

MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

155 N. Taylor St., Fallon, NV 89406
January 4, 2021

Call to Order:

The regular meeting of the CC Communications was called to order at 2:00 PM on January 4, 2021.

PRESENT: Commissioner H. Peter Olsen, Jr.
Commissioner Justin Heath
Commissioner Gregory Koenig
General Manager Mark Feest
Chief Financial Officer Jamie Hyde
Administrative Assistant Shelly Bunyard

ABSENT:

Public Comment:

Chairman Greg Koenig 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 28th day of December, 2020 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 H. Peter Olsen, Jr. made a motion to approve the adoption of the agenda as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

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

A- December 3, 2020

Commissioner H. Peter Olsen, Jr. made a motion to approve the Minutes of the meeting held on December 3, 2020 as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

New Business:

A- Consideration and possible action re: increasing the amount of the CC Communications Scholarship

Mark Feest, CC Communications. The amount of \$1,000.00 per year for four years has remained the same for at least 20 years. I have provided information both on inflation as well as the additional cost that is just specific to tuition. The scholarships are pre-funded, and the account currently stands at \$14,000.00. There are 4 current recipients, with 9.5 academic years total remaining. Thus, we have \$14,000.00 in the account, and \$9,500.00 committed.

We are asking to change the amount to \$1,500.00 per year for four years. We will continue to pre-fund the scholarships in the annual budget which is included in the budget that the commissioners approve. We think it's appropriate due to those increases since we initially introduced the scholarship.

Commissioner Justin Heath made a motion to increase the amount of the CC Communications Scholarship to \$1500 per academic year. Commissioner H. Peter Olsen, Jr. seconded the motion, which carried by unanimous vote.

B- Consideration and possible action re: placement of approximately fifteen miles of conduit in the I-80 corridor near Imlay, Nevada.

Mark Feest, CC Communications. Star Peak Energy is currently working on a project that requires them to have fiber that connects from their plant to NV Energy. They are putting in conduit for that project at their cost. We have the opportunity to place our conduit into the trench. The cost normally is around \$18.00 per foot to put that type of conduit in. We can do this project for approximately \$250,000.00 for the 15 miles.

Currently, there is no plan to use that conduit. Our long-term strategic goal that has been discussed with past commission, is to get out from relying on another carrier in the I80 corridor. It is very costly to put in these facilities at \$18.00 per foot for 251 miles, with 218 miles in the I80 corridor. Anytime we have an opportunity to chip away at the 218 miles, we want to look into it. A future cost is to actually place the fiber into the conduit at about \$2.00 per foot, in today's cost. This is upon speculation, that we can cobble together enough pieces at some point, to complete that route at a whole cost.

There is indication that another 18 miles will be going in soon. We would make those efforts to receive the same type of deal to place conduit into that trench. At different times, NDOT will place conduit into the I80 corridor, which there is a state law that will allow for joint participation.

I wanted to bring this item before the board, prior to having any further discussions with Star Peak Energy. I am requesting either a motion or a yes or no, if this is something that maybe the board would be comfortable speculating on, by placing the conduit at about 30% of the cost of what it would cost if we placed conduit alone.

Commissioner, Justin Heath. Can this be rented out to other organizations down the road?

Mark Feest, CC Communications. Yes, we can when we have two cities connected.

Commissioner, Justin Heath. Once we build the fiber through it.

Mark Feest, CC Communications. We can rent conduit to stand alone and they can blow their own fiber through it. You can also lease dark fiber to someone. The biggest part is you have to be connected to two points of interests for someone.

