

Missouri Universal Service Board

Minutes of Meeting

Wednesday, August 6, 2003

1:30 p.m.

Missouri Public Service Commission

PSC Agenda Room, 9th Floor

Governor Office Building

200 Madison Street

Jefferson City, Missouri

Those present at the meeting were: John Coffman (JC), Steve Gaw (SG), Bryan Forbis (BF), Kelvin Simmons (KS), Connie Murray (CM), Robert Clayton (RC), staff members of PSC, OPC, Office of Administration and members of the public.

Chair John Coffman called the meeting to order at 3:34 p.m.

Chair Coffman welcomed Commissioner Clayton as a new Board member.

J C	S G	B F	K S	C M	R C
Y	Y	Y	Y	Y	X
Y	Y	Y	Y	Y	Y

1. Approval of Minutes of March 5, 2003 Meeting

Motion for approval by Chairman John Coffman of the minutes for March 5, 2003.

Seconded by Connie Murray.

2. Review and Consideration of Selection Committee Recommendation Regarding Bids for fund Administrator

Chair Coffman moved to close the meeting per section 610.021(12).
Connie Murray seconded.

Office of Administration representative Renee Toul explained the OA bid process, "next steps" and public availability of bidder materials as open records once the Board decision regarding the bids is final.

a. **Discussed PSC rules with respect to conflict of interest.**

Discussed the meaning of the term "financial interest in" and the types of financial relationships that the rules might prohibit by statute or Commission rule.

b. **Discussion of bid evaluation process and results.**

David Meyer reviewed selection criteria methodology.

Questions about qualifications, experience and method of performance.

Discussed the qualifications and telecommunications experience of each bidder and differences in the proposed method of performance with respect to operating the fund.

Questions about cost evaluation.

Discussed the significant difference between bids on the "assessment of funding requirements" as described in the selection committee report. Review team explained they had contacted the companies in an effort to get clarification yet the difference remained substantial.

Questions about advocacy work and conflicts of interest.

The Board discussed whether a potential conflict of interest might occur if the future administrator also consulted/ advocated/worked on behalf of telecommunications carriers. Board reaffirmed that individuals of winning bids should divest themselves of relevant stock. Additionally, it was agreed that for bidders that had not yet made such a commitment, the Board would seek additional clarification on the bidder's willingness to commit to no consulting/advocacy before the Missouri Public Service Commission during the term of the administration contract. Further discussion of conflict of interest issues was planned for the next meeting.

J	S	B	K	C	R
C	G	F	S	M	C
Y	Y	Y	A	Y	Y

Steve Gaw moved to go to open session. Connie Murray seconded.

Board discussed the next meeting date as tentative for August 13, 2003.

Adjourned at 3:05.


Chairman

9-4-03

Date Approved

P = Present

A = Absent

Y = Yea

N = Nay

X = Not Participating