

MINUTES
FINGER LAKES TELECOMMUNICATIONS DEVELOPMENT CORP., d/b/a ACCESS ONTARIO
ANNUAL MEETING OF THE BOARD OF DIRECTORS
JANUARY 22, 2010

Members Present:

Geoff Astles, Ontario County Administrator
Edward Hemminger, Chief Information Officer, Ontario County
Michael Manikowski, Ontario County Economic Developer
Doug Mossbrook, Eagle Mountain, Inc.
Steve von Berg, Pervasive Solutions
David R. Smith, Ontario County Citizen
Robert Seem, Cornell Ag & Food Tech Park
Camille Sorensen, Wayne Finger Lakes BOCES

Members Absent:

Mike Ward, Vice President, Information Technology, Ultralife Corporation

Others Present:

Andy Lukasiewicz, ECC Technologies
Megan Connor Murphy, Dixon Schwabl
James Townsend, Esq., Remington, Gifford, Williams & Colicchio
Linda Wiener, on behalf of The Bonadio Group
John Sheppard, Supervisor, Town of Seneca

The Annual Organizational Meeting for the Board of Directors of Access Ontario (aka Finger Lakes Regional Telecommunications Development Corporation) was called to order by Geoff Astles at 3:03 p.m. in the conference room of the Ontario County Economic Development Office.

MINUTES

The minutes of the December 18, 2009 meeting were presented to the members for approval. David R. Smith made a motion to approve the minutes, seconded by Mike Manikowski, and carried.

GOVERNANCE COMMITTEE UPDATE

Robert Seem introduced Steven von Berg, President of Pervasive Solutions in Victor, as a potential new member. After providing a brief bio of himself, Mr. von Berg exited the meeting to allow a vote by the Board. In addition to the vote on Mr. von Berg, the Board also voted on the following:

Robert Seem made a motion to appoint Mr. von Berg to the Board and to reappoint Mike Ward. In addition, the following officers and committee members were recommended:

Executive Committee:	Chairman – Geoffrey Astles
	Vice Chairman – David R. Smith
	Secretary – Camille Sorenson
	Treasurer – Doug Mossbrook
	Plus 1 – To be filled by appointed Ontario County Supervisor CEO (non-voting)

Governance Committee: Chairman Robert Seem
To be filled by appointed Ontario County Supervisor
Doug Mossbrook

Audit Committee Chairman – Mike Ward
Steve von Berg
David R. Smith

Chief Executive Officer – Edward Hemminger

Legal Counsel – James Townsend

Chief Financial Officer – The Bonadio Group (represented by Linda Wiener of Martin & Wiener, CPAs)

The motion was seconded by Mike Manikowski, and carried. After the vote, Mr. von Berg was invited to rejoin the meeting as one of its new Board members.

AUDIT COMMITTEE UPDATE

Mike Ward and David R. Smith met with the auditors two weeks ago and everything went well. A preliminary audit should be received the week of January 25 and an auditing presentation is expected at the end of February.

LEGAL UPDATE

Jim Townsend advised that the DBA had been filed and the fee paid for Access Ontario to have a legal relationship to the FLRTDC. Ed Hemminger was given the certificate for safekeeping. Jim advised that the name is still Finger Lakes Regional Telecommunications Development Corporation (FLRTDC), but it can be known as Access Ontario. Ed advised that he would file the DBA with the banks. Many documents such as invoices and contracts will still have the FLRTDC name, but will have the Access Ontario logo.

Jim Townsend advised that he has been counsel for the past three years, and this year he is requesting an increase of \$250 in the monthly retainer fee due to increased time spent on the project. Mike Manikowski made a motion to approve the 2010 one-year contract at a monthly retainer fee of \$1,250. The motion was seconded by Doug Mossbrook and carried.

ACCOUNTING UPDATE

Balance Sheet as of December 31, 2009 and Profit & Loss dated January through December 2009

Linda Wiener provided a financial update to the members, and advised of a couple of outstanding invoices from 2009 (ECC & Syracuse Utilities.) She also touched on some of the fixed asset recording issues. She advised that 1099s were mailed and 1096s would go out the following week. (Linda advised that her books were prepared on an accrual basis and Ed's financials are on a cash basis and that is why the reports vary.)

Ed Hemminger advised that a user ID and password were requested to access the PARIS public authority reporting information system. Eventually the annual report will be on the site.

