MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

155 N. Taylor St., Fallon, NV 89406
October 5, 2023

Call to Order:
The regular meeting of the CC Communications was called to order at 1:45 PM on October 5, 2023.

PRESENT: Commissioner Myles Getto
Commissioner Harry Scharmann
Commissioner Justin Heath
General Manager Mark Feest
Chief Financial Officer Jamie Hyde
Administrative Assistant Shelly Bunyard

ABSENT:

Public Comment:
Chairman Myles Getto 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 29th day of September, 2023 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 Justin Heath made a motion to approve the agenda as submitted. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.

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

A- September 7, 2023
Commissioner Harry Scharmann made a motion to approve the Minutes of the meeting held on September 7, 2023 as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

New Business:

A- Consideration and possible action re: Outcome of E ACAM II Elections and FNPRM.
Mark Feest, CC Communications. As you recall, the motion was to not participate in E ACAM II. As I previously noted, the requirements of the rule making were that 50.1% of locations participate. This is different than 50.1% of the companies, because one large company has a significant number of those locations. We don't actually know if E ACAM II is going to happen or not. The FCC hasn't advised at this time. I do think from the standpoint of the further notice of proposed rule making as well as the budget control mechanism, it does matter whether or not the E ACAM II moves forward. They released the list of companies that will participate in E ACAM II. They are broken up between companies that were already in ACAM and companies like us who are still under rate-of-return. 28% of companies like us chose to participate and 72% chose not to. Only 58% of the companies that were in ACAM already chose to participate in E ACAM II. That shows that it wasn't very popular. If the 58% and the 28% disproportionately have lines, then it may get to the 50.1%. The FCC has advised if you are not on the list and you

think you should be on it, you now have until October 10th. Maybe they think responses were lost in the mail.

Commissioner Bus Scharmann. In twenty-five words or less, can you tell us what E ACAM II is.

Mark Feest, CC Communications. That was the Enhanced alternative cost model. That was switching from our rate-of-return regulation over to a model regulation for 15 years. Essentially, it would have been a set amount of money but the caveat to that set amount of money was after it's accepted, they can still pull locations out and change the amount of money.

There's another further notice of proposed rulemaking on competitive overlap, the imputed rate, and the budget control mechanism. We're participating in those comments through WTA, NTCA and our cost accountants Moss Adams. I may make a visit to DC with either the WTA or NTCA contingent over the next 60 days. I will only go if I think I can add something to the conversation. I will report back to you after further notice of proposed rulemaking is determined and we find out how the budget control mechanism, the imputed rate and the competitive overlap are going to work out. This is not an action item at this time unless you have any other questions.
ACTION REQUESTED: None; Informational Only

B- Consideration and possible action re: Offering a hiring bonus to hard to fill positions.
Mark Feest, CC Communications. For quite some time, we have been down a position in accounting. We foresee some turnover in that department due to time in the system of a certain employee and potentially some things communicated from that employee on how long they plan to be here. I would like to adopt a hiring bonus in four categories to be paid out over twelve months. For example, the $4800.00 category would be $400.00 per month from first hire and for every month they are there they will receive $400.00 paid out.

The hiring manager, Jamie Hyde, in consultation with the HR manager and CEO will consider offering hiring bonuses for any positions that have been left open in excess of 3 months of active recruiting. That category 1 through 4 would be based on consideration of salary of the position. Obviously the higher paid the position is the larger the hiring bonus would be. Also taken into consideration would be the length of time the position has been open, the quality of past candidates and the level of reliance the company or work group has on the position.

For Example: We have a single Regulatory accountant, which is the most senior accountant. There might be another accountant with just as much seniority but doesn't do regulatory. The company is very dependent on that position. We need overlap in that position. It's specialized because it goes into telecom accounting as well as governmental accounting. We probably lean towards a higher hiring bonus offer for that position.

The alternative is to continue current practices that have not resulted in filling certain hard to fill positions. The fiscal impact would be $20k to $25k to fill the outstanding positions that have remained open. That amount would be across three to four hiring bonus'. There has been a long-time open position in that work group, which is really probably the entire $20k to $25k is made up in the fact that we haven't been paying a salary to someone in a position that's authorized to be filled. We probably wouldn't have any net impact, but it will come out of the 2024 budget.

