

North Dakota One-Call Board of Directors Meeting

Meeting Date: May 09, 2019

The meeting was called to order by Don Frye at 10:00 am at the Capital Electric Co-Op Board Room, 4111 State Street, Bismarck, ND.

Board Members Present:

Don Frye – Cities under 5000

Brenda Derrig – Cities over 5000 (Via Phone)

Richard Brierley – Oil/Gathering

Jerry Blomeke – Rural Water

Mike Schoepp – Gas/Pipelines

Ron Ness – Electric

Carey Burke – Excavators

Board Members Absent: Dale Robbins – Cable Television, Brooks Goodall – Telecommunications

Others Present:

Ryan Schmaltz – One Call Concepts/ND One Call Board Representative

Frank Planton - One Call Concepts Connie Schmidt - One Call Concepts

Roll Call:

Introductions were made; board members and others present are listed above.

Agenda:

The agenda for the meeting of the North Dakota One Call Board of Directors was presented and approved. Mike Schoepp moved to approve the agenda. Richard Brierley seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

Minutes:

Approval of previous meeting minutes:

Minutes of the February 14, 2019 meeting were presented for review and comment to the Board of Directors. Jerry Blomeke moved to approve the minutes. Carey Burke seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

Board Officers Elections: Richard reported phone calls were made to Brenda, Brooks, Mike and Don everyone indicated they would like to retain their positions on the ND One Call Board. Richard Brierley made a motion that Brenda, Brooks, Mike and Don keep their positions on the Board. Jerry Blomeke Seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

Financial report:

The financial summary for October through December, 2018 was submitted as follows:

Total Income	\$160,829.88
Total Expenses	\$ 92,322.46
Net Income	\$ 68,507.42
Total Checking/Savings	\$283,555.86

Richard Brierley moved to accept the financial report as presented. Brenda Derrig seconded the motion. There being no further discussion the motion was called. Ayes all, motion was approved.

The 2018 Audit report was presented Mike stated the one question the auditor had was the drop in retained revenue in 2019. Carey Burke moved to approve the 2018 Audited Financial Statements. Mike Schoepp seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

Approval of Bills:

Ryan Schmaltz presented the expenses for payment for the period of January, February and March 2019, the truck expense total of \$580.33 and advertising expenses for the amount of \$39,527.52. After some discussion Jerry Blomeke moved to approve payment of expenses as presented. Motion was seconded by Ron Ness. There being no further discussion the motion was called. Ayes all, motion was approved.

Professional Agreement: After some discussion Mike Schoepp made a motion that NDOC would purchase the specialized envelopes, checks and postage stamps. Motion was seconded by Brenda Derrig. There being no further discussion the motion was called. Ayes all, motion was approved.

Motion was made by Jerry Blomeke to remove Mark Dougherty from the signature card at Kirkwood Bank and replace with Carey Burke. Motion was seconded by Richard Brierley. There being no further discussion the motion was called. Ayes all, motion was approved.

NDCGA: Richard reported Kevin is having health issues and will be resigning his position as chair. Randy Heidt approached Kurt the Vice Chair of the board and informed him that he is interested in getting things going and would like to set up a meeting as soon as possible. They will be talking about this at the NDPA meeting in June as well. Rich will be attending the NDPA meeting.

PSC – Report: Victor was unable to attend the meeting therefore Ryan reported.

- a.) **Enforcement cases update:** There are 6 OCC unpaid 811 fee cases open for 2017 or older. 2018 has 27 open cases. There are two cases for 2019 for a total of 35.
- b.) **Notable Events:** ND/SD joint Pipeline Safety Operator Training was held April 2-3, 2019 in Bismarck. There were approximately 120 in attendance.

Center Operations Report:

Dash Board Report: Connie reported YTD volume numbers are up by 27,000 for 2019. The ITIC is also notable the ASA is low obviously based upon the call times. The processing time is back down. They did implement the ITIC announcement. ITIC was at 73% in April and YTD went to 76 % in March we are at 80%. It is trending at 78% for May. This is not unusual there is a learning curve and this might take a while.

- 1.) **Positive Response:** Positive response compliance was at 96%, 5% are statusing their tickets but they are doing them late. In March and April there were 150 companies that have statused zero of their tickets. They are the small companies and cities some of it is communication. They are expecting the numbers to get better as everyone is educated on the system.
- 2.) **Next Gen:** Connie reported the name for Next Gen is now ITIC Nxt. They are very happy to report they have a landing page being created by their team. This is not for live production it is only used to do testing to give feedback on the system. The landing page is scheduled to go out next week to a limited number of customers. Along with the board there will be about 15 to 20 handpicked people that know how to use the system correctly to use the new page and give their feedback. Assuming there are no issues they will then roll out the landing page to everyone for testing. She is pretty confident there will be no major issues. They are educating through excavator dinners and short education videos. They are also giving three tools parcel, circle and route so they are less likely to go into review. Parcel will generate a better-quality ticket.

