# MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

**155 N. Taylor St., Fallon, NV 89406**
**July 3, 2025**

**Call to Order:**
The regular meeting of the CC Communications was called to order at 11:00 AM on July 3, 2025.

PRESENT: Commissioner Matt Hyde
Commissioner Eric Blakey
Commissioner Myles Getto
General Manager Mark Feest
Chief Financial Officer Jamie Hyde
Administrative Assistant Shelly Bunyard

ABSENT:

**Public Comment:**
Chair Matt Hyde asked if there was any public comment but there was none.

**Verification of Posting of Agenda:**
It was verified by Shelly Bunyard, Administrative Assistant, that the Agenda for this meeting was posted on the 27th day of June, 2025 between the hours of 1 pm and 5 pm at all of the locations listed on the Agenda, in accordance with NRS 241.

**Consideration and possible action re: Approval of Agenda as submitted or revised:**
Commissioner Myles Getto made a motion to approve the Agenda as submitted. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

**Consideration and possible action re: Approval of Minutes of the meeting held on:**

**A- June 5, 2025**
The Minutes of the meeting held on June 5, 2025 are submitted for the board's consideration and approval.

**Old Business:**

**A- Consideration and possible action re: establishment of an IRC 457(f) plan.**
Mark Feest, CC Communications. We brought this item before the Board for the first time last month. As noted in that discussion, we were not quite ready. We laid down the groundwork for why we are trying to do this.

I will start with the updates of what we discovered and what we are now proposing. Deputy District Attorney, Joe Sanford, has reviewed these items also. We met with Principal and they gave us some further advice on the 457(f) as compared to a 457(a). We received and reviewed from them a resolution to be adopted by the board. The District Attorney's office has reviewed the resolution. We have the material attached to the agenda that Principal provided to us about how the 457(f) works. We also attached the 457(f)-plan adoption agreement which we would enter into with Principal. There is also an overview on record keeping, Notice of Intent and our 7.5.1 Supplemental Retirement Policy. That policy goes over how a person would qualify for the 457(f) plan. It's intended that this would only be available to no more than three employees and the amount that will be put into the 457(f) on their behalf is that difference between what would have been paid into PERS and what we actually end up paying into PERS when that salary cap hits them. The administrative fee would be covered by the company outside of that. There is an administrative fee listed in there from Principal just to have this plan activated. The employee can also defer income into a 457(f). If the only amount that goes into the 457(f), is the difference in PERS payment, it won't be a lot of money going in every year. Principal advised there is not a lot of money to be made off of it and that's why they have the administrative fee. Once you start the plan and make it available, the administrative fee will be there whether one person or multiple people use it and whether or not they participate by putting their own money into it. This cost would go into the labor costs. It was further discussed after this packet went out, regarding when we would want to start this plan. As it's worded, it only applies to the people who are hired and promoted in the future, that are impacted by the PERS CAP. If it is approved, we won't even start it until we actually have an employee that is subject to it. Thereby we won't start incurring a $4,000 per year administrative cost. Are there any questions or concerns?

Commissioner Eric Blakey. I don't have any questions. It's definitely another tool in the box to attract the right person for the job. It's a common trend across American for these kinds of programs and offerings. Thank you for finding this option.

Commissioner Matt Hyde. I would add that it's pretty difficult to hire the employees who qualify for this. PERS isn't what it was and there needs to be incentives beyond that. Are there any other comments or can I obtain a motion at this time.

Commissioner Myles Getto made a motion to establish a non-qualified 457(f) plan with Principal Financial Services, together with a policy establishing participation procedures for employees impacted by the PERS salary cap and hired or promoted after July 1, 2025. Commissioner Eric Blakey seconded the motion, which was carried by unanimous vote.

**New Business:**

**A- Consideration and possible action re: employee purchase of service request pursuant to Policy 7.6 for Mark Feest.**

Mark Feest, CC Communications. Under Policy 7.6, the company can purchase service upon retirement of an employee, not to exceed the amount of savings that is calculated pursuant to the Policy. This is making an assumption that the newly hired person is hired at a step 1 salary and there is a savings over three years. We also have to include a reasonable replacement cost estimate. At the bottom of the first page, it shows salary savings estimated at $116,544.00 over 3 years. That's the difference between my current salary and the current step 1 salary. The replacement cost estimate is $17,500.00. It will be up to the board, as to how they approach that replacement, whether they hire a firm or whether they go in a different direction. The three-year estimate net savings are $99,044.00. My proposal is the cost for seven months of service is estimated at $94,432.61, which was calculated by PERS and for six months the cost is $80,865.09. I put those two in as a choice. There's a couple moving parts that go on here. We don't know exactly that the replacement cost is. I have a birthday coming up and these numbers will actually change on my birthday and then every month they will change until I retire. If the board is open to doing this, the motion is not to exceed, and you just pick a number not to exceed. If that buys 5 ½ months when I retire within this current fiscal year or if it buys six months, but we certainly won't buy more than seven months. It is below the savings. The policy was changed last month but I comply with the old policy. It wasn't changed to benefit me.

