

**GRANT COUNTY DIGITAL NETWORK COALITION**  
**BOARD OF DIRECTORS MEETING MINUTES**

August 21, 2018

**BOARD MEMBERS PRESENT**

Dan Becker, Grant County  
Josh Walker, Seneca  
Brandon Smith, John Day (via teleconference)

**BOARD MEMBERS ABSENT**

None

**STAFF PRESENT**

Nicholas Green, City Manager  
Erik Orton, Commstructure Consulting  
James Greenwood, Commstructure Consulting

**GUESTS PRESENT**

Rick Hanners, Blue Mountain Eagle  
Gordon Larson, Grant County Resident  
Quinn Larson, Grant County Resident  
Amy Kreger, BMH Hospital District Board Chair

**Agenda Item No. 1—Open and Note Attendance**

Dan Becker opened the inaugural meeting of the Grant County Digital board of directors at 7:00 P.M.  
Board Members introduced themselves by name and jurisdiction they represent.

**Agenda Item No. 2—Approval of Minutes**

None.

**Agenda Item No. 3—Appearance of Interested Citizens**

Dan Becker welcomed the audience. Nick Green led the discussion of the agenda items in a volunteer capacity for the board. He introduced Erik Orton, CEO of Commstructure Consulting, and James Greenwood, Lead Engineer of Commstructure, as two of the engineers hired by the City of John Day to conduct the feasibility study for the proposed network. Commstructure also assisted with the USDA Community Connect Grant application. Green stated they would address the board as part of tonight's agenda.

**Agenda Item No. 4—Ministerial Actions for the Board of Directors**

Green reviewed the items in his memo on creating a mission-driven organization. He also reviewed the Secretary of State Certification No. AG-2018-03, which legally authorized the board upon adoption of the ordinances by the various jurisdictions that are parties to the board's intergovernmental agreement.

Key points from this agenda topic were:

- *Federal Funding.* The USDA funding of \$660 million, which was appropriated by Congress in the Consolidated Appropriations Act of 2018, is new funding dedicated for rural telecommunications programs. Program rules are still under development (details at <https://www.usda.gov/broadband>). This funding is in addition to already appropriated funds for programs like the Community Connect Grant, which is capped at \$3 million per application. An announcement on the Community Connect grant is expected prior to September 30, 2018. Green stated this grant was project specific for the fiber optic line between John Day and the county line south of Seneca. Green clarified the \$3M application was for grant funds from the federal government, and our match of \$450,000 is on top of the grant and would come from the State appropriation, not from local funding sources.
- *Website.* Green discussed the need for the board to maintain a website as a single user interface for digital communications. He described the approach the City of John Day used when it redeveloped its website and suggested a similar approach for the Coalition.
- *Mission Statement.* Green discussed the importance of creating a mission-driven organization and using the mission to drive principle-based decision making.
- *Operating Model.* Green discussed the potential operating models outlined in the memo to the board. He described the challenges in incentivizing the private sector to expand in areas they view as unprofitable and the need to disrupt existing operating models in order to create the motivators that will allow the private sector to service our smaller communities. He stated his negotiations with Ortelco occurred over many months before they reached an agreement to partner on the Community Connect Grant, and that he has been negotiating with CenturyLink for as long and continues to work with them toward options, but no agreement has been reached and it is unclear if they intend to invest at all in Grant County in the future. For these reasons, he stated the board needs to stay flexible in the operating model it chooses to execute its mission.
- *Decision Criteria.* Green briefly described the principles the board could consider for their decision making, as outlined in the packet. These principles included: transparency in decision making, having a clear prioritization scheme, and leaving room for growth.
- *At-large Board Members.* The board discussed the procedure and approach for selecting the two at-large positions, including the need for clear evaluation criteria and transparency in the selection process.
- *Executive Director.* Green discussed the board's ability to have an Executive Director and that they would need to evaluate whether to do so and how to structure the position. He encouraged the board to have a single point of contact for vendors to streamline decision making in between board meetings and volunteered to serve in this role if the board wishes. Josh Walker asked for clarification on how that would work from a financial standpoint. Green stated he is willing to serve for the 1% grant administration fee he receives from the city for now, but that a financial transition may be needed to hand off the future grant funds to the Coalition if it is allowed under the grant and then they would be responsible for paying their staff. He stated getting the board financed is a key part of establishing this as an enduring agency.
- *Website.* Green said he has purchased the domain names GrantCountyDigital.com, .org., .info and .us. He has not issued contracts for web design, but can do so at the board's discretion.

- *Other Administrative Issues.* Green recommended the Coalition establish a regular meeting time for consistency and that they consider holding meetings in other locations throughout the county to engage a wider audience.

**Josh Walker moved to hold regularly scheduled board meetings on the third Tuesday of each month at 6 P.M. Dan Becker seconded, and the motion passed unanimously.**

**There was a consensus from the board to have Green issue a Doodle Poll to identify the date for a study session to address the website and other ministerial actions.**

**Agenda Item No. 5— Review of USDA Community Connect Grant & Associated Budget**

Green provided a PowerPoint presentation to the board that he put together following the submission of the grant. He then turned the time over to James Greenwood to present the details of the grant application to the board. Greenwood reviewed the proposed route and addressed the board's questions with regard to the funded service area and the reasons why some properties were included, and others were not. The primary rationale for inclusion was driven in part by cost of service and in part by the need to exclude areas that could exceed the grant threshold of 10 mbps down / 1 mbps up. For example, Canyon City was excluded because Ortelco has fiber optic service along US 395, so the service area for the grant begins just south of the Canyon City limits. After reviewing the service area, he addressed questions from the board and the audience related to the timing of the grant and when the award would be announced. He confirmed an announcement is expected in September 2018, but no specific date was given. Green confirmed that most of the state appropriation of \$1.8M has not been expended and provided details to the board on the revenue remaining in the fund and how those funds were budgeted for FY18-19. Both John Day and Seneca made specific commitments under the USDA grant, such as hosting an internet café in Seneca, which Greenwood briefly discussed. Finally, Green reviewed some of the inherent challenges with the grant and some of the opportunities for the board both within the scope of this application and future opportunities for expanding internet connectivity.

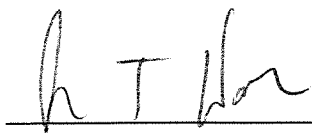
**Adjourn**

**There being no further business before the board, Josh Walker motioned to adjourn the meeting at 8:34 P.M. Dan Becker seconded, and the motion passed unanimously.**

Respectfully Submitted:

Nicholas Green

ACCEPTED BY THE BOARD ON SEPTEMBER 18, 2018

  
By: Josh Walker, Chair