

North Dakota One-Call Board of Directors Meeting

Meeting Date: February 12, 2009

The meeting was called to order by Chair Ron Ness at 10:00 AM in the Board Room of the North Dakota Association of Telephone/Rural Electric Cooperatives building in Mandan, ND.

Board Members Present:

Jerry Blomeke – Treasurer
Perry Oberg – Vice Chair

Dennis Kellar
Ron Ness – Chair

Mark Dougherty – Secretary

Others Present:

Chad Olson – One Call Concepts

Jim Holzer – One Call Concepts

Minutes:

Roll Call:

Three Board members absent and five members present; a quorum being present allowing the Board's business to be completed.

Agenda:

Perry Oberg made a motion to approve the agenda as amended to add "Map URL" topic. The motion was seconded by Jerry Blomeke. There being no discussion the motion was called. Ayes all, motion approved.

Approval of previous meeting minutes:

Dennis Kellar made a motion to approve the November 13, 2009 meeting minutes as published and presented. Mark Dougherty seconded the motion. There being no discussion the motion was called. Ayes all, motion approved.

Financial report:

Treasurer Jerry Blomeke presented the current financial statements for review. The financial summary is as follows:

Income	\$95,709.73
Expenses	\$59,097.87
Ending Balance	\$36,611.86
Bank Balance	\$186,981.39

Jerry Blomeke made a motion to approve the financial report as presented. Perry Oberg seconded the motion. There being no discussion the motion was called. Ayes all, motion was approved.

Jerry Blomeke presented the Eide Bailly LLC, "agreed procedure" financial audit conducted as per bylaw requirements. Copies of the audit report were distributed to all Board members present. Jerry offered the report covers very specific parts of an audit and is not to be confused with a complete financial audit. The "agreed procedure" audit is a snap-shot of financial records and does provide some indication of account conditions and possible concerns if found. In looking at the total advertising expense it showed it to be 54.95% of revenues and the total advertising as a percentage of the total Board expenses is 88.99%. Ron Ness asked if there were any questions. Dennis Kellar asked if Jerry is happy with using this procedure and if we should continue its use. Jerry feels it is

something to continue having done in the future. This procedure is not specifically designed to detect fraud but would certainly offer some indication of account errors or inaccuracies and our bylaws do require some type of audit and this should meet that requirement more than a Board member review. Perry Oberg asked about the cost of the presented “agreed procedure” audit. Jerry Blomeke related the cost was approximately \$2200. Perry Oberg offered with the existing Board group it’s easy to get by with little or no oversight on the Board finances because we basically know and trust each other. However, looking to the future with Board membership change that may not always be the case and continuing this type of audit will help to alleviate those coming concerns. The auditors did make a suggestion for the Board to move from Quicken to some higher end accounting software such as QuickBooks. This recommendation is because Quicken has some peculiar quirks that provide for some inaccuracies in developed reports. Jerry Blomeke related it would possibly cost about \$300 to \$400 to purchase QuickBooks. Perry Oberg asked what it would cost to hire an accountant to keep our books. Jerry could not provide an answer and would not relieve the Board of the audit requirement. Jerry further offered he does not spend a lot of time on the Board’s bookkeeping as most of the payments go to reimburse OCC for payments they make on the Board’s behalf. Jerry estimates maybe something like an hour or so a month. Jerry offered he brings all account documentation to all Board meeting and any member is welcome to review those at any time. Mark Dougherty asked Jerry if checks required a dual signature. Jerry responded in the affirmative and he related all incoming receipts go through Ron before he even receives them.

Dennis Kellar questioned the overall financial position of the Board. Ron Ness offered the original thought when he came on the Board was that the OPS grants would not be forever and we’d need these funds to continue our ad campaigns. Jerry Blomeke offered that a third of the expense budget is for Board expenses and the Board does not utilize anywhere close to what is available. Jerry Blomeke offered a decision the Board made several years ago on allowing Board members to submit expense requests for mileage reimbursement for travel to meetings. Jerry is going to start using this option as he feels his constituents should not have to continue to carry this cost. Ron Ness further offered the Board members can also attend national and regional meeting and submit for reimbursement. Jerry Blomeke suggested the Board take some of the funds and place them in some type of investment account (i.e. CDs) to allow for a better return on the funds. This type of investment may cover the cost of the audit requirements. Ron Ness offered we may wish to consider at some point a reduction in ticket cost to reduce the amount of Board funds. Dennis Kellar suggested the Board needs to develop a plan for the use of the considerable funds in the Board checking account in the situation where one of us is asked “why does the Board have so much money”. Mark Dougherty offered discussion at the November Board meeting about increasing the amount the Board spends on advertising and promotion to include a year long campaign rather than the existing plan for key times of the year. Jerry Blomeke added the possibility of increasing the Board’s contribution to excavator dinners to something like \$200 or \$300 rather than the existing \$100 contribution. Perry Oberg interjected that \$189,000 is not really an extreme amount when you consider what the Board is tasked with. Jim Holzer further stated the current amount would likely be small if the Board incurred even a simple law suit. Dennis Kellar suggested we need to make this discussion a future agenda item. Perry Oberg asked if it would be possible to do some account trending to provide information to develop a financial management plan. Jerry Blomeke offered he can do trending with the existing accounting program.

