

Meeting Date: October 21, 2011

North Florida Broadband Authority Emergency Meeting

Topic: **The removal of Rapid Systems "for convenience"**

Speakers:

NFBA Board Chair	Stephen Fulford
Commissioner Jefferson County:	
Representative of Cedar Key:	Pat O'Neal
Gilchrist County Commissioner	Tommy Langford
Councilman – White Springs:	Walter McKenzie
Economic Development Director - Taylor County:	Rick Breer
City Manager Lake City:	Wendell Johnson
For Rapid Systems	Chris Voehl
For Madison County Workforce Board	Sheryl Rehberg
For Columbia County	Todd Manning
Unknown Board Member	Board Member

Transcript prepared by: [Columbia County Observer](#)



25 49:04

26 **Stephen Fulford:** Everything we do from now on will meet
27 the compliance requirements for the award.

28 **Tommy Langford:** It was a good investment.

29 (The hiring of the Washington law firm of Patton Boggs)

30 (Not explained was why the purported experts GSG, NGN, and CST
31 were asked by the Federal Government to resign and why the NFBA
32 has found itself in the fix that it is now in)

33 **Mr. Fulford:** Yes, it was a very good investment.

34 49:36

35

36 **(Terminating Rapid Systems)**

37

38 **Mr. Fulford:** Looking at the transition, it seemed like a
39 good time to take this into consideration. It's an item that I have
40 weighed heavily on for a while. This was put on here at my request.
41 Given the status we're in with the transition, it makes good business
42 sense to consider this termination for convenience with Rapid Systems.

43 **Pat O'Neal:** Have we vetted this at all with the NTIA?

44 **Mr. Fulford:** We have.

45 **Mr. O'Neal:** Okay.

46 **Wendell Johnson:** Is Rapid Systems aware that this is being
47 considered today?

48 **Mr. Fulford:** I don't think so.

49 **Mr. Wendell Johnson:** (Asks about the e-mail from Denise
50 Hamilton, CFO of Rapid Systems regarding invoices)



51 **Chris Voehl:** Our understanding from attending the CAP
52 [Corrective Action Plan] response and transition meeting, Wednesday,
53 was that the recommendation of that group and yourself included,
54 Wendell, would be to echo what Jacobs had recommended -- is that
55 we would be making (train goes by) a mistake to terminate our
56 contract and I believe what you said also was that moving all the
57 equipment would be cost prohibitive and our offer to the board to
58 assist during the transition period ... we would be willing and able to
59 assist the NFBA in their transition.

60 **Mr. Fulford:** I don't think Jacobs has made a recommendation one
61 way or another on this. I know the big concern is the warehousing and
62 transferring of the equipment. That's an item that has definitely
63 weighed heavily into my decision. We've been preparing for that for a
64 number of months. I think the estimate is that it will probably take us
65 about two weeks to do that.

66 If we get -- I mean -- you know -- if we get that done and we can get
67 that done during this transition -- you know -- we are not going to be
68 ramping up for fieldwork and re-mobilizing -- you know -- people
69 immediately -- so I think in the grand scheme of the project -- taking
70 the time to do that transition of equipment into NFBA custody -- I
71 don't think in the grand scheme of the project, it's really going to
72 affect the project -- the schedule of the project.

73 From a financial standpoint those transitions were going to happen
74 anyway -- those transfers -- transportation.

75 (Ms. Burgess Attorney of NGN gives her opinion. Folks give their
76 opinion).

77 54:17

78 **Mr. Fulford:** Any outstanding tasks that are not
79 completed at this time by Rapid Systems that are under their work
80 authorizations, we would probably draft a procurement to procure
81 those services. There are services that are covered under the Jacobs
82 scope of work -- that are things that will be covered -- but primarily I
83 think anything that's being vacated that will be unfinished -- and I
84 would hope that we would be able to get most of the outstanding
85 tasks from rapid systems completed and wrapped up so that they can



86 get final payment on those. But anything that is considered unfinished
87 would be moved probably to procure those services.

88 **Mr. Langford:** I guess I am looking for justification. So
89 this is basically your recommendation to the board that we do this
90 termination?

91 **Mr. Fulford:** Correct.

92 **Mr. Langford:** Do you think it would have any effect on
93 our transition as far as that goes or anything like that. I know he (Mr.
94 Voehl) mentioned FRBA has 90 days, of course we've got 30 days. I
95 guess it won't have a whole lot of affect on us?

96 **Mr. Fulford:** Umm -- I don't -- I don't -- I haven't -- I
97 don't see that it would. I think it's a transition that would occur --
98 Umm -- I mean Jacobs is positioned -- I mean they will be coming on
99 as a project manager -- umm -- they haven't yet -- but ahh

100 **Mr. Langford:** But they will be?

