

The Harlan Municipal Utilities' Board of Trustees met in special session, January 11, 2022, pursuant to the rules and regulations as set forth in the office of the Secretary. The zoom option was available as a convenience to citizens. All attendance is on-site unless noted. Present were Trustees: Michelle Erickson, David Tyrrel, Randall Rees, Nella Seivert and James Shelton. Absent: None. Staff Present: Kenneth Weber, Jennifer Kelly, and Jim Gedwillo. Legal Counsel: Matt Hudson & Steve Nadel (both via Zoom). Present: Bob Bjoin, Gene Gettys, Mike Kolbe, Kevin Musich, Lexie Hagle, Mike Jones, Todd Valline, Troy Schaben, Mary Johnson, Tom Conry (FMCTC), Steve Mores, Deb Schechinger, Mike Anliker and Vivian Arnold.

Present via Zoom: Curtis Dean (Community Broadband Action Network), Bob Haug (Retired Executive Director at IAMU), Jeanna Rudolph, Shelby Keane, Rachel Hamilton (Marne Elk-Horn), Dan, Sharon, Julie Erickson, Jane Smith, Ashley Schleis, DJ Weber, Kyle Lindberg, Tom Gaffigan and Bill S.

Chairperson Tyrrel called the meeting to order at 4:00 p.m. in the HMU Boardroom.

Moved by Rees, seconded by Seivert, to approve the agenda.

There was discussion of the disposal of Telecom Utility referencing Steve Nadel's list of considerations and cautionary comments and HMU's policy regarding disposal of assets. Steve Nadel mentioned that leasing the fiber to a third party could jeopardize the tax-exempt status of the utility and that the utility should try and get the best price for telecom utility if they did sell which would likely be through a competitive bid process. He also mentioned that there are fixed costs that currently are spread out over all utilities and now there would be one less utility to spread those costs between.

Matt Hudson spoke about how contracts would need to be reviewed to see if any could be cancelled, reassigned or have penalty clauses.

Curtis Dean spoke about how valuable of an asset the fiber to the home network is and how he feels it's vital that it continue to be municipally owned.

Bob Haug mentioned that electric vehicles, distributed generation like roof top solar and battery storage will need to rely even more on the fiber network. Along with system automation and advanced metering.

Rees mentioned how programming costs continue to go up and keeping up with new technology make it difficult to be competitive.

Chairperson, Tyrrel mentioned how the telecom utility was obsolete when he was appointed to the board. He stated that 62% of households don't have landlines and questions how long cable systems will be viable. He also stated that HMU has a great broadband system. He questioned if phone and cable could be phased out keeping only the broadband network.

Erickson and Seivert mentioned that in addition to thinking of what is best for the City and customers, that there are employees that need to be taken into consideration.

Shelton stated that customers should be educated that the fiber system was finished in three years instead of five. He mentioned that the customers benefited from that system as students were taught remotely and employees were required to work remotely during the pandemic. Instead of a sale maybe a pooling of resources would help.

Weber said that he feels the majority of the community stills supports the telecom utility. He realizes that phone and cable could possibly go away but internet isn't going away.

Chairperson Tyrrel also stated the board has been given an opportunity it has never been given before and they must do their due diligence. He asked Weber, Gedwillo and the Telecommunications Committee (Seivert & Rees) to bring a plan back to the February 10 board meeting. (Normally this meeting would be completely electronic but it will now be in person with the zoom option available.

The meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next meeting of the Board of Trustees.

---

CHAIRPERSON, David Tyrrel (*term 2023*)

---

VICE-CHAIRPERSON, Randall Rees (*term 2025*)

---

TRUSTEE, Nella Seivert (*term 2024*)

---

TRUSTEE, Michelle Erickson (*fill-in term 2022*)

---

TRUSTEE, James Shelton (*term 2027*)