Perry Oberg made a motion to approve the agreed procedure audit as published and presented. Dennis Kellar seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

Jerry Blomeke made a motion to direct the Board treasurer to invest \$100,000 in a CD of no more

than a 12 month term. Dennis Kellar seconded the motion. There being no discussion the motion was called. Ayes all, motion approved.

Perry Oberg made a motion to direct treasurer Jerry Blomeke to procure up dated accounting software as suggest by Eide Bailly, LLC in the agreed procedure audit. Dennis Kellar seconded the motion. There being no discussion the motion was called. Ayes all, motion carried.

Approve bills:

Chad Olson submitted an advertising bill for Oct – Dec 2008 in the amount of \$9191.14. Jerry Blomeke made a motion to approve the bills as submitted. Mark Dougherty seconded the motion. Ron Ness asked if it would be possible to be more descriptive of the advertising invoices listed rather than just listing it as “advertising”. Jim Holzer related he would have to talk with Bob in their office who prepares the report. Ron Ness asked if when Chad receives the report if he could massage the description prior to providing to Board members. Mark Dougherty offered it would not be wise to change the report after OCC has issued something different. Perry Oberg asked Jim Holzer how they distinguish bills in their operation. Jim Holzer offered it is done with account codes and this may require OCC to add some account codes to facilitate being more descriptive on the statements and he will research the procedures. Ron Ness asked about some specific billings for the booth as shown on back-up data. Jim Holzer offered he could provide a pdf including all invoices as back-up to the statement. All agreed that would be successful. Ron Ness asked what the Farm & Ranch Guide invoice was for. Chad Olson related it was for Big Iron advertising and magazine ads. Mark Dougherty reminded the Board we have directed Chad to try to use beneficial magazine ads to reach a wider range of system users. Ron Ness offered he went back and looked at the decision made not to get into a situation where we needed to get into memberships with all stakeholder associations. Ron questioned the AGC membership and he understands the reason for this membership. But how do we decide where to draw the line. Ron asked if this is an issue. Jerry Blomeke asked Chad if he gets a lot of pressure to join other associations or advertise in other publications. Chad related he had been approached by the Farm & Ranch Guide and the AG Weekly for advertisements and he did those to attempt to reach the agricultural community. He further added some of the registrations include membership as part of the booth space fee. He feels the pressure and expense is minor and the benefits are great. Chad further offered he does get requests from others he turns down.

Ron Ness offered April 1, 2002 minutes which constitutes the last discussion the Board had on the issue of association memberships. After the discussion the Board decided to allow Don the latitude to make decisions on these memberships. Chad related if the expense was high for membership on a booth rental and if he had a choice of less for a booth not including a membership he would take that option or possibly not purchase the booth space.

There being no further discussion the motion to approve the bills as submitted was called. Ayes all, motion carried.

Jerry Blomeke made a motion to give Chad Olson the discretion to pay for memberships and advertisements as he deems appropriate. Perry Oberg seconded the motion. There being no further discussion the motion was called. Ayes all, motion carried.

Election of Officers:

Nomination committee recommendations were received from committee member Dennis Kellar. Dennis Kellar confirmed Ed Williams and Mark Dougherty are committed to serve another term on the Board of Directors.

The officer nominations include the following:

Chairman	Ron Ness
Vice Chairman	Dennis Kellar
Treasurer	Jerry Blomeke
Secretary	Mark Dougherty

Ron Ness asked if there are any additional nominations from the floor. No response.

Perry Oberg made a motion to suspend rules and cast a unanimous ballot for the officer nominations as presented. Jerry Blomeke seconded the motion. There being no discussion motion was called. Ayes all, motion carried.