Call center activity was as follows:

January to March 2019		2018	2019	% Increase
Incoming Tickets		11,988	12,709	0.0601%
Outgoing Tickets		73,228	78,176	0.0675%

The incoming tickets represented above for 2019 were split as follows:

Operators Calls	11.96%
Excavator Calls	86.21%
Homeowner Calls	1.83%

Types of locate requests were as follows for 2019:

January to March 2019	% Total 2019
Routine	58.6%
Modify	3.9%
Respot	23.5%
Emergency	8.5%
Meets	.2%
Survey	5.3%

Advertising Report:

b).

The 2019 NDOC advertising expenditures as of March 2019 are as follows:

Budget Items	Total to Date	Budget
Promotional Items	\$41,859.70	\$50,000.00
Trade Shows	\$46,623.35	\$55,000.00
Magazine & Other Print	\$9,098.00	\$17,500.00
Website	\$0.00	\$23,304.00
Radio	\$1,075.00	\$20,500.00
TV	\$536.80	\$72,696.00
UND/NDSU Games	\$0.00	\$16,000.00
Bill Board	\$ 0.00	\$0.00
NDOC Truck	\$580.33	\$10,000.00
Total of Items to Date	\$99,773.18	\$265,000.00

Ryan presented the advertising expenses compared to the budget with an YTD net of \$165,223.82

- 1) **Truck report:** The truck expense report was presented for the period of January through March 2019. The balance for the period is \$580.33.
 - 2) **Baseball Partnerships:** Ryan reported the Bismarck, Minot and Dickinson dates are set for the OCC Bike and/or Trike they are August 2 in Minot, August 3 in Bismarck and August 4 in Dickinson. Ryan would like the OCC employees to help on these dates instead of the State Fair. Ticket list has just been issued for the Larks and will be sent out so if anyone wants tickets, they should let Ryan know. He plans on doing a coloring contest again this year the winner to receive tickets to a game of their choice. Dickinson team has not been very cooperative with him to get his promotional items out on a specific night.
 - 3) **Sundog Advertising:** They are starting the bulk of our advertising now. They finished a 15 second pre-roll commercial on Facebook and are also working on a new 30 second commercial. Ryan will send the draft out to the board as soon as it completed. Don mentioned at the CGA meeting they were picking a video and suggested we submit a video. Ryan stated he would keep his eye open.
 - 4) **State Fair:** July 26, 2019 is the date we will be at the fair. We have two new sponsors AGC of ND and Hess. A \$1,000.00 donation was given to Ryan at the Minot excavator banquet from Excel Energy, the money was donated by a locating group which is no longer together for sponsorship at the State Fair.
- c.) **Ryan Schmaltz Report:**
- 1) **2019 Excavator Banquets:** Finished up with the Banquets on Tuesday in Bismarck attendance down in Bismarck but the others were stable. People were asking about Fargo and Williston. Ryan talked to someone with the ND Pipeline Association they are going to discuss at their June meeting and they might be willing to help out with some of the banquets.

- 2) **Other:** Ryan got a call from a water company hit by an excavator. Water company did not locate the line. The law is not clear as to whether the depth needs to be indicated. Board felt that if the water company did not locate you are taking the risk of destroying your line by not marking.

Old Business:

- a) **App for NDOC:** Connie reported the App is launched she will now be able to track how many tickets are being filed on the mobile app going forward she will also report it on the dashboard.
- b) **National CGA Conference:** The conference was held in Tampa Florida March 26-29, 2019. Don and Ron gave a written report. Don reported he attended some of the PHMSA meetings and reported they were unhappy with the way the Public Service commissions in some states are enforcing the laws. They felt there were too many complaints that were not dealt with and they want that to change. Ron mentioned a couple of the TRs like the abandoned lines and requiring a locator to provide the depth. We all saw that Tom Hoff is on the hall of fame.
- c) **By Law Committee Changes:** Carey and Rich reported the changes to Article II are as follows:
 - 1) Amendment – originally had 8 members now we are adding 1 new member representing oil/gas transmission or gathering lines operators. Membership now changed to board membership.
 - 2) Cities of more than 5,000 changed to Cities of 5,000 or more population.Carey Burke moved to approve the changes in Article II of the NDOC By Laws. Mike Schoepp seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.
- d) **Committee for RFP Contract:** Everyone has a copy of the contract we have about a year to get the contract updated. Ron, Brenda and Carey will be on the committee to review and update the contract.
- e) **Expiration Date on Tickets:** OCC is testing the version that is going to provide the expiration date. As soon as it working properly, they will be sending out the end date automatically for each ticket.
- f) **NDOC Handbook Reprinting:** Ryan presented the cost to make the changes in the booklet. Don Frye moved to approve the cost to print the stickers necessary to make the corrections in the NDOC Handbook. Richard Brierley seconded the motion. There being no further discussion the motion was called. Ayes all, motion approved.

