

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

MEETING OF THE BOARD OF DIRECTORS

MEETING HELD January 10, 2017 1:30 p.m.

AT Lower Colorado River Authority
LCRA Service Center, Room A502/503
3505 Montopolis Blvd.
Austin, Texas

MINUTES

1. Call to Order and Roll Call

Dain Herbat, on behalf of Travis County
Gary Weseman, on behalf of Austin Community College
John Kohlmorgan, on behalf of Austin ISD
Syd Falk, GAATN attorney
Mike Gibbons, on behalf of Lower Colorado River Authority
Wayne Egeler, on behalf of State of Texas DIR
Jay Graves, on behalf of State of Texas DIR
Jaime Guerra, on behalf of the University of Texas
Frank Ammons, on behalf of GAATN
Carlos DeMatos, on behalf of GAATN
Bruce Hermes, on behalf of City of Austin
A quorum was established at roll call.
Members of the public present:
Bryan Hammack, on behalf of Titus Systems
Martha Krischke, on behalf of JC Communications
Chris Gonzales, on behalf of BryComm, LLC
Cory Brymer, on behalf of BryComm, LLC

2. Citizen Communications

There were no citizen communications.

3. Review and Approve the minutes for the regular Board Meeting of December 6, 2016

Dain Herbat asked members to review the minutes from the regular Board meeting of December 6, 2016. Jaime Guerra noted that his name was missing from roll call, which will be corrected. Gary Weseman moved to approve the draft minutes as amended; Mike Gibbons seconded the motion and it passed unanimously.

4. Board Chairperson Update (40 minutes) – Discussion and possible action regarding:

A. GAATN project expense definitions

Chairmen Dain Herbat noted that this is an AISD request and asked John Kohlmorgan to speak to the item.

John Kohlmorgan noted that the proposed project expense definitions were discussed in the previous Board Meeting. AISD uses certain terminology for classification of projects in its accounting system; from an accounting perspective, using current GAATN terminology makes it difficult to be sure how to classify different projects, i.e., as maintenance or as capital improvement. The request from AISD is for the Board to clearly redefine the four current GAATN categories of projects and the terminology that GAATN uses, to more clearly identify what a CIP project is (i.e., which projects are CIP), while possibly assigning monetary values to it.

Dain asked what would be the desired outcome of this request. John referred to the current GAATN Project Status page and the use of C for CIP, R for Repair, and M for Maintenance,

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and noted he is unsure if those are clear definitions. His intent is to get clear definitions for each, allowing for better understanding of how finances are accounted for and how monies are spent.

Bruce Hermes recalled that in the last Board Meeting the Board had decided to assign a subcommittee to this issue. Dain expressed concern that such a change in expense definitions could hinder GAATN future progress. He asked for volunteers for a subcommittee on this topic. Bruce Hermes, John Kohlmorgan and Dain Herbat volunteered and will constitute the subcommittee for ongoing discussions of this topic.

John Kohlmorgan stated that he does not expect it will be extremely difficult for the members to agree upon definitions. He thinks most of the classifications are fairly clear but that GAATN needs to be consistent on terminology, and he referenced CIP projects as an example. Dain stated the recent expansion discussions (e.g., projects classified as expansion can require unanimity for funding) must be considered regarding what is being requested; and he asked whether, if we do such a redefinition of terms, there will be confusion about how expansion and non-expansion projects are distinguished, and we may find ourselves in the situation of some members having to fund projects while others will not.

Dain also wondered whether if we redefined CIP projects in a way that included MAC or some Maintenance projects they would possibly be considered to be expansions. His concern is whether GAATN could potentially be hampered in any way with the change in terminology by use of the word "expansion" tied to it. Bruce Hermes spoke to the use of the word "expansion" noting the majority vote it requires for funding by GAATN, and that he understands Dain's concern; and that GAATN legal may be required to give input to the matter.

Jaime Guerra asked what the desired outcome of the subcommittee would be and whether or not there would be a policy document created. Bruce Hermes stated that the subcommittee should make a recommendation to the Board.

