

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

MEETING OF THE BOARD OF DIRECTORS
MEETING HELD January 8, 2019 at 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

GAATN Board Chairman Dain Herbat called the meeting to order at 1:30 p.m.

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

Dain Herbat, on behalf of Travis County

Bruce Hermes, on behalf of City of Austin

Gary Weseman, on behalf of Austin Community College

John Kohlmorgan, on behalf of Austin ISD

Steve Pyle, on behalf of State of Texas DIR

Harold Nall, on behalf of the University of Texas

Jaime Guerra, on behalf of the University of Texas

Frank Ammons, on behalf of GAATN

Carlos DeMatos, on behalf of GAATN

Syd Falk, GAATN attorney

A quorum was established at roll call.

Members of the public:

Chris Gonzales, on behalf of BryComm LLC

Charles Ross, on behalf of JC Communications

Wayne Wedemeyer, on behalf of the University of Texas

Evan Gill, on behalf of developer for Grove at Shoal Creek

2. Citizen Communications

There were no citizen communications.

3. Review and Approve the minutes for the regular Board Meeting of December 4, 2018

Bruce Hermes moved to approve the draft minutes as presented; Steve Pyle seconded the motion and it passed unanimously.

4. Consent Agenda Items from Technical Subcommittee Meeting of December 18, 2018

Jaime Guerra stated that all three items were reviewed and recommended for Board approval at the December 18 Technical Meeting. Jaime Guerra moved to approve the consent agenda items 4A at a cost not to exceed \$75k, 4B which is developer-funded, and 4C at a purchase price of \$56,738.52; Gary Weseman seconded the motion and it passed unanimously.

A. Seeking approval on SRN to bypass AE pole attachment with underground duct bank

B. Seeking approval for developer project at the Grove at Shoal Creek

C. Seeking approval for UT EUFAP request to purchase 12 strands on D1N

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5. Board Chairperson Update – Discussion and possible action regarding:

A. Seeking approval for implementation of administration costs from GAATN to 3rd Party Projects

Frank said the Board previously reviewed an analysis put together by management which illustrated how much GAATN would have recovered if it charged an administration fee for third-party initiated projects. The analysis showed that GAATN would have recovered approximately \$80k cumulatively over the past five years had it charged a 12% fee for such projects. As discussed in the last Board meeting, several GAATN entities charge similar administrative fees. Frank said management has reviewed documentation about industry-standard fees for governmental entities and has sent this information to the GAATN attorney for review. Frank said COA departments Austin Energy and Public Works both charge a 12% administrative fee, and he has seen companies charge anywhere from 10-33% of the project cost. Frank recommended GAATN adopt a policy implementing this fee for third-party projects including those resulting from damage to the plant by a third party. John Kohlmorgan said he thinks the fee is a good idea, but he thinks it should be justified based off of metrics, and the percentage should be reviewed annually in case adjustments need to be made. Frank said he found a formula from the private sector that he would review with the GAATN attorney. The Board directed management to work with the GAATN attorney to draft a policy to bring back to the Board for consideration.

B. Seeking approval for FY2020 Additional GAATN Network Management Team Resource

Frank said this was previously presented at the December Board meeting with the request being for an additional FTE for the GAATN Network Management team. At the December meeting, the COA Board Member said the City preferred that GAATN fund a full FTE rather than a partial one. Other members requested that management break out the hours spent on different deliverables as justification for the additional resource for Board consideration. Frank asked members to review the breakout of hours spent by management on eight different deliverables over the past four and a half years. Dain noted that the city is proposing an 8.8% cost increase to maintain the current three FTEs that service GAATN. Frank noted the SLA will expire at the end of August, and approval of the FY20 budget doesn't have to be tied to approval of the additional resource request. Frank asked members to review the SLA cost history and related minutes excerpts detailing the reasoning for the previous increases. Gary Weseman said the presented breakout of hours spent on the eight deliverables do not adequately illustrate the need for an additional employee. Frank said these eight deliverables do not represent the whole of what the GAATN management team does, but they are the items that have had the greatest spike in workload over the past five years. Frank asked the Board how they would like to see the information presented. Dain said he didn't feel he could support an additional full FTE with the additional cost proposed. John said he thinks this should be further researched along with consideration of the implementation of the administrative fee for third-party projects, reviewing time spent by management on SLA deliverables and determining whether any of those hours can be charged back to an entity or developer, and negotiating the costs of the new SLA with the city. John said this one item should not stop GAATN from passing the FY20 budget; he thinks there is more than one way to ease the workload on management. Dain said, from the breakout presented by management, it appears that management is spending about 1,000 additional hours on these eight items than it did five years ago, which is the equivalent of a half of a FTE. Frank said management will track its workload over the next two months to present at the April Board meeting. Gary suggested management use the SLA deliverables and illustrate how many hours it spends on those deliverables.

