

**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 January 14, 2008
Lower Colorado River Authority
Hancock Building, Board Conference Room
3701 Lake Austin Blvd**

Agenda Item No. 1:

The meeting was called to order by Chairman Gray Salada at 1:32 p.m

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

Gray Salada, on behalf of Austin Independent School District
Martha Krischke, on behalf of the City of Austin
Wayne Wedemeyer, on behalf of the University of Texas
Tom Lott, on behalf of the Lower Colorado River Authority

GAATN Personnel present at the start of the meeting:

Bill Bennett, GAATN
James Gomez, GAATN
Syd Falk, GAATN Attorney

Guests

Earbie Matheny, Co Com Cabling Systems
William Gammon, William Gammon Insurance Agency
Lynn Butler, Co Com Attorney
Bill Romney, Bridgepoint Consulting, LLC - Chief Restructuring Officer

Agenda Item No. 2:

Citizen Communication

Not present.

Agenda Item No. 3:

Approval of the December 3, 2007 Board Minutes

Wayne Wedemeyer made the motion to approve the December 3, 2007 Board minutes. The motion was seconded by Gray Salada and passed by unanimous vote.

Agenda Item No. 4:

Discussion and possible action regarding the Board Chairperson Update.

A. Representative of William Gammon Insurance Company, report on claim status.

Gray Salada recognized William Gammon and asked that he update the Board regarding his attempts to recover some portion of the last several years' damage claims that he has been negotiating with the insurance carrier, Fireman's Fund Insurance Company. Mr.

Gammon explained that he has written up all the qualifying claims for Fiscal Years 04-05 and 05-06 but not for FY 06-07 because that year did not qualify (allowable claims did not exceed the \$50,000 aggregate deductible). As stated, the insurance company has accepted the claims for those two FY's and has assigned an adjuster as well as a claim number and will be sending out a "Reservation of Rights" letter this week. The Reservation of Rights letter was an expected response due to GAATN's delay in bringing these damage incidents to their attention. The letter states that although the incidents being claimed appear to be covered under the policy, the insurance company reserves the ability to deny the claim(s) if further investigation warrants. Mr. Gammon feels that an adequate "paper trail" exists (including photographs of the damage) in documentation from Co Com to support these claims and that the Unit Costs of repairs were reasonable and customary. Furthermore, he stated that the adjuster has begun to understand the way GAATN must operate, executing repairs immediately to minimize the possibility of disruption of communications, rather than waiting for the arrival of the insurance adjuster before commencing repair or replacement..

Mr. Gammon expressed some confidence in the worthiness of our claims, although he stated that "it is too early to be optimistic". Since we are about 2-3 years late reporting these "teardown and dig-up" incidents, the insurance company is somewhat limited in what can be done to find the Third Party Perpetrator(s) of these damages. This inability to subrogate (or pass-on) some of the costs to the Third Party Perpetrator(s) may result in Fireman's Fund not making full settlement of our claims. He further stated that we should receive the answer within 60 – 90 days and the worst they can say is "No".

Agenda Item No. 5:

Executive Session:

Adjourn for closed session at 2:03 p.m., under one or more of Texas Government Code sections 551.071, 551.072, 551.074, and/or 551.076,

to seek legal advice 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;

- E. and/or to consider matters concerning
- F. Real property purchase, exchange, lease or value;
- F. Personnel matters; or
- G. Security devices or security personnel.

The regular session reconvened at 2:44 p.m. for discussion and actions, if any, on matters considered in the closed session. There were no items from executive session that required actions by the GAATN Board.

Agenda Item No. 6:

Discussion and possible action regarding the financial report and budget issues

Gray Salada distributed the October Budget Report which was discussed. There was some brief discussion of the 2008-09 budget status. Martha pointed out that Austin currently has a high rate

of redevelopment and infill and the overall construction budget will need to maintain or grow in response over the next few years.

Agenda Item No. 7:

Discussion and possible action regarding the Technical Subcommittee Update

A. Wireless, WIMAX, 802.11 Expansion Possibility

Tom Lott stated that the committee had discussed the possibility of a combined wireless (WIMAX, 802.11, etc.) overlay project, but that it was not feasible at this time. The topic should be kept as a “tickler” subject for future discussion as technology progresses.

B. Recommendation for Setting 2009 Capital Projects Budget Level

Tom Lott reported that the committee had discussed prioritizing the long term Capital Projects and that additional information needed to be gathered to continue that discussion.

C. Recommend two New AISD Sites

Tom summarized that the committee had discussed and was recommending approval of two new AISD sites on the A1N ring. Tom then made the motion to approve those two A1N sites and Wayne Wedemeyer seconded the motion. The vote was unanimous for approval.

Additionally, Tom mentioned that the Special Subcommittee will meet at 11:30 am on January 23rd (prior to the Tech subcommittee meeting) at Co Com, to begin discussion of the rebid of the fiber maintenance RFP.

Wayne Wedemeyer then stated that UT had hired two student contractors to handle the simple updates of the GAATN website and is in the process of letting a contract to a website analysis professional. This person will evaluate the website and redesign and implement the interactive sorting of the database. Therefore, it will no longer be necessary for Bill Bennett to work on creation of an RFP for this purpose.

Wayne also mentioned that Dave Kelly had asked him to inquire why the State did not receive notification of the SRN outage on January 7th. Martha Krischke noted that the problem was with the Agency Mail List Serve and would have to be solved through Gary Weseman. This is an ongoing puzzle as to why non-deliveries happen intermittently.

Agenda Item No. 8:

Discussion and possible action regarding the Network Manager's Update. This item may necessitate an executive session due to protection provided by Government Code 551.076. This will be at the discretion of the Chairperson.

A. 2008-2009 Budget - Martha Krischke handed out preliminary budget worksheets and led the generalized discussion of the proposed budget.

B. Convention Center Redundant Entrance -

Adjourn for closed Executive Session at 3:39 p.m., under one or more of Texas Government Code sections

551.071, 551.072, 551.074, and/or 551.076,

to seek legal advice about pending, anticipated or contemplated litigation concerning:

- G. Construction, equipment, and product warranty claims;
- H. Damage to GAATN fiber optic cables, equipment, hardware, and other property;
- I. Contractual or tort claims by or against GAATN; or
- J. the procedures and operations of the Board or the organization;

- K. and/or to consider matters concerning
- L. Real property purchase, exchange, lease or value;
- F. Personnel matters; or
- G. Security devices or security personnel.

The regular session reconvened at 4:05 p.m. for discussion and actions, if any, on matters considered in the closed session.

Martha Krischke moved for GAATN to support the COA effort to re-route GAATN plant along the Hike-and-Bike Trail to West Cesar Chavez by making GAATN owned cable available for the re-route project. This agreement with COA is based on the commitment that the cable will be replaced (or reimbursed for in full), and there shall not be any other costs to GAATN. Wayne Wedemeyer seconded the motion and it passed unanimously.

Agenda Item No.9:

Confirm date, time, and location for the next regular Board meeting as February 4, 2008 at 1:30 p.m. in the Hancock Building at LCRA on Lake Austin Blvd.

A. Add agenda items for next month.

The meeting of the Board of Directors adjourned at 4:15 pm.