actions, if any, on matters considered in closed session.

Gray adjourned for closed session, under one or more of Tex. Gov't Code sections 551.071, 551.072, 551.074, and/or 551.076, at 1:35 pm. The regular open session resumed at 2:40 pm. There were no actions from executive session required by the GAATN Board.

Agenda Item No. 6:

Discussion and possible action regarding the financial report and budget issues. (AISD, 10 minutes)

John Kohlmorgan distributed the financial report and there were no questions.

Agenda Item No. 7:

Discussion and possible action regarding the Technical Subcommittee Update. (Lott, 20 minutes)

Two items were up for discussion by the board

- A. The first item from the committee was a recommendation to approve UT's request to add a new node at Brackenridge Hospital. Tom Lott made the motion for approval; Gary Weseman seconded. The motion was approved unanimously.
- B. The second item up for a vote by the board was a request by the Network Manager for approval to use \$23,800 to fix a conduit that was discovered damaged (in place 10 years). The funds would come from the Repair budget which currently sits at a \$235,000 balance. At this time there will not be a second conduit installed; however, through this work, we will be able to verify if the second duct exists. Motion by Tom Lott; seconded by Gary Weseman with unanimous approval.

Agenda Item No. 8:

Discussion and possible action regarding the Network Manager's update (COA 10 Minutes).

- A. **COA Update, Russ Rumney** - Russ gave an update on the two positions currently open at the COA that directly affect GAATN. One position is for Project Coordinator and the other is for a LAN/WAN Integrator. Two interviews have been held for the LAN/WAN Integrator Position and one is currently scheduled for the Project Coordinator Position. It is anticipated that the LAN/WAN Integrator position will be filled by the end of February, and the Project Coordinator position in late March. Russ handed out copies of the COA Job Postings, with descriptions, for both positions. In discussion, it was suggested that the Board be included in the interview process; COA, however, would like to do the hiring itself as they both are COA positions. Russ agreed to provide the resumes of the candidates selected for interview to the GAATN Board. Martha stated that she will remain Acting Network Manager until she feels confident that the new Network Manager will be able to perform sufficiently. The title change from IT Project Manager to LAN/WAN Integrator was effected by Russ to more clearly define the reporting structure of the COA GAATN team. This structure identifies Martha as the team lead.
- B. **2008 Budget** – Handouts on the draft budget for 2008 reflecting changes as discussed in the January Board meeting were distributed. The B2N finish-out project had been moved from 2008 into 2009 to allow the 2008 to be set at \$2,100,000. This included \$350,000 for Capital Improvements and \$433,000 for cable and material, an increase to support additional cable required for the approved A1N fiber replacement project. The net change in the budget, 2008 versus 2007, would be a 5% increase, and amount that Gray deemed reasonable and defensible for the entities. After discussion, Gray made a motion to approve the 2008 budget as proposed:

Network Management/SLA	-	\$183,000
Legal	-	50,000
Consultants	-	32,000
Maintenance	-	300,000
Mtce Contract	-	280,000
Teardown/Repair	-	250,000
Capital Improvements	-	350,000
Mat'l/Cable Reorder	-	433,000

OneCall, Locates	-	75,000
Common Equipment	-	14,000
Insurance	-	125,000
Fees, Dues	-	<u>8,000</u>
2007/2008 Total Budget		\$2,100,000

Tom Lott seconded the motion. The motion on the 2008 budget passed unanimously.

Agenda Item No. 9:

Confirm date, time and location for the next regular Board meeting as March 5th, 2007 at 1:30 p.m. in the previous location.

A. Add agenda items for next month.

Martha announced that she will not be at the Tech meeting in April due to attending a conference in Dallas.

John Kohlmorgan requested that copies of the revised GAATN Damage Recovery Flowchart and Policy be available at the next board meeting.

The meeting was adjourned at 3:34 p.m.