Commissioner Matt Hyde. Asked if there are any questions from the board or any public comments and there were none.

Commissioner Eric Blakey made a Motion to approve the purchase of up to 1-year PERS Service credit for Mark Feest pursuant to Retirement Incentive Policy 7.6 in an amount not to exceed $94,342.62. Commissioner Myles Getto seconded the motion, which was carried out by unanimous vote.

**B- Consideration and possible action re: amendment to General Manager / CEO Employment Contract.**

Mark Feest, CC Communications. My current employment contract expires May 5, 2028. The Board may terminate that contract at any time with cause. The Board may terminate that contract without cause upon 30 days' written notice and the payment of a severance package equal to 12 months' salary or the remaining time on the contract, whichever is less. The Agreement has a recurring one-year extension triggered by an overall good or excellent annual evaluation. In December, I get my annual evaluation and at that point my contract will have a little more than two years left on it. If I had a good or excellent, it would add one more year to the end of the contract.

I will go through each change in the amended contract at the meeting.

The following sections are new or amended:

2. **Full-time Hybrid/Remote Option**. – I drafted the changes to the original contract, and they were provided to the Deputy District Attorney who had some comments and changes. This provides the opportunity to fulfill all duties and obligations contained in both this agreement and the company policy in a full-time remote manner. The minimum in office requirements will be attended at least 50% of all regularly scheduled board meetings and will be on site an average of 7.03 days per month over a rolling six-month period. The 7.03-day calculation takes 260 days in office over five days per week and 52 weeks and is reduced by thirteen PERS holidays that the state mandated CC Communications follow. It also includes 29 vacations days, which is employees over 24 years of service. Ignoring sick leave days off, there is 17.58 average office days for a fulltime office employee. When you multiply it by 40% you get 7.03 days per month. In the packet, the explanation also notes that if you multiply it by 45%, you get 7.91 or 50% you get 8.79. That's the logic underpinning 7.03 days. If this is approved, I think it will take some time to see how it really works out knowing that it doesn't go below 7.03 days.

2b. **Return to Office Directive.** – Upon 30 days of written notice, the board may determine that it is in the best interest of CC Communications to discontinue the Hybrid/Remote Option and direct the General Manager to return to office. It requires the vote of the Board. A vote on the Return to Office (RTO) that takes place prior to April 1, 2026, Board meeting may be treated by General Manager, in his discretion, as an involuntary termination without cause. If we go this direction, we will give it 90 days before a change is made. The Board retains the option to change within those 90 days. It could be treated as an involuntary termination.

3. **Term.** – If approved by both parties, the General Manager's employment under this

Employment Contract shall be effective January 1, 2026. Until that time we will work under the current contract.
7. **Salary.** – No merit increases will be provided pursuant to evaluations completed during the period of this employment contract. The annual evaluations will still take place.
16. **Termination.** – This Agreement will terminate on the expiration of its term set forth in Paragraph 3. This Agreement may be terminated by mutual agreement. The General Manager can be dismissed at any time for just cause. There used to be a no notice requirement for notice of termination. It was just by policy, which is two weeks. If I gave two weeks' notice, I would get paid out of my sick leave and outstanding vacation. Now, under paragraph f, it states the employee will provide a minimum of thirty days' notice prior to separation. Failure to provide thirty days' notice will result in forfeiture of payment of any outstanding leave or sick pay. Thirty days' notice is not required in the event of employee death or medical retirement.
17. **Medical Retirement or Death**. – If, at any time during the period of the contract, employee medically retires, including death, company will purchase any previously approved PERS service credit that remains unpurchased. If employee continues in their current position past June 30, 2027, and thereafter medically retires, including death, the company will pay the employee or his beneficiary, the amount previously designated for PERS credit purchase.