101 **Mr. Fulford:** They will be. And Jacobs was procured also
102 under the engineering services agreement -- engineering consulting
103 agreement also. There are some items that they can do, or they can
104 out source directly under their contract.

105 **Mr. Langford:** And how soon will that be?

106 **Mr. Fulford:** I think we should have that ready for the
107 next meeting -- next board meeting. I think that the contract is drafted
108 and prepared. They're still working on the scope of work to that
109 contract.

110 56:47

111 **Mr. Langford:** Is this going to affect any of our equipment
112 storage or anything like that...? If we do this are we got to move that
113 equipment or take up that lease or what we gonna do.

114 (Conversation about the 10,000 sq. ft bldg. in Lake City)

115 58:10



116 **Board Member:** Would it not be proper to notify Rapid
117 before we take action on this?

118 **Mr. Fulford:** If that's the will of the board.

119 **Board Member:** Personally I would feel more comfortable
120 with that.

121 **Mr. Fulford:** It's up to the board or if they would like to
122 delay this decision until the next meeting.

123 **Sheryl Rehberg:** I don't see any need to delay it.

124 58:42

125 **Rick Breer:** Mr. Chairman -- at additional risk by
126 delaying? Is it in your opinion -- we might be taking additional risk as a
127 board if we delay this. I'm assumin that the reason you brought this to
128 us is because you have come to the conclusion that this is the best
129 way to move forward -- and as my chairman I respect that.

130 **Mr. Fulford:** It's been a long process for me to come to
131 this conclusion, but looking at where we are and where we are going
132 to me I have come to the conclusion that it would be in the best
133 interest of the project.

134 (Mr. McKenzie talks about cooperation. Says he appreciated Rapid.
135 Relationship wasn't comfortable. He lost his comfort level. This is a
136 good point to ... sever the business relationship and move on).

137 (Mr. Fulford explains that he is not happy and he has no problem
138 working with Chris and Denise of Rapid and the folks at Rapid).

139 **Mr. Fulford:** I think professionally it's just what's in the
140 best interest of the project. Ya know -- from a professional position.

141 **Ms. Rehberg:** Is there a motion on the floor?

142 **Mr. Wendell Johnson:** Does the NTIA, know, are they aware what
143 you are proposing?

144 **Mr. Fulford:** Yes. I did inform them. I gave them the
145 heads up that I would make this recommendation to the board.



146 1:02:31

147 (Discussing control of the equipment)

148 **Mr. Fulford:** That's been a concern that came up since
149 August when Rapid Systems indicated -- sent a letter to the board
150 indicating that they would be leaving -- breaching their contract and
151 leaving the project. That's when that issue came up of the security of
152 the resources.

153 (Someone asked something about the NTIA)

154 **Mr. Fulford:** It was. It was. Their primary concern was
155 the stability of the relationship with Rapid

156 (Someone asks if Jacobs is going to warehouse and provide manpower
157 to move the equipment)

158 **Mr. Fulford:** I think that's coming under Jacobs. That
159 was already part of the GC contract that was being arranged when we
160 were moving forward with doing a transfer. (People speaking at once)
161 It will be under the project management contract.

162 **Mr. Wendell Johnson:** Just so I understand this rapid systems has
163 two warehouses with equipment in it -- several million dollars of
164 equipment -- so if we terminate the relationship with them is a your
165 vision that we are going to relocate that equipment out of those
166 warehouses into a centrally located warehouse somewhere?

167 **Mr. Fulford:** That is the direction we have been going and intending
168 to execute -- yes...

169 1:04:00

170 **Mr. Wendell Johnson:** So the discussion we had Wednesday in
171 regards to interim occupancy and retaining the equipment just from a
172 commonsense financial perspective -- that's not where we're going to
173 head if we terminate Rapid Systems?

174 **Mr. Fulford:** I think reviewing that in reviewing the
175 overall direction of the project, I think from a big picture standpoint
176 that ends up being a smaller issue to deal with.



177 (Mr. Wendell Johnson brings up a Rapid employee that no longer is
178 involved in the NFBA project. Then there is discussion wherein it is
179 brought up that the employee in question still works for Rapid Systems

180 (Ms. Rehberg looks over in the direction of the NFEDP's Jeff Hendry)

181 **Ms. Rehberg:** Mr. Chairman, in the interest of moving our
182 project forward, so that we can keep this forward motion going, I offer
183 a motion that we approve this notice of termination.

184 (Without taking a breath Columbia County's representative speaks up)

185 **Todd Manning:** I'll second it.

186 (The motion passed unanimously)

187