No other action was taken on this item.

B. FY18 GAATN Budget

Frank Ammons noted the budget originally proposed in the November Board meeting was \$1.8 million, and that it was brought back to the December Board Meeting modified to \$1.7 million as requested, and again to the meeting today.

Dain Herbat asked about the locate service funding for FY18 and why there was an increase over FY17. Frank explained this was due to the rapid growth within Austin as well as Google fiber coming to Austin, which has increased demand for locates, so this budget takes into account the past five years of expenditures as well as future projected needs.

Dain asked if the budget was \$1.8 million last year and whether there was funding left over; Frank replied yes to both. Frank explained the change to a ten-month fiscal year contributed to a remaining balance larger than in recent prior years.

Dain asked if GAATN wants to include funding for the GAATN Convention Center Backup NOCC project in the FY18 budget. He noted that if GAATN moves forward with this budget as proposed, we are choosing to not fund the GAATN Convention Center project in the FY18 budget. Dain asked whether or not the members will allocate funding within FY18 to accommodate the project or whether the funding would instead come from the project reserve funds.

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Bruce Hermes asked if there is a certain time of the year that funding can be moved from the project reserve. Dain replied that it could be moved from the reserve project fund at any point.

Gary Weseman stated that, once the members receive the estimates of design and associated costs, the Board can then decide how best to fund the project. John Kohlmorgan stated that once GAATN received the design and estimated costs for the project, and there is acceptance and approval from all members, that it would be appropriate to use the fund balance to fund the project.

Bruce Hermes asked when Network Management thought the project would start. Frank Ammons replied it could begin in early FY18 if approved and funded.

Bruce Hermes moved to approve the FY18 GAATN Budget as presented; Dain Herbat seconded the motion and it passed unanimously.

C. GAATN Subcommittee of Convention Center Backup NOCC update

Jaime Guerra reported that a subcommittee was convened at the last Technical Subcommittee meeting, consisting of himself, Jay Graves, and a member from the City of Austin soon to be identified. Jaime explained that the Tech Committee felt it appropriate to have a member from the City because the facility being discussed – the Convention Center – is a City of Austin facility; and that once the City member is identified, a meeting of the newly formed subcommittee will be held. Its purpose is to ensure efficiency with the design and cost of the project.

Frank Ammons reminded the members that TTG, the GAATN engineering consultant for this project, is committed to have the design and costs completed by March 1st, 2017, as requested by Network Management. Frank expressed concern, however, about meeting the scheduled March 1st completion date because most members had not provided requested information. He has only received one response to date (from Travis County) regarding requested load/electrical requirements for the Convention Center Backup NOCC design. Frank will send all members the Travis County response to use as a template; if members need any assistance or have any questions, they may contact him directly. Frank needs the members to reply to TTG and copy Network Management with their load/electrical requirements by the Friday before the January Technical Subcommittee meeting.

Jaime Guerra asked the City of Austin to identify the City representative by the end of the week.

Bruce Hermes asked if the current Standard Operating Procedures (SOP) identifies the type of equipment that is allowed to be placed in the Backup NOCC. Frank replied that it does not. This is something previously discussed and is something open to further discussion.

Dain Herbat asked the members to please respond to the load/electrical requirements as requested to aid in the development of the design so that a project cost estimate can be established. Jaime confirmed that GAATN needs to make progress with this and that the new subcommittee can meet while the members are providing their responses.

D. GAATN Network Management SLA evaluation process discussion

Frank reminded the members that following the August 2017 SLA Network Management evaluation, the GAATN Board is recommending that SLA scoring occur once a year instead

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of twice; and that the February evaluation would provide the members an opportunity to review progress and provide goals going forward.

John Kohlmorgan suggested that an electronic format for scoring may be best, so that all members get a chance to score. The Board agreed to do a face-to-face discussion in the February Board meeting with Network Management. The February meeting will start at 1:00 p.m. to allow for a potential thirty-minute discussion. There should be discussion by the Board prior to its August meeting regarding electronic scoring formats.