You just approved a purchase of service for me, that is only good until June 30th this fiscal year. If we enter into this agreement and I stay past the fiscal year, that will toll at the time I retire I will still get that $94,342.62 in retirement purchased for me. Joe, do you have any comments.

Chief Civil Deputy District Attorney, Joe Sanford. That is most of the changes that were made. I went through the agreement and made sure that none of the changes would have any significant impact in terms of the ability of the board to take any action that they previously had the power to do. In fact, you have a little more option in this particular case. The Return to Office portion, I think, is the most significant changes that were made and the remote option. If you have any questions about how that would work or would be structured like, I'm happy to answer them.

Commissioner Matt Hyde. Any questions.

Commissioner Eric Blakey. Can you clarify in your last statement you made about whether you choose not to take your time before June 30th.

Mark Feest, CC Communications. This contract is for two years and will go into effect on January 1st. Either for cause or not cause there is a severance package or on thirty days' notice the contract could end prior to June 30th. If the contract goes for the entire two years or a portion of the two years, the $94,342.62 will not be purchased in this fiscal year. That amount will be held over until I retire. I still would get the approved purchase amount, but it would just be after June 30th. I wouldn't come back and reapply for the retirement incentive plan.

Commissioner Eric Blakey. Thank you.

Commissioner Matt Hyde. Just to be clear, if you buy that time next month, you will have to retire in that fiscal year. You can't buy that time and then work two more years. By waiting, the wage goes up.

Mark Feest, CC Communications. The dollar amount remains the same.

Commissioner Matt Hyde. It's a set amount not a set amount of time. Are there any other comments?

Chief Civil Deputy District Attorney, Jose Sanford. Sherry brought something up and realized the way it was written, kind of made it unclear. In section 17, which is medical retirement or death, the service credit itself cannot be purchased after death. The intention in that section was that if there was a death, that the same purchase price would be made part of the estate and given to a beneficiary. That only permanently applies if it's done after June 30, 2027. The intention was always if there was a medical retirement or death, the purchase of service credit itself was not allowed, that it would be paid to a beneficiary.

Mark Feest, CC Communications. Correct.

Chief Civil Deputy District Attorney, Joe Sanford. That is the only amendment we would ask.

Commissioner Eric Blakey. You're asking us to buy you some time and you plan to retire prior to the end of your current contract. Is that a good assumption?

Mark Feest, CC Communications. If the new contract isn't approved, then I will have to retire by June 30th, in order to exercise the retirement purchase.

Commissioner Eric Blakey. Ok, I just wanted to make sure that was clear. What's the pros and cons you see of a contract in this nature?

Mark Feest, CC Communications. A few people I've spoke with in the industry have gone to Hybrid/Remote contracts. It sparked my interest, and it gives me the flexibility that I'm looking for. If I'm in town, I will come into the office and work. It provides the opportunity to not be in town and work remotely. That's the benefit I see to it for me. Not sure on your question.

Commissioner Eric Blakey. I'm not actually asking how it benefits you. How would it benefit this company if we had this kind of contract in the place to use so we could learn from it. Does this model work for the company or not? Is it an attraction tool, to have this contract available to someone new?

Mark Feest, CC Communications. In those six months, we could learn whether or not if folks are comfortable with it or not. If someone is hired from the outside or someone promoted from within, I would not guarantee or give them the impression that they could work hybrid/remote. You can pull that back after they have taken the position. I see it as a test over those six months or maybe as short as 90 days because on the 1st of April, you might be requesting me to come back. I don't know.

Chief Civil Deputy District Attorney, Joe Sanford. Mr. Chair, do you want to just address what the value is to the company from maybe a more outside perspective. Mark is currently the General Manager, and he has expressed for a period of time an intent to retire in the upcoming year so that he can travel and spend time with his family. At this time a succession plan has been difficult. Recruitment has been difficult. This was an option that was designed by Mark, with an intent to allow him to continue to provide the service that he provides to the company without requiring or disabling his ability to spend that time with his family. The advantage to the company is that we will continue to have Mark for about 2.5 years from today to continue to work and make a plan to move into the future. Instead of essentially having that decision made whenever Mark feels that he is done. That is my understanding of what the advantage was to the company.

Commissioner Matt Hyde. When you take a look at the NTCA website and you look at how many General Manager's positions pop up, recruitment is extremely tough. If you don't want to be in a community like Fallon, Nevada, it's been in my experience that it's usually not the person applying it might be the spouse, and they see there is not a lot of the amenities people are used to. Recruitment is tough. I think it benefits like Joe said, it's going to take some time to replace Mark. I think this allows us to have some flexibility and time to replace Mark. If you're looking at replacing this position in six months, I think it will be a stretch.

