

**MINUTES OF REGULAR SESSION
TELECOMMUNICATIONS ADVISORY BOARD
MONDAY JANUARY 11, 2010**

The meeting was called to order by Chairman Marron at 7:00 PM. Those in attendance were Chairman Marron, Board member Jon Boulanger, City Manager Mark Latham, Light & Power Director Dan Cook, City Attorney Terry Bruckert, Finance Director Sharon Rusteberg, Operations Manager George Stram and four members of the public.

MINUTES

Board Member Boulanger made a motion to approve the minutes of the December 14, 2009 meeting of the Telecomm Advisory Board. Chairman Marron seconded. The motion was approved.

REPORTS

The first report presented to the board was the project progress report given by City Manager Latham. Council approved the construction contract with Jenson Cable and we are awaiting a final signature on the contract. It is anticipated that material deliveries will start arriving in about six weeks. So construction is planned to start sometime around March 1st. Council also approved two material bids with Graybar and KGP Logistics. KGP will be supplying the LDC cabinets while Graybar supplies the bulk of the materials. Additionally the RFP for system electronics was approved by council. Finally, council also approved RFQ's for content providers. All RFQ's are due in by February 5th with Scott Bowles interviewing providers on February 8th. Mark hopes to present the final RFQ to council sometime during the first week of March. Mark offered to include the Board on the interview process but both George and Jon declined. Jon Boulanger asked how many providers will be chosen and Mark replied that we want a single provider for all three services.

Mark also gave a brief summary about the building site search. Mark signed a contract today with CCI to do a site signal test at three sites that are possibilities for the future FTTP facility. Director Cook was informed by the materials providers that the city would need about 20,000 square feet of storage for the Phase 1 materials. Mark and Dan hope to do a final evaluation of the potential sites within the next few weeks.

The next report was presented by Finance Director Rusteberg in regards to project financing. Sharon provided two documents to the board. The first was a project overview that was also given to council members while the second was a financial time schedule. The closing date for the project bonding is January 23rd. We received an A- rating for the bonds from Standard & Poor's. With the purchase of bond insurance our rating increases to AAA. The city will save somewhere between \$128,000 and \$160,000 even after deducting for the cost of the insurance.

The next report was given by Mark Latham about the project hiring process. The city is re-interviewing the fiber linemen candidates since Director Cook was not on staff for the original interviews. Fiber splicer interviews will begin in the very near future. The interviews for the IT position will begin next week. Chairman Marron asked about the

status of the PR/Marketing position. Mark replied that the city is being conservative with hires in the beginning. The current plan is to hire 3-1/2 people; one lineman, one splicer, and one manager, with the ½ person being the fiber department's share of the city IT manager. Mark feels that he, George Stram, and especially Dan Cook can do PR/marketing in the short term. Dan has previously owned his own business and done his own marketing. Mark also informed the Board that the City hopes to hire a company called Gonzalez to do project management for Phase 1 construction. Gonzalez will provide periodic progress reports to Mark, who will then give them to the Telecomm Board.

Chairman Marron's only concern is that the city needs someone to give presentations to business and to devise the pricing scheme for the services. While Director Cook agrees that pricing is critical, he still feels that he can do the public education. Sharon related some of the things that Auburn, Indiana does in regards to pricing. They have a minimum service fee of \$45 that can be used on whatever the customer chooses. Auburn also chose to come in just under the incumbent provider's pricing scheme. Mark stressed that the city would not demand contract commitments to customers, nor would the city use confusing murky pricing options. Final consensus was that we should not advertise pricing until we are ready to actually provide service. Finally, Mark would like to design a logo for the fiber division and begin placing it on all city vehicles.

NEW BUSINESS

The only order of new business concerned future meeting dates. While the next meeting in February is fine, the March 8th meeting needs to be re-scheduled due to conflict with the City Council meeting. Chairman Marron noted that the re-schedule of the March meeting can be decided at the next meeting in February.

Q & A SESSION

One member of the public in attendance asked about the availability of a map of the Phase 1 construction limits. Mark Latham replied that a map will be placed in City Hall and on the City's website.

Another member of the public asked if the City will provide "al la Carte" pricing for video services. Chairman Marron replied that we are somewhat at the mercy of the content providers. Most providers, e.g. ESPN, bundle their channels together and you can take all or none. Consequently, al la Carte pricing is very unlikely.

Another question from the attending public was directed at the comment that the City needs 20,000 square feet of storage when the materials start being delivered. He wondered if that amount of storage would always be needed. Mark Latham replied that the 20,000 s.f. is only needed short term. Long-term, only 5,000 square feet will be necessary.

Chairman Marron made a motion to adjourn, seconded by Jon Boulanger. All voted aye; meeting adjourned at 7:32 PM.