MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

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

Call to Order:

The regular meeting of the CC Communications was called to order at 2:00 PM on March 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 Gregory 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 26th day of February 2021 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- February 4, 2021.

Commissioner Justin Heath made a motion to approve the minutes of the meeting held on February 4, 2021 Commissioner H. Peter Olsen, Jr. seconded the motion, which carried by unanimous vote.

New Business:

A- Consideration and possible action re: membership in NRTC

Mark Feest, CC Communications. As it says in the Agenda report we have already purchased services from a company called NRTC, which is the National Rural Telecommunications Cooperative. NRTC answers overflow after hour calls for us. They recently purchased a company that we had been working with. We feel this is an improvement because it's a cooperative membership. To be a member on the Board, you have to have your calls answered by them. Because of this, we think their attention to customer satisfaction is much higher.

They require a $500.00 one-time fee in order to become a member, which then gives you voting rights and the ability to fill a board seat as well as to receive capital credits. They also require that our board approves this membership. Once our board approves the membership and they receive our check in the amount of $500.00, then their board will determine whether or not we are an acceptable member for their organization.

Commissioner Justin Heath made a motion to approve the membership for NRTC Commissioner H. Peter Olsen, Jr. seconded the motion, which carried by unanimous vote.

B- Consideration and possible action re: Claim settlement with Andrea Hiibel.
Mark Feest, CC Communications. There was an automobile accident at NAS Fallon. It was clearly our employee's issue. It is uncontested from the report that they did not get the vehicle all the way into park when they exited the vehicle. The vehicle rolled forward resulting in hitting another vehicle. We were provided a statement advising the struck vehicle will be receiving a salvage title and be totaled. Andrea Hiibel, the owner of the vehicle, has requested CC Communications pay $4,125.58. Our deductible is $50,000.00, so this is something that we would pay. Joseph Sanford from the District Attorney's Office drafted a Waiver and Release of Claims. Andrea Hiibel has signed that document and also provided us with a statement documenting the costs from the insurance carrier.

We are asking that the Board approves this. Anytime there is a settlement of claims irrespective of the amount the Board must approve or disapprove.

Chairman Gregory Koenig asked if there was any questions or public comments but there was none.

Commissioner H. Peter Olsen, Jr. made a motion to approve the claim settlement with Andrea Hiibel Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

C- Consideration and possible action re: amendments to Purchasing Policy.
Mark Feest, CC Communications. The purchasing policy details when you have to go to bid and when you have to request quotes from two or more persons. Our purchasing policy details the signing authorities of employees in the supervisor and manager level. We are just amending the policy to align our numbers with the most recent NRS 332 statute. We have raised the purchase power by a supervisor's discretion from $300 to $999.00. The NRS used to require that any purchase over $300.00, we would need to get three quotations. Now the amount has gone up to $1,000.00.

Chairman Gregory Koenig asked if there was any questions or public comments but there was none.

Commissioner Justin Heath made a motion to amend Purchasing Policy to comply with Nevada Revised Statute 332 Commissioner H. Peter Olsen, Jr. seconded the motion, which carried by unanimous vote.

D- Consideration and possible action re: loan terms for new building at 899 South Maine Street.

Mark Feest, CC Communications. We have Scott Shaver from Bond Counsel and Martin Johnson from JNA Consulting online.

During consultation with JNA Consulting and Bond Counsel, a question was raised that if we should put this out to banks as a 10-year, 15 year or 20 year term or a combination of those three. There is pros and cons to those. The Board is not required to make direction to management. Management could decide the number of years in consultation with Bond Counsel and JNA Consulting based on the projection of how robust the responses would be. I wanted to bring this before the board to give them the opportunity to make a motion or a directive if they had a desire to.

Does anyone online want to provide any information or wait for the Board to ask a question in the event they need further clarification on the issue?

Martin Johnson, JNA Consulting. Maybe it would be helpful if I added a little more background information and then we can take questions.

Commissioner Gregory Koenig. That would be fine.

Martin Johnson, JNA Consulting. We have been retained by the County to assist on this transaction. We are financial advisors and assist multiple governments with borrowing money. Big loans are something that we have been doing for many years. They are a much simpler transaction going out into the public market to acquire financing. Unless you are a fairly frequent issue in the public market, it is probably substantially easier to do these bank loans. In the last couple of weeks, we have seen interest rates jump quite a bit. The ten-year treasury is the benchmark and has gone from 1% to over 1.5%. We have seen this reflected with bank loan rates as well.

