

**MINUTES**  
**FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION**  
**dba AXCESS ONTARIO**  
**BOARD OF DIRECTORS MEETING**  
**AUGUST 26, 2011**

Members Present:

John Garvey, Ontario County Administrator  
Michael Manikowski, Ontario County Economic Developer  
Robert Seem, Cornell Ag & Food Tech Park  
John Sheppard, Supervisor, Town of Seneca  
Mike Ward, Vice President Information Technology, Ultralife

Members Absent:

Steve Von Berg, Pervasive Solutions  
Doug Mossbrook, Eagle Mountain, Inc.  
David R. Smith, Ontario County Citizen  
Camille Sorensen, Wayne Finger Lakes BOCES

Others Present:

Sean Barry, Ontario County CIO  
Andy Lukaszewicz, ECC Technologies  
Terry Phillips, Bonadio & Co.  
Joe Starks, ECC Technologies  
James Townsend, Esq., Remington, Gifford, Williams & Colicchio  
Megan Connor Murphy, Dixon Schwabl  
Linda Wiener, Martin and Wiener, LLP

The meeting of the Board of Directors of the Finger Lakes Regional Telecommunications Development Corporation, dba Axcess Ontario was called to order in the conference room of the Ontario County Economic Development Office by Chair Michael Ward at 10:05 a.m.

Chair Michael Ward informed the Board that the meeting would be out of order from the agenda.

**APPROVAL OF MINUTES**

Motion made to approve the minutes for the June 26th, 2011 meeting with minor corrections. Motion seconded and carried.

**NEW BOARD MEMBER APPOINTMENT**

**Mike Manikowski requested a motion to renew the resolution to place Edward Hemminger and Geoff Astles on the board. Motion to renew seconded by John Sheppard. Renewal motion carried unanimously. Motion to appoint Mr. Hemminger and Mr. Astles offered by Mike Manikowski. Seconded by John Sheppard. Unanimously approved.** Mike Ward to notify Ed Hemminger and Geoff Astles that they have been appointed as the newest members of the Board of Directors.

There was then a discussion around appointing 2 more board members and the expertise that would be required of any new appointees. The Governance Committee will respond to the Board with its recommendations.

## FINANCIAL UPDATE

Terry Phillips reviewed the financial projections and need to focus on getting businesses connected (“Near Net”) on our open access ring in order to allow for competition between the carriers. Plan includes a targeted campaign to attract business along Canning Parkway, the Victor Business Park, and in Geneva. This would include providing different incentives and subsidies to offset the lateral build out costs. Funding needs can come from grants, IDA or market loans.

Terry reminded the Board that Citizens Bank requires Board approved budget projections. In addition Terry is requesting Citizens change our debt covenants to be a cash reserve equal to 1 year of debt service. Citizens Bank will also be looking at the credit worthiness of the customers we are looking to connect.

John Sheppard asked if the terms of debt would change other than the cash ratio. Answer was no.

Terry finished up going over the highlights of the financial projections. It was suggested that Jim Townsend be made aware when considering new locations for lateral build out incentives. Terry made the Board aware that the projections assume the Board will agree to the contract with ECC in order to control costs.

A question was raised concerning the IDA owning the fiber in order to control tax cost and eliminate the current taxing of not for profit government used fiber.

A question was raised on whether or not the budget currently considers a paid CEO. Answer per Terry was no, it does not. Bob Seem then expressed a concern that in the future the CEO responsibilities vs. time constraints may require a different approach. John Sheppard commented that ECC and others can and perhaps should be performing many of the duties the previous CEO took on himself.

## SALES PLAN

Discussion began on the ECC Sales Plan presented at the June meeting and whether to accept it. Robert Seem asked if there was value in looking at pursuing residential access. Joe Starks of ECC reminded everyone that there were models developed for residential access and that there certainly would be a public relations benefit if it could be done. Mike Ward stated that at the current time Axxess Ontario needs sales more than anything else. Joe Starks verified with the Board that the CEO still has the authority to approve up to \$10K in expenditures – which in this case could be used to offset lateral connection costs. **Mike Manikowski offered motion to approve the sales plan. Mike Ward seconded. Unanimously approved.**

John Sheppard asked if we should be talking to a carrier about a pilot residential program in a high density housing development.

At this point, Terry Phillips brought discussion back to the financials as the proposed budget had not yet been approved. **John Sheppard offers motion to approve budget. Robert Seem seconded. Unanimously approved.**

## OPERATIONS SUPPORT

Terry suggested that the Board handle the ECC Operations Support Proposal by the end of the year.

CEO to report out on proposal at the next meeting.

Joe Starks made the Board aware that the Southern Tier Network would be tying into Axxess Ontario's fiber in Naples and that this was good news from a future revenue standpoint. Joe also stated that AT&T had approached us again although what potential that held was unclear.

**ADJOURNMENT**

A motion to adjourn was made by John Sheppard and was seconded by Bob Seem. Motion carried unanimously.

**Distribution:**

All attendees, present and absent  
Ontario County Board of Supervisors  
Clerk's Office, Board of Supervisors  
Darlys McDonough, Deputy County Administrator

John Garvey, County Administrator  
John Park, County Attorney  
Cathy Bentzoni, County Finance Officer  
Michael Wojcik, Economic Development