Commissioner Bus Scharmann. How much of a bonus are you talking about?

Mark Feest, CC Communications. It's laid out in the agenda item as categories one through four. Category one would be $4800.00 paid over twelve months, category two would be $6,000.00 paid over twelve months, category three would be $7,200.00 paid over twelve months and category four would be $8,400.00 paid over twelve months. Again, we would use the criteria of what's the salary of the position; how long has the position been open; the quality of past candidates; and the level of reliance that work group has on that position. We have a Accounting Assistant, a Accountant, a Regulatory Accounting and a Accounting Manager positions. The Accounting Assistant position will not be offered a hiring bonus of $8,400.00. We might be at the $8,400.00 hiring bonus for the two senior positions. We will probably start at the $6,000.00 hiring bonus for one of those senior positions and if it still doesn't produce a candidate then we may move up.

Commissioner Justin Heath made a motion to approve a hiring bonus schedule for hard to fill positions as proposed. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.

C- Consideration and possible action re: retention bonus program for current employees occupying positions where hiring bonuses are paid.

Mark Feest, CC Communications. This goes hand in hand with the previous item. I equate this to when you see the commercial for a brand-new iPhone 15 from your wireless carrier for a new customer. Then you go to your wireless carrier and say I'm an existing customer for the last ten years and I would like that free iPhone and the wireless carrier says no you're not a new customer. These are hard to fill positions and we don't want to have an issue with retention. I wouldn't think it would be fair to hire in a new accountant with a hiring bonus when we've had one here for the last four years and not pay them a retention bonus to a fully functioning employee in a hard to fill position. In the event, we hire and pay a hiring bonus to a hard-to-fill position and if there is an incumbent in that position or one position below it, we simply pay the equal but in a retention bonus as we pay in the hiring bonus. It would be paid out in the exact same way. If the hiring bonus paid out was $4,800.00 then that incumbent would receive a $4,800.00 retention bonus subject to them having a current adequate performance review. It would be paid out over twelve months in the same exact manner.

Commissioner Harry Scharmann made a motion to approve a retention bonus program for current employees filling positions where hiring bonuses are paid. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

Consent Items:

A- Consideration and possible action re: PO#150192 VertiGIS, LLC dba Mapcom $82,447.40 M4 Maintenance for Mapcom Software. NRS 332.115(1)(a)

Commissioner Justin Heath made a motion to approve consent item as submitted. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.

Reports: General Manager Report:

1. Grants
   a. SCA
      1. SCA Phase on track with schedule provide NTIA and Elko County
      2. Phase I is complete. Phase II is in drop phase. Phase II started
      3. The project should remain on pace unless material supply or weather creates delays.

   b. Tribal
      i. ITCN has hire project managers, which should help to move this forward.
      ii. YPT has approved agreements that allow us to move to Environmental and historical preservations stage.
      iii. No significant progress with other Awardees
         1. Same agreements remain before:
            a. FPST
            b. WRPT
            c. Elko Te-Moak

2. Network
   a. Edge Routing redesign and implementation in progress.
   b. Modifications to network monitoring and maintenance in progress.
   c. IPV4 to IPV6 transition planning.
   d. Transport Gear upgrades will start once equipment is approved and delivered.
      i. We will need to resolve the issue of acquiring a temporary pair from Switch or otherwise plan for hot cutovers.

3. Human Resources
   a. Jobs posted for
      i. COO
      ii. CTO
      iii. Network engineers
      iv. Installer
      v. Accountants

4. Accounting
   a. Audit
   b. Significant requirements with grants
   c. Software cutover from EOL software to Elations
      i. This has gone less than optimal
      ii. Issues are escalated at this point and we hope to see resolution soon

Affidavit of Posting:

Public Comment:

Chairman Myles Getto asked if there was any public comment but there was none.

Adjournment:
The meeting was adjourned at 2:02 p.m.

APPROVED: ____________________
Myles Getto, Chairman

APPROVED: ____________________
Harry Scharmann, Vice, Chairman

APPROVED: ____________________
Justin Heath, Commissioner

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Shelly Bunyard, Administrative Assistant

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Mark Feest, General Manager/CEO