Commissioner Eric Blakey. I concur with that. This is an awesome idea. You're helping us more in the future when you're no longer here to prove to us the model that it works and how it can work with the right person. I find no better person than you to help us navigate this. I'm excited to see if this will work out. Thank you.

Commissioner Matt Hyde. I would also add that it allows us to determine whether its working out or not. It's a very well-done contract.

Commissioner Myles Getto made a motion to approve the amended General Manager/CEO employment contract to become effective January 1, 2026, with the amendment to modification on section 17. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

**C- Consideration and possible action re: next steps in BEAD process. Possible next steps include, but are not limited to, (1) scheduling a litigation meeting to discuss potential non-compliance with federal requirements, and (2) authorizing application for BEAD funding.**
Commissioner Matt Hyde. I'm in favor of option 1.

Commissioner Myles Getto. That sounds good to me.

Commissioner Matt Hyde. That would be great if we could get that scheduled. Can we do that now?

Mark Feest, CC Communications. If it's ok, I want to go through a few things. The BEAD program was established in 2021 as part of the Infrastructure Investment and Jobs Act which allocated $42.5 billion in federal funding to support deployment of broadband infrastructure. The program initially allocated $416,666,229.74 for Nevada based upon unserved location data

(BSL) and cost estimates. Unserved locations are locations that could not receive 100Mbps/20Mbps terrestrially, something on the ground. It couldn't be wireless, or satellite and it had to be 100Mbps/20Mbps as of 2021 data. The current report states that 57% of the locations that are included in that are now served.

In each state they break down the locations within their borders called PFA's. The respondents had to bid for the entire PFA. We originally looked at those PFA's, you have places you might want to get fiber to and then you have 20% more locations hanging out here that you know you will never make any money on. Those locations could have had no commercial power. When you try to do a proforma, you know you don't want to sign it saying you will make money off of this project, even at the 25% match.

Nevada released an RFP in 2024 that, among other requirements, purportedly required:

- The respondent to pay 25% match
- Respondent to submit a Letter of Credit
- Respondent to agree to bond the entire cost of the project
- Favored FTTH over all other technologies
    - If you had a PFA and you could get to 99% of the locations with fiber and there was 1% sitting out there that would double the cost of the project and if you decided to do radio at that location, then the entire project is evaluated as a radio only project. You would lose to anyone willing to say I will do fiber to all locations, or you will lose to someone who will do 100% wireless or satellite. That was a major flaw and is something that the Trump Administration has told them not to do.
- A pro forma stating that the project would be sustainable (once the award was made, the project would generate net income without further taxpayer money).

In some instances, PFA's did not receive any bids. In some instances, only one respondent bid fiber, thus they were the winner.

OSIT made awards based upon their applications and then they also came back where they received zero applications and made awards to lower orbit satellites. Then they matched using ARRA funds that the state must spend on infrastructure projects by the end of 2026. That was not in the RFP. When you make your RFP and you decide to make a response, and you base the proforma saying it will make money off having covered 25% of the costs. I didn't sign the application because I did not believe that to be true. When they looked at it

It also appears that letters of credit did not matter, and the bonding requirement has been changed.

I believe that the original "awards" were questionable due to the terms of the "awards" not matching the RFP. Had all providers known that they would not be required to pay matching funds, they would have changed the approach and produced more bids. It was just me and could be a lot of other people when they looked at it and said they couldn't make money if I have to pay 25%. Had we known that they were going to cover this with ARRA money, we may have applied. I feel there was a change in how the RFP was awarded compared to how it was worded. It also appears that Letters of Credit didn't matter, and the bonding requirement may have changed. I believe the original awards were questionable because the terms of the awards don't match closely enough to the RFP.

Recently, the Trump administration released a notice updating the BEAD requirements, rescinding prior awards. Nevada, Delaware and North Carolina had awards. The notice from the feds states there are no awards. They direct the states, OSIT, in our case to modify their plans and rebid within 90 days. They need to determine locations already served by 100Mbps/20Mbps using unlicensed fixed wireless and those should be pulled out. That is part of the 57% that another report says are now covered. They need to pull out those locations. The new plan must be technology neutral. If you can do 100Mbps/20Mbps, you can't favor fiber over satellite over Tarana or whatever it might be. It creates a rubric for scoring.