Center Operations Report:

Center operations report was presented by Chad Olson. Items of note included outgoing messages increasing by 11% from 2007 to 2008 and incoming tickets increased by 10% for the same time period. Dennis Kellar related West River Telephone is going to hire an additional locator to handle their increase in tickets. Chad related the trend in North Dakota is the opposite of most other states. The breakdown of the incoming calls indicated 62% were from operators, 31% by ITIC and 7% by Fax. Ticket types 86% were routine tickets, 2% were modified, 9% were re-spot and 3% were emergency tickets. The average hold time dropped by 9.9 seconds and the average processing time went up 0.9 seconds. Ron Ness comment on the good improvement in average hold time. Jim Holzer related it is probably the one upside of a down economy. Perry Oberg asked what would be the cause of the increased usage of ND One Call. Jim Holzer related that from discussion with other Board members there is a tremendous amount of activity requiring excavation, including energy activity. Mark Dougherty related from the construction side there is a massive amount of activity in all areas of the state. Perry Oberg asked if we see the need for additional advertising. Chad thinks activity will continue even though the price of oil has gone down and the answer may be in his discussion of the advertising budget. Also the Board at the last meeting has approved an increase and redirection of advertising dollars to cover the energy producing area more efficiently. Jim Holzer offered the center could do a sampling on callers to see where callers found out about the call center.

2008 advertising expenditure was discussed. Chad reported the promotional items were \$3305.41 under budget, for magazines and other print 1983.95 under budget, for trade shows we were over budget by \$2519, radio, billboards and TV advertising was under budget \$1743.20. For the entire advertising budget we were under budget by \$4513.56.

Chad related the 2009 radio, billboard and TV advertising budget has been increased to \$50,000. Dennis Kellar asked how many of the local excavator dinner groups ask for the \$100 Board contribution? Chad related that in 2008 there were 8 groups who requested the funds. Ron Ness related Don Nett has related in the past he has questioned how effective these dinners are in promoting one call or safety. Chad related that some of the dinners with alcohol do get a bit tough to present to but feels involvement in the activities is beneficial to ND One Call. There is contact through use of the booth and before and after program discussion with participants. There is no question some participants come for the door prizes and the party but that's not the norm. Dennis Kellar related the Minot area group had several more sponsors for this year's event. Consensus was getting dollars for the events are not a problem. Ron Ness asked if everyone was ok with increasing the contribution. Perry Oberg express the fact it's not a lot of money and we could easily increase it by either \$100 or \$200 but the increase may make it more attractive to more of the groups and in total it may become a large sum. Dennis Kellar asked how many contractor dinners there are in the state. Chad related there are 18 dinners scheduled this year. Ron Ness added that the current contribution is

limited to 20 dinners. Mark Dougherty asked Chad if he has a sense of whether the groups are having trouble obtaining funding for the dinners. Chad response was no, not at this time. Mark's point is do we need to throw money where it's not needed. Ron Ness pointed out the dollars may just go to door prizes any way. Jerry Blomeke's thought is it may be a better idea to direct some money to door prizes rather than the existing contribution. Dennis Kellar agreed it may provide more bang for our dollar and get the participants attention where no one knows about the contribution except the organizers. Perry Oberg related the dinners he has attended the good door prizes garner attention. Jerry Blomeke suggested we should get really good door prizes for each excavator dinner. Perry Oberg made a motion for 2009 excavator dinners to purchase high end door prize up to a \$200 value and the item to be associated with ND One Call and this door prize would not replace the \$100 contribution. Jerry Blomeke seconded the motion. Ron Ness suggested tools are always good items. There being no further discussion the motion was called. Ayes all, motion carried.

2009 Advertising Report was presented by Chad Olson. Chad related he's still waiting for some final quotes and Cable One and Midcontinent are working on new ads and we're going to start out the year with our private facilities and ITIC ads until the new ads are ready. Mark Dougherty noted Cable One and Midcontinent have been very good to ND One Call in developing the ads and we should consider sending them a nice letter of thanks. Dennis Kellar asked how much the ad insertions in the rural telephone directories cost. Chad doesn't know but the telecos are putting something together for him.

Ron Ness agreed to draft a letter of appreciation to Cable One and Midcontinent.

Chad informed the Board the 2009 Pipeline Safety Grant was in the amount \$9905 and the Board is proposing to use this grant award on billboard ads.

The Damage Prevention Application has been completed and submitted by the PSC and we await notice on status.

Chad provided an up-dated exhibit and presentation schedule for the Board's review.

ND Locators Association conference, no news.

CGA activity point to the national conference in Orlando, FL

SENDUP no news.

Other news from Chad is he sent letters on two conflicts and both were resolved. Conflicts were in Jamestown and Grand Forks.