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C. Seeking approval for FY2020 GAATN Budget

Frank noted that the budget session was held during the December Board meeting, and per the request of members, management brought back a flat \$1.7 million budget for consideration. He explained there are two options for consideration, both at \$1.7 million, with the only difference being the amount for the network management SLA. One option was for three FTEs, or the current status of the network management team, and the other option was for four FTEs. Gary Weseman moved to approve a \$1.7 million FY20 budget utilizing the FY19 approved budget as a benchmark and three FTEs on the network management SLA; Dain Herbat seconded the motion and noted this was using FY19 allocations; Syd Falk asked for clarification as to whether the Board was approving FY20 budget option one or two; Dain said budget option two. A vote was taken and it passed unanimously.

D. Property damage claim resulting from tear down at D1N Webberville Road/Delores Ave

This item was reviewed in executive session for attorney consultation. Upon reconvening in open session, there was no action taken or further discussion had.

E. Update of GAATN Backup NOCC at Austin Convention Center

Frank said management is continuing to work with Public Works, Convention Center, and CTM Finance to determine the payment process and timelines for the project. Bruce Hermes said that CTM's preference is for Public Works to bill GAATN directly. Jaime asked if Public Works had started the technical review process; Frank said they have. Frank said the technical review and RFP processes are taking place simultaneously with the determination of the payment process. Frank will follow up with Public Works about the technical review.

F. Seeking approval for UT project of A1N site at 3200 Red River

This item was reviewed in executive session for design review. Upon reconvening in open session, Gary Weseman moved to approve the UT project of A1N site at 3200 Red River; Bruce Hermes seconded the motion and it passed unanimously.

6. Network Manager's Update – Discussion and possible action regarding:

A. Any existing network operations, repairs, or maintenance issues, including any that occurred since the last Board Meeting

1. Treaty Oak Decommission project status update

Frank said that since the SRN trench project was just approved in this meeting, management will work with the vendor to get that project scheduled soon. SRS will be scheduled first, as it is the only ring that is fully ready to be decommissioned. Frank noted all AE permits have been approved; however, the excavation and ROWMAN permits must be extended because GAATN is having to place a new maintenance hole, which will make access easier in the future. Management is aiming for SRS to be completed the first week of February. Jaime announced that UT is ready to vacate Treaty Oak on all rings. Dain said that Travis County is very close and should be ready by the end of January. Jaime said he wants to confirm that UT will have six strands on A1N between Treaty Oak and the UT System Building and that he will touch base with management about that outside of the meeting.

2. Pending projects

Frank reviewed the following upcoming/recently completed projects:

- SRN Input City Hall – scheduled to complete 1/9
- SRN Output City Hall – scheduled to complete 1/15
- SRS Input City Hall – scheduled to complete 1/22

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- SRS Output City Hall – scheduled to complete 1/29

3. Job Budget Tracking review

Frank said management is currently tracking 13 jobs totaling \$400k, or 55% of the FY19 MAC budget. This leaves \$325k remaining for additional FY19 jobs.

- 7. Executive Session:** At 2:12 p.m., Dain Herbat announced that the GAATN Board was adjourning for closed session under Texas Government Code sections 551.171 and 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) regarding Agenda items 5D and 5F.

At 2:30 p.m., the GAATN Board was reconvened in open session. Agenda items 5D and 5F were the only items discussed.

- 8. Discussion and possible action regarding the financial report and current fiscal year budget issues.**

A. Financial Report

John Kohlmorgan reviewed the summary revenue and expenditure reports. He asked LCRA and COA about the payment status of their annual contributions.

- 9. Meeting & Action Items Summary:**

Frank reviewed the following action item for management from this meeting:

- Include more information on consent agenda items
- Send members update on Treaty Oak Decommissioning status
- Tracking workload hours for management team
- Include budget forecast tool for all budget discussions going forward

- 10. Confirm date, time, and location for the next regular Board meeting on February 5, 2019 at 1:30 p.m. at the LCRA Service Center, 3505 Montopolis Blvd., Room A502/503, Austin, Texas.**

The date, time, and location for the next regular Board meeting were confirmed; the meeting adjourned at 2:51 p.m.