As Mark had mentioned, we discussed doing a requesting bid for the 10, 15 and 20 year terms. I did hear from some banks recently, because we are working on the Civic Center financing. We should hear back from them early next week. A couple of the banks that have been doing the 20-year loans, have stopped doing those. There is still one bank out there that I am aware of that provides very attractive rates for 20-year financing. My suggestion would be to ask for a 10-year and a 15-year rate, if we really intend to pay this off in 10 to 15 years, because we can afford it and there is no reason to borrow longer than we have to. There is a lot of activity going on right now with bank loans. The fewer excuses we can give them to pass on providing us a bid for the transaction, the better off I think we will be.

Commissioner Gregory Koenig. Asked if there were any further questions for Martin Johnson with JNA Consulting.

Commissioner H. Peter Olsen, Jr. What is your preference Mark?

Mark Feest, CC Communications. My preference would be to go out in both the 10 and 15 years. I didn't want to go out to the 20 year but honestly, I don't want to just go out in a 10 year. I was surprised that there is a projected pretty strong rate discount at 10 years compared to 15 years, that we were provided as an estimate of what we think they may come back as.

Commissioner H. Peter Olsen, Jr. Would that be adequate with everything we want to spend in the next couple of years?

Mark Feest, CC Communications. When we take it out to 20 years and we can start to get to a place where we are really saving from the standpoint of what we're putting out each month or annually, I don't think it will impact what we are doing. It is definitely a much larger payment than what we would pay in rent at any term.

Commissioner H. Peter Olsen, Jr. I'm just thinking about your ongoing cashflow. Are you able to do that?

Mark Feest, CC Communications. I don't envision that as being a problem. I think if we go out at 10 years and 15 years, get those quotes, and have a recommendation from a cash flow prospective. We would prefer the 10 or the 15 year, when we see final numbers.

Commissioner Gregory Koenig. I have worked with Martin Johnson a hand full of times when I was on the school board. They did a good job for us for sure. I agree, let's hire the experts and let them do their job. I don't know that we need to make a motion on this and give them that direction. They will do what is best along with Mark for what is best for CC Communications and the County. I say we let them do their job.

Mark Feest, CC Communications. Thank you, and as noted, it will still come back before the Board as final approval of the revenue bond.

Commissioner H. Peter Olsen, Jr. I agree with you Greg.

Commissioner Justin Heath. I agree.

Commissioner Gregory Koenig. We are not going to take action and just direct you to come up with the best deal.

Informational Only.

General Manager Report:

1. **COVID – 19 Update**

   Lobby Closure and TT/Install
   - No changes

Peak Internet Usage

- Aggregate usage is running at 58% of capacity, while the peak period is trending slightly down from January. After 3 months in a row of our highest peak usage ever, January and February were down slightly.
- Continuing work to add additional capacity to protect against degradation in service in the event we need to completely failover during peak hours.
  - This effort has slightly changed as we pursue a route between Reno and SLC that would create greater physical redundancy.

2. **HR/Employees**
   a. We have several positions open and actively seeking both internal and external applicants.
      i. Combo Tech X2 (Elko)
      ii. Customer Service Clerk
         1. Filled
      iii. Internet Systems Administrator
         1. Waiting to be filled after reworking onboarding documents.

3. **New Building**
   a. Foundation in place, walls started.
   b. In process for selecting FFE
   c. Old C5 BLDG is gutted.
   d. 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 2 weeks.
   b. Summit Estates service facilities are almost done.
      i. Pre-installs will be scheduled the week of March 15th.
   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.
      ii. NVE provided plan and permit has been resubmitted.
   d. SW Gas has provided Phase II plans.
   e. Drop fiber for micro-duct remains on backorder.
   f. 12th street bridge attachment complete.
   g. Fiber is being placed in conduit along Mountain City HWY, Silver Street, and Summit Estates.
   h. Conduit is being placed on 12th Street

5. **Business Development**

   a. RFPs completed for ERATE in:

      i. Elko

      ii. Crescent Valley

      iii. Yerington

      iv. Battle Mountain

6. **Boards and community outreach**

   a. CEDA Bd. Meeting

   b. CEDA business council board meeting

   c. NTA board meeting

   d. WTA Board

   e. Oasis Bd. Meeting.

   f. Meeting with CCSD Superintendent, Oasis Academy CAO, and WNC Fallon Director, are set bi-weekly re: workforce development project.

Public Comment:
Chairman Gregory Koenig asked if there was any public comment but there was none.

Adjournment:
The meeting was adjourned at 2:37 p.m.

APPROVED: ______________________
Greg Koenig, Chairman

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

APPROVED: ______________________
Justin Heath, Commissioner

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Shelly Bunyard, Administrative Assistant

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Mark Feest, General Manager/CEO