Members were advised that the value of fiber is fixed by special assessors in Albany because it is assessed like utility lines. It is also broken down by each township, and by the taxable status date. An application will be sent to various towns for search abatement on the fiber.

A proposal for financial services by The Bonadio Group was presented for 2010 at a fee of \$18,000, taking into account the increased activity. Special projects would be bid separately. David R. Smith made a motion to accept the \$18,000 proposal from The Bonadio Group for financial services in 2010, seconded by Bob Seem, and carried. Linda Wiener advised that she would provide information on hours spent on the corporate finances.

Ed Hemminger presented the 2010 Operations Budget – Project Summaries dated 1/22/10. David R. Smith made a motion to adopt the budget as presented, seconded by Doug Mossbrook, and carried.

DIXON SCHWABL

The Board was provided with a proposal for services for 2010, which included highlights of the 2009 year's activities. Retainer being requested for services remained at \$1,500 per month. In addition to public relations objectives shown in the handout, members acknowledged that in 2010 Dixon Schwable should leverage and capitalize on the completion of the ring by year's end. David R. Smith made a motion to enter into an agreement for 2010 with Dixon Schwable at the monthly retainer of \$1,500. The motion was seconded by Mike Manikowski, and carried.

An invoice in the amount of \$4,200 was received for the business package, which included a business card template, letterhead, electronic letterhead, and envelope designs. Members felt the price was a bit high for the needs of the corporation, but approved the electronic letterhead portion.

With regard to the website, members wished to see it linked to the Economic Development website.

CEO UPDATE

The annual disclosure forms were distributed and members were asked to complete the form and return to Ed Hemminger at the end of the meeting.

Ed presented an excel spreadsheet outlining the "*Historic Operating Expenses and Proposed Budget for 2010*" (dated 12/22/10). Actual expense costs for 2009 were \$4,393,060. The 2010 Budget is projected as follows

Operating Funds	\$5,504,954
Operating Expenses	277,000
Infrastructure Projects	<u>4,615,739</u>
Uncommitted Available	\$612,215
“ “ w/o Projected/Unreceived Revenues	\$447,215

The numbers above do not include property taxes, which are yet to be determined.

Ed Hemminger advised that he would do some research on obtaining money through the Melinda & Bill Gates Foundation.

ECC TECHNOLOGIES

Andy Lukasiewicz updated the members on marketing and construction.

Bob Seem made a motion authorizing the CEO, Ed Hemminger, to execute a \$160,000 promissory note and related documents as reviewed and approved by counsel for the purpose of financing the construction of the Verizon laterals. The motion was seconded by Mike Manikowski, and carried.

Minutes
FLRTDC
1/22/10

Members were advised that the fiber monitoring equipment bid was awarded to FiberOptic at the quoted price of \$25,716, which will need to be repaid to ECC. A third bidder did not respond to the request for a quote. The equipment will monitor the fiber via a light beam that will assure there is no separation in the fiber. Delivery should be in six weeks.

Members were advised that ECC is responsible for making sure that Syracuse Utilities does their job. He advised that should there be a problem with the fiber, they want to have the situation remedied within a four-hour time span, and he stated that there are standards set for response time.

Discussions will be held at a future meeting on an operations plan proposal which was submitted to Ed Hemminger. Specific details and cost will need to be reviewed.

The Board has a contract with Premier to make and locate our fiber should a request from Dig Safely be received. This contract will be extended into 2010 with a cost not to exceed \$5,000.

CONNECTIVITY – SURROUNDING COUNTIES

Members were advised that round two of the broadband grants were available, and more information would be provided at a future meeting with regard to Livingston and Yates, and the 20 - 30% match. With regard to Wyoming County, they have asked for ECC's assistance.

OTHER BUSINESS

Camille Sorensen asked everyone to keep in mind that all schools in the county have fiber connections and contracts in place for a number of years yet.

Being no further business to come before the Board, the meeting was adjourned. The next Board Meeting is scheduled for 10:00 a.m. on February 26, 2010 in the Economic Development Conference Room.

Respectfully submitted,

Margaret Cooper
Secretary to the County Administrator

Distribution:

All attendees, present and absent
Ontario County Board of Supervisors
Darlys McDonough, Deputy County Administrator
Maureen Duggan, Economic Development

John Park, County Attorney
Clerk's Office, Board of Supervisors
Cathy Bentzoni, County Finance Officer
Mary Gates, Economic Development