The problem in the I80 corridor is when the conduit and fiber was placed by national carriers, they had no intention in breaking out into any city along the way. That creates two issues, first they don't put the electronics on it that allows them to break out into cities, and second when they engineered it, they engineered approximately every 60 miles regenerating the light without regard for whether the point of presence (POP) sits next to a city. For Example, places like Winnemucca, the POP is 11 miles outside of Winnemucca. You would still have to build back from that because you can't break the fiber in the sheath that is not in a POP. Technically you

can break the fiber, but you will not have any slack and there is a risk of harming their long-haul network. They do not allow breaking the fiber. It's not very common, when it comes to I80 corridor fiber being available at POPs that are strategically located, meaning they're next to a city. I do believe at some point in the future, that we will be connecting two cities of interest. There will definitely be people who will want back haul or high-capacity services in those places.

There is no current plan to do anything with this, yet. It's just that it's so cheap now as compared of what it would cost us in the future. We have discussed in the past, that our reliance on carriers who have no inclination to work with anybody in the I80 corridor, has been problematic.

Commissioner H. Peter Olsen, Jr. Are we putting conduit that is single pipe or a different size pipe?

Mark Feest, CC Communications. It's a single.

Commissioner H. Peter Olsen, Jr. So, you only get to blow through it once.

Mark Feest, CC Communications. No, we would put a micro duct that has multiple paths inside the single pipe.

Commissioner H. Peter Olsen, Jr. Ok. How big of conduit are you putting in?

Mark Feest, CC Communications. 2-inch sized conduit.

Commissioner H. Peter Olsen, Jr. That's out there by Imlay and Florida Canyon. Winnemucca and Lovelock are the two closest cities of any import. Is there anything else out there that we can look out and see?

Mark Feest, CC Communications. Right now, it's Florida Canyon Mine. If the 18 miles are added in the future, that is supposed to take it back to Lovelock. We would then need to go the other direction into Winnemucca.

Commissioner H. Peter Olsen, Jr. Where do we end from here going towards Lovelock?

Mark Feest, CC Communications. Around Tarzyn Road.

Commissioner H. Peter Olsen, Jr. Ok, so we have a long way to go then.

Mark Feest, CC Communications. Yes, we do.

Commissioner H. Peter Olsen, Jr. I guess, as long as we have the money. I know we will be borrowing money here at some point. How do you feel about that?

Mark Feest CC Communications. I think it will never be cheaper to get fiber there. We have relationships with quite a few people in that corridor. There are also other projects we hear about

that don't come into fruition. If one or two projects come into fruition, we can get the price to make up some of the additional distance. That capital outlay defrayed by an agreement out there. It's a nice spot because it is closer to us even though it is a stranded piece for now.

I have said in the past, we need to try to create our own path. This is the first opportunity that has come up. I will also say we do not have an agreement with Star Peak to do anything yet. I didn't want to promise them something that the commissioners haven't approved. We have the money to do it from a finance standpoint. We have the money that sits in the account, that gets the government rate of return. We anticipate borrowing money for some portion of the building that will go into the cost study and be at a low interest rate.

Commissioner H. Peter Olsen, Jr. If we hadn't built the line into Reno, we wouldn't have much of a company.

Mark Feest, CC Communications. This is about 30% of the cost per foot, then the line into Reno cost us. One of the big costs to that project was the time because of all the rock. This project is a little easier digging.

Commissioner H. Peter Olsen, Jr. made a motion to approve the placement of approximately fifteen miles of conduit in the I-80 corridor near Imlay, Nevada. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

Reports: General Manager Report.:

1. COVID – 19 Update

Lobby Closure and TT/Install

- Installation and repair continue to operate pursuant to previous precautions that exceed state guidelines
- Ongoing risk mitigation continues per State directives
- We will continually assess risk mitigation and consider the County's actions with respect to building restrictions.
- Lobby remains open at 1750 W. Williams Ave.
- I&R continues to dispatch from home.

Peak Internet Usage

- Aggregate usage is running at 58% of capacity, while the peak period is trending slightly upward from October to November. December was the third month in a row to be our highest peak usage ever.
- We are working to add additional capacity to protect against degradation in service in the event we need to completely failover during peak hours.