Perry Oberg offered commendations to Chad for his good work on behalf of the ND One Call Board.

Old Business

Web site up-date review. Everyone thought the site is way beyond what it was and we need to continue to make improvements and keep it as up to date as possible. Jim Holzer was asked if the site has a counter and he will check and provide details what it would take to install. Mark Dougherty suggested it's important to know the number of visits to the site and even which parts of the site are being used. Chad has had good comments on the new site to-date. Ron Ness expressed the Board thanks for working on this new website.

Notification Center IVR up-date. Jim Holzer has heard no complaints and there are additional improvements planned for the near future. He feels people today are use to using this type of system.

Homeowner's email is on hold until the center gets the excavator's email out first due to proximity of season startup.

Signing of a new three year contract with One Call Concepts was completed. Documents were executed by Ron Ness and Jim Holzer.

Perry Oberg asked Chad where he sees the ITIC usage going in the future. Chad responded it is increasing and the range of users is slowly but steadily increasing due to some of the improvements added in the past year. Jim Holzer explained the mapping feature changes provided recently have made it easier for everyone to use ITIC. Jim Holzer suggested one way to increase ITIC usage maybe to eliminate the option for Fax-a-Locate or to make sure utility operators are promoting its use.

Ron Ness reviewed the options the Board has for distribution of the credit. Mark Dougherty made a motion to deposit the accumulated ITIC credits offered by OCC into the advertising account. Jerry Blomeke seconded the motion. There being no discussion the motion was called. Ayes all, motion approved.

Ron Ness reviewed the enforcement notice to stakeholders drafted by Ed Williams. It was discussed the need to notify stakeholders so no one is surprised in not knowing the enforcement penalties exist. Suggestion was made to include the PSC general phone in the notification. Jim Holzer offered the notice could be distributed through the ND One Call website, OCC bill stuffer and call center user broadcast. Ron Ness offered to email his proposed changes to all Board members and OCC.

Phone book listings for ND One Call were discussed and it was decided the \$855 cost for DEX listings is excessive for the possible benefit. The cost would include listings under utilities, locating and safety. Chad informed the Board the independent telephone companies provide an entire page free. Mark Dougherty questioned the need to do these listings when all of our advertising is promoting 811 and ITIC use.

Chad Olson commented he has had some questions on why private utilities are not located. Comments have included they were located before why are they not located now. This just confirms the need to use media ads to define a private utility.

Ron Ness reviewed the November 13, 2009 action item list and found all items complete.

New Business

Ron Ness suggested we start new business with the Map URL topic. Jim Holzer related OCC would like to have direction on whether they can offer the service to allow them to post to the website and start testing next week. This website posting is to let everyone know what the service is prior to the formal offering. The Board's consensus was to move forward with the service addition.

Mark Dougherty related he has found no submitted Legislative bills concerning ND One Call.

Chad had contact from Minot area person who'd contacted a utility to locate for snow push back on a highway and he was told to contact One Call. Chad suggested they meet with the affected utilities and work out something for this unusual situation. Dennis Kellar related they've had a number of

calls on locating for snow removal in highway right of ways. He feels it's important to do these locates to protect the utility monuments and switch boxes from being dozed with the snow. Ron Ness suggested we keep encouraging people to contact the utility companies to allow them to locate their above ground facility. Mark Dougherty noted this is not covered or required by statute.

February 12, 2009 Action Items:

- Chad Olson to confirm with PSC on the OPS grant funds being used for billboards and post enforcement notification on the NDOC website.
- Jerry Blomeke is to provide financial trending information and obtain some accounting software and invest some Board funds in CDs.
- Jim Holzer is to look into the improving the statement invoice descriptions and mover forward with the Map URL, and include enforcement notification in next round of OCC billings and a broadcast message.
- Ron Ness to draft letter of appreciation to Cable One and Midcontinent, and e-mail the updated enforcement notification to the Board, Jim and Chad.

2009 NDOC Board Meeting Schedule

- May 14, 2009, 10:00 AM, NDAREC Board Room, Mandan
- August 13, 2009, 10:00 AM, NDAREC Board Room, Mandan
- November 12, 2009, 10:00 AM, NDAREC Board Room, Mandan
- February 11, 2010, 10:00 AM, NDAREC Board Room, Mandan

Meeting adjourned at 1:50 PM

Submitted by Mark Dougherty, Secretary

Ron Ness, Chairman

Signature:  _____

Signature:  _____

Date: 5/10/09

Date: 5/14/2009