

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

July 9, 2001

The proceedings of a joint work session of the Coos Bay City Council and North Bend City Council held at 5:30 p.m. in the North Bend Library, North Bend, Coos County, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Jeff McKeown, Cindi Miller, Don Spangler and Judy Weeks of the Coos Bay City Council. Mayor John Briggs and Councilors Frank Amatisto, Larry Garboden, Charles Graham, Howard Graham, Janet Rubin, and Rick Wetherell of North Bend. Coos Bay staff present were City Manager Bill Grile, Community Services Director Shanda Shribbs and Assistant City Manager Joyce Jansen. Tim Enright from School District 9 was also present. North Bend staff present were City Administrator Gary Combs, City Recorder Jan Willis, and Public Works Director Aaron Geisler. Guest speaker was Vaughn Raines.

Presentation by Vaughn Raines

Mayor Briggs opened the meeting and explained the purpose of the meeting was to discuss fiber optics in the Bay Area. He introduced Vaughn Raines of PCI. Mr. Raines explained PCI is the business partner with the private/public consortium to bring fiber optics to the area. His firm was awarded the bid on May 22nd. It is not PCI's obligation to bring fiber to the doorstep of every home and business, but to build the backbone to bring other businesses to the area.

Councilor McKeown inquired if funding was in place to provide the fiber and Mr. Raines reported only for the first year. Councilor Weeks asked if PCI would be selling fiber and Mr. Raines stated PCI's contract is for provisioning, not selling. Councilor Rubin asked who owns the fiber and Mr. Raines reported it is owned by three companies; Williams Communications, BPA and 360 Degree. Mr. Raines explained how Fiber South Consortium was formed and that they were granted 12 fibers. Councilor McKeown expressed concern about funding the project and Mr. Vaughn stated 360 Degree is in bankruptcy so fiber to Klamath Falls may be a problem.

Councilor Spangler commented when the agreement was signed, funding and an implementation plan were in place. Councilor Rubin asked if a business was currently using DSL and T-1 lines, could these be dropped and replaced with fiber. Mr. Raines said it would depend on the type of business but there is potential to save some money. Tim Enright commented there wouldn't be a savings in the first year. There was further discussion on the use of fiber, PCI's obligation as a provisioner to each community, how the community would benefit from fiber, and how fiber "circles" work.

Mr. Raines commented the Consortium may come back and charge members for connecting. Mr. Grile stated that was not the intent when Fiber South was formed. Councilor Spangler explained they have discussed charging members because some cities who are members cannot afford equipment to hook up to the fiber and charging would be a way to assist them in hooking up. Mr. Grile commented Coos Bay and North Bend cannot come up with revenue for the smaller jurisdictions. Mr. Vaughn commented smaller cities can apply for grants to pay the cost of hooking up to fiber. Mr. Grile commented it would be good to have a technical advisory committee to help bring it all together. Councilor Spangler reported the consortium will be meeting on the 17th in Roseburg and he would be willing to take anyone's questions to the meeting.

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There being no further discussion, the meeting was adjourned.

Joe Benetti, Mayor

ATTEST:

Joyce Jansen, Deputy Recorder