New Business:

- a) **Lone Star 811:** Frank informed the board Texas does things a little different than other states. They operate with several call centers within the state. All call centers shared all the tickets. Whatever center originated the locate ticket through the call would also send a copy of the ticket to the other call centers in the state to notify their membership. Membership for utilities meant you had to belong to one of the certified call centers in the state. You had the option to pick the call center you wanted to participate in. There were three centers one of them went out of business which left Texas 811 and Lone Star 811 in the state. Lone Star 811 is actually OCC they operate that center and have for a number of years. At the time the 3 centers existed the agreement was there were no charges billed for the calls. The law provides the cost could be charged but agreed there would be no charge. The law also stated there is certain required minimal information that has to be provided on each ticket. Any added information was requested by the excavator. Texas 811 decided they wanted to revisit the cost sharing agreement they had before and start charging Lone Star 811 the same fee equal to what they charged for membership for each ticket. In addition to that they were considering only sending the required information under the law to Lone Star 811. Which meant not all information would be sent, which meant they would suppress some of the information. They were doing this as a marketing tool. The ratio in the state is that they have 80% of the membership and 75% of the tickets Lone Star 811 had about 15% of the membership and 20% of the tickets so they thought there was an imbalance there. So, they entered into a lawsuit against Lone Star 811 started billing us for the tickets which amounted to \$200,000 per month. So far, the invoices from them total \$1,400,000. They also said they were going to start suppressing information when asked by the One Call board in Texas and Lone Star 811 what information they were going to suppress they would not identify what information it would be. We decided because of these two actions the cost of the lawsuit in terms of this billing and the risk involved of losing a court case and having it hang over their head was too great. In addition to that the risk factor of leaving caller given information off the ticket was something

they could not accept. Therefore, Lone Star 811 will be leaving Texas as of July 31, 2019 Texas 811 will be the sole provider for Texas. For them to fight it would impact the safety of the state. It is also a federal case so it would also be almost a year before the case would be heard and the risk out there would prevent them from moving forward. The lawsuit is still there but leaving the state would stop the invoices from coming.

- b) **FYI – Directors Insurance Renewal:** Don informed the board the Directors Insurance has been renewed.
- c) **OCC Portland Conference:** The conference will be held September 24-26, 2019.
- d) **Action Items:**

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- Board Advertising – monthly billing
- Second Bylaw Vote
- RFP Contract update

Frank addressed the board as to the perceived value of the promotional activities such as the vehicles and The Direction TV show. They would like to get some feedback from the board members and the stakeholders as to the effectiveness of these promotions and what perceived value that it brings to their situation. They are contemplating putting together two short surveys to be conducted by a third party. One of the surveys would be directed toward the board the other would be for the stakeholders to see if there is value in it. Or are there other things that would be more valuable. They would like to make sure all the money they are spending has the value they hope for. The board felt it would be a good idea and suggested to ask for the shareholders to do the survey when they do a ticket request.

Upcoming Meetings:

<u>Date</u>	<u>Time</u>	<u>Type</u>	<u>Location</u>
August 08, 2019	10:00	Regular	Capital Electric Co-Op Board Room
November 14, 2019	10:00	Regular	Capital Electric Co-Op Board Room
February 13, 2020	10:00	Regular	Capital Electric Co-Op Board Room
May 14, 2020	10:00	Regular	Capital Electric Co-Op Board Room

There being no further business to come before the board Carey Burke made a motion to adjourn Ron Ness seconded. The meeting was adjourned at 12:09 PM.

Submitted by:
Brenda Derrig, Secretary

Signature: B. Derrig
Date: 8-8-2019

Don Frye, Chairman

Signature: Don Frye
Date: 8-8-2019