**5. Network Manager's Update (COA, 10 minutes) – Discussion and possible action regarding:
A. Any existing network operations, repairs, or maintenance issues, including any that occurred since the last Board Meeting**

1. Pending projects

Frank reviewed the pending projects and that fiber is scheduled to arrive on February 3rd for multiple projects.

Other particular projects discussed –

- DA Office Projects & D1N Kealing MS Supernode Connectorization
- Level 3 Maintenance Hole Project and upcoming connection to presented at the next Tech Meeting. Frank reminded any members that may be interested in participating in the Level 3 connection with UT to contact UT prior to the next Tech Committee meeting
- Work on Colorado Street is to be completed tomorrow night for the UT O'Henry tie-in

Gary Weseman asked that the GAATN future projects entries either be moved up to be placed below the active projects entries, or to just incorporate them into the active projects list. The Board asked Network Management to add the future projects to the active projects portion of the spreadsheet.

2. Job Budget Tracking review

Frank reported that Network Management is currently tracking 36 jobs totaling \$555k, leaving \$320k remaining for additional FY17 jobs. Dain Herbat asked if any of the future projects listed on the Project Status Page can be completed this year during the legislative session, to which Frank replied no.

Dain asked if it appears that GAATN would be able to expend its current budget before the next fiscal year. Frank explained that this would be very difficult to accomplish during the legislative session with the projects as they are ranked, but there is the possibility for maintenance work, such as splice audit work, reconnectorization projects etc., to be completed on the rings GAATN allows to be worked on during a legislative session, if approved.

3. Report on C1S Damage claim at Jones Rd and Buckskin Pass

Frank reported that this claim against the City of Austin for approximately \$25,000 will be paid. The City will be cutting a check to GAATN for the full amount but the details of the City's internal payment mechanism still need to be worked out.

6. Executive Session: Adjourn for closed session, under one or more of Texas Government Code sections 551.071, 551.072, 551.074, 551.076 and/or one or more sections 418.175 – 418.181 (“H.B.9”), to seek legal advice or to preserve confidentiality as permitted by law (including but not limited to pending, anticipated or contemplated litigation concerning):

- A. Construction, equipment, and product warranty claims;

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- B. Damage to GAATN fiber optic cables, equipment, hardware, and other property;
- C. Contractual, tort or other legal or equitable claims by or against GAATN; or
- D. The procedures and operations of the Board or the organization;
- E. GAATN Management and Operation
And/or to consider matters concerning:
- F. Real property purchase, exchange, lease, easements or value;
- G. Personnel;
- H. Security devices, security personnel or security procedures or protocols; or
- I. Issues involving GAATN physical plant detail made confidential by law
- J. Or other matters as permitted by the Texas Open Meetings Act

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

There was no Executive Session.

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

A. Financial Report

John Kohlmorgan reviewed the fiscal agent budget report dated as ending on November 30th. John stated that AISD is continuing to play a bit of catch up in its transition to a new accounting system, but that it is in much better shape than it has been in the recent past. They still are finding a few accounting discrepancies, but all Purchase Orders are out and current invoices are being paid.

Bruce Hermes asked how long it typically takes for payment to be made to our vendors and John replied typically it is 2-3 weeks. Jaime Guerra asked if AISD can cut checks at will or on a daily basis, and John explained that there are certain dates on which AISD issues checks. John asked the members to send him an email should they have any additional questions.

8. Confirm date, time, and location for the next regular Board meeting on February 07, 2017 at 1:00 p.m. at the LCRA Service Center, 3505 Montopolis Blvd., Room A502/503, Austin, Texas.

A. Items to be added to the next Board Agenda:

Dain Herbat reported that he has asked Network Management to add an agenda item for future Board meetings, to be placed after the Financial Report, to provide an opportunity for a meeting summary and to identify action items for Network Management, committees and members.

The date, time, and location for the next regular Board meeting were confirmed; the meeting adjourned at 2:38 p.m.