

**MINUTES  
BOARD OF DIRECTORS  
FINGER LAKES REGIONAL  
TELECOMMUNICATIONS DEVELOPMENT CORPORATION  
AUGUST 25, 2006**

The meeting of the Finger Lakes Regional Telecommunications Development Corporation (TDC) was called to order by Edward Hemminger at 9:00 a.m. in the County's Economic Development Conference Room.

In attendance were:

Members:

Darlys McDonough acting on behalf of Geoffrey Astles, Ontario County Administrator  
Dan Fessenden, Executive Director, Cornell Ag & Food Tech Park  
Wayne Houseman, Vice Chairman, Ontario County Board of Supervisors  
Jack McCabe, Associate Superintendent, BOCES  
David R. Smith, CEO, Infotonics  
Edward Hemminger, Chief Information Officer, Ontario County

Guests:

Joe Starks, ECC Technologies  
Jim Wiesner, ECC Technologies  
Kurt Frenzel, ECC Technologies  
Denny White, ECC Technologies  
James Townsend, Esq., Remington, Gifford, Williams & Colicchio

Absent:

Geoffrey Astles, Ontario County Administrator  
Mike Bell, Director of Tech Services, Canandaigua Brands  
Mike Manikowski, Ontario County Economic Developer  
Doug Mossbrook, Eagle Mountain, Inc.

**APPROVAL OF MINUTES – JULY 28, 2006**

A motion was made by Wayne Houseman to approve the minutes of the July 28, 2006 meeting, seconded by David Smith, and carried.

**ADMINISTRATIVE TASKS**

**OPEN POSITION ON BOARD** – Ed Hemminger advised that he hoped to have the position filled within the next couple of months with a representative from the private sector. Suggestions are welcome.

**OLD BUSINESS**

**CPCN** – Joe Starks passed around the document received from the Public Safety Commission, and advised that he responded accordingly even though the state is using a retail model and the TDC will use a wholesale pricing model. He advised that the process is still being conducted according to the original timeframe. Ed Hemminger noted that certification was the goal of the TDC.

**MARKETING AND CUSTOMER CONTRACT** – Joe Starks presented a detailed spreadsheet tracking present/pending/prospective/potential customers as it related to fiber network sales. Revenues were estimated based on interest shown in the project. He noted that projected revenues did not include monthly maintenance fees. He also advised that no business guarantees were (are) ever made to potential customers, and Ed Hemminger clarified that the goal of the TDC is to create competition to drive the price down.

Ed Hemminger spoke of fiber swapping and being sure to get enough capacity so as not to over build, keeping the long-range view in mind.

**NORTHERN RING** – Joe Starks reviewed a handout he had prepared on the northern ring that showed potential service providers and users of the north ring, and annual costs for bonding. Discussion was held on both the northern (\$4.5-\$5 million / 83 miles of fiber) and southern ring (\$3 million / 96 miles of fiber) and how the northern ring is more costly because of obstacles along the way, like buried fiber. Ed Hemminger spoke of funding sources being IRU's, fiber swaps, and the \$2.5 million from the County, leaving an anticipated shortfall of \$3.5 million, a total cost of \$7.6 million (including Contingency) for the entire ring.

In discussing funding sources, Dan Fessenden spoke of contacting Scott Collins, of the Syracuse Office of the USDA to discuss possible funding available. Also mentioned were letters to Senators Shumer and Clinton, and Congressman Kuhl seeking assistance with obtaining loans and guarantees. Discussion was also held on obtaining low interest loans and on whether the County could help financially until a revenue stream was established. Ed Hemminger advised that he would draft a letter to be signed by the TDC Chairman.

Committee was advised that additional information would be forthcoming on the northern ring, hopefully to view at the September meeting so a decision could be made on whether to move forward with the north ring or wait and do everything at once.

Joe Starks advised that there was no redundancy plan, and one wasn't planned, as Monroe County would have to get involved. For now, there is one connection from Monroe County into the Victor area. Route 332 would be the connection point for both rings.

**BUDGET** - Joe Starks advised that he would email budgets to all members.

**BONDING** – Darlys McDonough advised that Geoff Astles had spoken to some of the County Board members about bond guarantees, and little interest was shown toward the County carrying the loan on its books. Ed Hemminger spoke of MT&T suggesting that maybe the County might commit to a certain portion of the loan for a specific period of time versus guaranteeing 100% of the loan.

**TIMELINE** – Joe Starks distributed the updated timeline for the Board's review. He noted that he believed the project would be funded by October 9<sup>th</sup>.

**DRAFT CONTRACT** – Committee was advised that the draft contract would be presented to the County's Financial Management Committee when they meet on September 27<sup>th</sup>. Ed Hemminger stated that by the 6<sup>th</sup> of September, \$2.5 million should be transferred by the County to the TDC, and following the September 14<sup>th</sup> Supervisors' Board meeting, checks could be ordered and a bank account established.

Ed Hemminger advised that the contract hadn't changed much since the Board last saw it, but all modifications would be reviewed by the County's legal department.

**INSURANCE BINDER** - Discussed a \$5 million insurance binder, which would be required before the County signed the contract. Ed Hemminger advised that he would check on the amount of the deductible; possibly \$50,000. Jack McCabe made a motion to have Ed Hemminger seek three insurance quotes and report back. The motion was seconded by David Smith, and carried. Ed Hemminger advised that he would contact the County's insurance liaison about the coverage.

**FINANCIAL CONSULTANT** – Ed Hemminger advised that he would meet with the County Administrator and Chief Financial Officer to discuss hiring someone to handle day-to-day accounting tasks.

**WEB SITE** – Joe Starks reviewed the website with the Board on the overhead screen and Ed Hemminger advised that the "frequently asked questions" could be updated by County personnel. The website will be established as a link off the Ontario County website.

**NEW BUSINESS**

**CHECKING ACCOUNT** – Ed Hemminger asked for authority to open up a checking account to make payments to ECC Technologies and to James Townsend. Discussion was held on signature limits and Dan Fessenden made a motion that following Board review and approval of expenses, Ed Hemminger be given single signature authorization if less than \$10,000. Amounts over \$10,000 would require double signature approval, most likely Ed Hemminger and Doug Mossbrook as TDC Treasurer. The motion was seconded by David Smith, and carried.

Ed Hemminger advised that he would contact the County’s Chief Financial Officer to discuss the TDC’s accounts after the \$2.5 million and the loans were received.

**OPEN DISCUSSION**

Dan Fessenden spoke of the great job being done by the ECC team, Jim Townsend, and Ed Hemminger in providing a wealth of information in easily understandable terms.

Being no further business, the meeting adjourned at 10:25 a.m. following a motion by David Smith, seconded by Dan Fessenden. The next meeting will be held at 10:30 a.m. on September 22, 2006 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  
Roberta Hutchinson, Asst. Economic Developer

John Park, County Attorney  
Clerk, Board of Supervisors  
Cathy Bentzoni, County Finance Officer