2. HR/Employees

- a. We have several positions open and actively seeking both internal and external applicants.
 - i. Combo Tech X2
 1. One position has been filled
 - ii. Splicer

- 1. One position has been filled
- iii. Network Circuit Engineer
 - 1. One position has been offered
- iv. Service Delivery Manager
 - 1. One position has been filled
- v. ICT Manager
 - 1. One position has been filled
- vi. Internet Systems administrator
 - 1. Position has been incorporated into Broadband Engineer I and re-posted.
- vii. NOC Technician

3. New Building

- a. Groundbreaking occurred
- b. Demo complete
- c. Site survey complete
- d. Site is compacted, water/sewer lines being placed, footings should be poured this week, then pad.
- e. Lots will be annexed into the City at next City Council meeting.
- f. While it seems to be moving slower than expected, at the weekly meeting the contractor says they are on schedule.

4. Spring Creek

- a. We are waiting on NDOT to clear the way on Lamoille HWY in order to finalize permit for boxes. The final drawings require we align with NDOTs as-builts. NDOT says that the as-builts will be available December 7, 2020.
 - i. Completed about a week late.
 - ii. We provided our updated permits and they are in review.
 - iii. Our unfulfilled order for backhaul links has been re-ordered through another carrier. We are looking at about another 6-10 weeks.
- b. Summit Estates service facilities are almost done.
 - i. SW Gas got out of our way right before Christmas. Construction of drops and intercepts started back up today.
- c. Our 12x20 prefab building is arriving this week and will be set next week, powered and racked and stacked.
 - i. This is on site and awaiting NV energy to drop power.
- d. SW Gas has not yet scheduled the meeting to discuss Phase II.
- e. Drop fiber for micro-duct remains on backorder.
- f. ONTs/NIDs remain on backorder.

5. IPTV

- a. We are engaging Pivot to conduct a customer survey to determine customer attitude on content and use cases. This should be completed in January 2021.
- b. We have received additional retransmission consent agreements. The two newest are not nearly as oppressive as the first one.
 - i. We were able to get changes regarding bulk rate pricing on December 30, 2020.

- ii. All but one retransmission consent agreement has been signed. The final one was extended until January 8th.

6. Business Development

- a. Met with Mark IV Capital on-site in Fernley regarding their development of the "Victory" Project. CC Communications will submit a plan for delivering services to business park.
- b. Received plans for Sky Ranch PUD, which are in review.

7. Boards and community outreach

- a. CEDA Bd. Meeting cancelled
- b. CEDA business council board meeting cancelled
- c. NTA board meeting
- d. WTA Board meeting dark

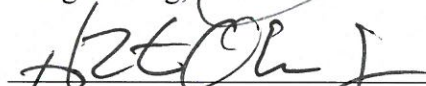
Public Comment:

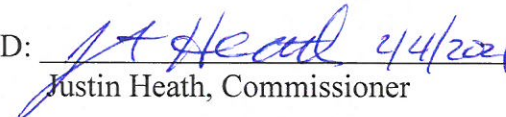
Chairman Greg Koenig asked if there was any public comment but there was none.

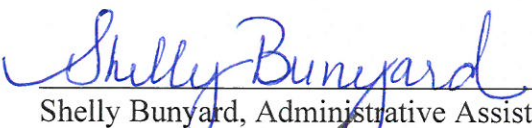
Adjournment:

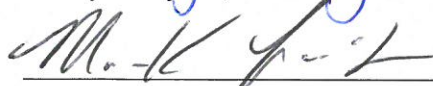
The meeting was adjourned at 2:35 p.m.

APPROVED: 
Greg Koenig, Chairman

APPROVED: 
H. Peter Olsen, Jr., Vice Chairman

APPROVED:  4/4/2021
Justin Heath, Commissioner


Shelly Bunyard, Administrative Assistant


Mark Feest, General Manager/CEO