It is difficult to understand how our state plans on complying. I checked the website this morning, we are now 34 days into the 90-day clock with zero communications from OSIT other than on their website they did put up if you are a ULFW and want to identify locations here's the spreadsheet you can enter and return it back to us. No other communication has been made to the general public. Those on listserve or those who are registered as providers in the State. This gives me concern. I do believe they are communicating with awardees. There are no awardees because that was rescinded. It is my opinion there should be zero communication to a winner who is not a winner, that isn't communicated to a potential applicant in the redone bidding process. When you communicate with those people, you are giving them a head start. They're getting a head start and we are 34 days into this with only 90 days to understand the process and return the application.

I have inquired to OSIT and I went to Houston, TX where they were supposed to be speaking at. They didn't come. The only state directors that showed up were from Oklahoma and Texas. The other states are having webinars explaining how this is going to work. We have heard zero from them. While I was at that meeting, I sent an email to OSIT and OSIT's director in their general inquiry line. On 6/24/25, I received further information about BEAD in Nevada is forthcoming and will be posted on the OSIT website and distributed to the listserv. Notwithstanding their statement that information is forthcoming, I have heard nothing. I don't want to accuse people of anything in a public meeting. That's why I said I think it would be good schedule a litigation meeting. I feel we maybe need to do something to demand that we receive some answers since we were already at 56 days and we will be excluded now because of time. The more we wait to hear something, it will make it very difficult for us. If anything is being communicated to others, I don't see how that's a fair and open process which I think is required by this RFP. That is my summary of what I think is going on.

Commissioner Matt Hyde. Joe?

Chief Civil Deputy District Attorney, Joe Sanford. Thank you, Mr. Chair, we can schedule and have a litigation meeting quickly after this. It's only for me to provide you with advice on a potential litigation piece which this clearly is. I can give you option points about how you could proceed if we do choose to make any decisions and it engage in a litigation function it will have to be done in an open meeting. We will schedule that based off of our conversation.

Commissioner Matt Hyde. The second part is authorizing the application for BEAD. It sounds like it's really time sensitive. Do we even know the process for BEAD.

Mark Feest, CC Communications. We know nothing and I think it would require a emergency or special meeting, probably when I receive any information on how the process will work. It will take me a few days to digest it. If we publish that day, we could publish our normal three days, but I'm not sure.

Chief Civil Deputy District Attorney, Joe Sanford. Statutorily, we are authorized to take action that is going to be required, based off of a very limited time frame. This potentially could result in where we would say three days is too much time to make any decision. We could hold an emergency meeting to authorize, make action and then as necessary do a ratification at the next board meeting, if that was a concern.

Mark Feest, CC Communications. I put that on here because I was hopeful, we would have some information and some ability to determine if it's something we want to do. I'm not sure if this is something we want to do when the rules come out. There are some wiggle room in the rules with things like speed to deployment. If someone is communicating with them now, they are obviously going to have an advantage on speed to deployment. There is also a term called "Benefit of the Bargain". No one is exactly sure how you score a benefit of the bargain, but it's something to do with, if I come in within the budget and I get all fiber, then I get a better benefit from that bargain than if I come in under budget, but I have lower orbit satellite. I think that's what it was.

Commissioner Eric Blakey. Mr. Chairman can we recess this meeting and do a litigation meeting and come back and take action right now.

Commissioner Matt Hyde. I think we can.

Chief Civil Deputy District Attorney, Joe Sanford. It's up to you; we can have the litigation right now and recess. Then we can come back and take action right now. That's appropriate we can do a litigation meeting right now.

Commissioner Matt Hyde. We will recess for the litigation meeting concerning BEAD.

Commissioner Matt Hyde. We are back to resume our meeting on item C. Can I get a motion to resume our meeting.

Commissioner Myles Getto made a motion to resume the meeting. Commissioner Eric Blakey seconded the motion, which was carried by unanimous vote.

Commissioner Matt Hyde. After speaking with the counsel, we are going to reach out to the Governor's office and will potentially do records requests.

**Reports: General Manager Report:**

**Affidavit of Posting:**

**Public Comment:**

Chair Matt Hyde asked if there was any public comment but there was none.

**Adjournment:**

The meeting was adjourned at 12:20 p.m.

APPROVED: Matt Hyde
Matt Hyde, Chairman

APPROVED:
Eric Blakey, Vice Chairman

APPROVED:
Myles Getto, Commissioner

Shelly Bunyard
Shelly Bunyard, Administrative Assistant

Mark Feest, General Manager/CEO