



**Frontier Telenet Board of Directors  
Minutes of Non-Regular Other Meeting Held Pursuant  
to Frontier Telenet Bylaws for Issues Requiring Immediate Attention**

*Pursuant to ORS 192.650 and the policy adopted by the Frontier Board of Directors (Board) on January 25, 2019, audio recordings of Board meetings constitute the official record of events transpiring at such meetings. Board meeting audio recordings are made accessible to the public via Frontier's website ([www.frontiertelenet.com](http://www.frontiertelenet.com)). The minute below are provided for convenience only.*

**Meeting Date/Time:** January 16, 2019  
**Meeting Location:** Sherman County Courthouse  
500 Court Street, Moro, OR  
**Meeting Minutes Approved:** January 25, 2019

A non-regular other meeting of the Frontier TeleNet Board of Directors was called to order by Judge N. Lynn Morley at 2:02 PM.

Directors Present:

- Judge N. Lynn Morley (by telephone)
- Judge Joe Dabulskis
- Judge Elizabeth Farrar (by telephone)

Also Present by telephone:

- Ruben Cleaveland - Frontier TeleNet General Counsel
- Jeanne E. Burch - Frontier TeleNet administrative service provider
- Jim Deason - Frontier TeleNet, Special Counsel

Lynn Morley declared a quorum was present.

Lynn Morley announced the purpose of this meeting is to discuss an Intergovernmental Loan Agreement with Sherman County.

Joe Dabulskis asked if everyone had a copy of the current agreement. The answer was yes that everyone had a copy. Ruben Cleaveland pointed out that the difference in the copy prepared earlier and this copy is that the repayment due date of the loan would be June 30, 2019 and not June 30, 2020 as stated in the original loan document. Joe Dabulskis said that the Sherman County Court met today, January 16, 2019, and the repayment due date is a firm date.

Frontier Telenet Board of Directors Meeting Minutes

Meeting Date: January 16, 2019

Page 2

Lynn Morley expressed concern that Frontier TeleNet would not be able to pay back a loan of \$100,000.00 by June 30, 2019.

Elizabeth Farrar stated, “isn’t it okay if Sherman County knows we cannot pay back the loan by this date.” Elizabeth Farrar also stated that we do not know where we will be in a year. Ruben Cleaveland said that Sherman County would have full recourse if loan not repaid as agreed.

Elizabeth Farrar asked Joe Dabulskis if Sherman County made the change today at their County Court Meeting: Joe Dabulskis replied yes, and we understand that TeleNet may not be able to pay back. Sherman County wants to be sure that Frontier TeleNet has a plan.

Joe Dabulskis commented that he liked Elizabeth Farrar statement regarding not knowing where Frontier TeleNet will be in a year. Elizabeth Farrar replied that we do not know where we are, not sure where we might be in 18 months and if we will be able to pay back loans.

Jim Deason asked if Sherman County expected a decision from Frontier TeleNet Board of Directors concerning approving accepting the loan today or to wait until the regular Frontier TeleNet Board Meeting. Joe Dabulskis stated that he does not remember a time frame for accepting the loan agreement with Sherman County.

Elizabeth Farrar questioned if Frontier TeleNet has a real emergency. She had understood that funds were low and December bills might not have been paid. Elizabeth Farrar said she had spent a lot of time with her court members on this because she understood it was a serious situation. Jeanne Burch gave a brief update of funds available to Frontier TeleNet as of this date. December bills are paid and there is enough money to complete January. First of February may be a problem.

Lynn Morley said again that he still feels that the date of repayment needs to be changed before any agreement is made to accept loan.

Lynn Morley will be meeting with Frontier Regional 911 representatives and will make a presentation showing the amount of support Frontier Regional 911 is receiving from Frontier TeleNet.

Jim Deason stated that there are only two options. One is to vote today to accept the loan with the current agreement documents or to table until the regular meeting.

Elizabeth Farrar stated that since she and Joe Dabulskis do not have knowledge of the Frontier TeleNet finances a work session is very important.

Jim Deason replied that a new update of financial situation will be available for the work session. This should help clarify the current situation with Frontier TeleNet and also planning for the future.

Frontier Telenet Board of Directors Meeting Minutes

Meeting Date: January 16, 2019

Page 3

Joe Dabulskis wanted to note in the Frontier TeleNet Public Record his appreciation of all the hard work Lynn Morley has been putting in to solve the Frontier TeleNet problems. Elizabeth Farrar agreed.

Lynn Morley asked if any further discussion and if there would be a motion to accept the loan agreement with Sherman County.

Elizabeth Farrar answered that she thought the matter was being tabled. Lynn Morley said that tabeling the loan agreement would be his preference. Joe Dabulskis had no opinion.

Moved by Joe Dabulskis, seconded by Elizabeth Farrar to table the Frontier TeleNet Loan Agreement with Sherman County until the next meeting. Motion carried with all present voting aye.

There being no further business, the meeting adjourned at 2:42 P.M.

Approved:

/s/ N. Lynn Morley  
Judge N. Lynn Morley  
Chairman of the Board

Approved by Board: January 25, 2019