

**MINUTES
BOARD OF DIRECTORS
FINGER LAKES
REGIONAL TELECOMMUNICATION LOCAL DEVELOPMENT CORPORATION
JANUARY 13, 2006**

The first meeting of the Finger Lakes Telecommunications Local Development Corporation (LDC) was called to order by County Administrator Geoff Astles at 10:30 a.m. on January 13, 2006 in the County's Economic Development Conference Room.

In attendance were:

Geoffrey C. Astles, Ontario County Administrator
Marty Bognanno, Constellation Brands
Dan Fessenden, Executive Director, Cornell Ag & Food Tech Park
Edward Hemminger, Chief Information Officer, Ontario County
Wayne Houseman, Vice Chairman, Ontario County Board of Supervisors
Roberta Hutchinson, Ontario County Assistant Economic Developer
Michael Manikowski, Ontario County Economic Developer
Jack McCabe, BOCES
Darlys McDonough, Ontario County Deputy County Administrator
Doug Mossbrook, Eagle Mountain, Inc.
David R. Smith, CEO, Infotonics

Ed Hemminger presented an overview of the work, which culminated in creation of the LDC.

Geoff Astles reiterated the non-governmental nature of the LDC, which was created by the Ontario County Board of Supervisors for the purpose of providing fiber optic access to all areas of Ontario County. To date, the County has reserved \$1,000,000 from the lease of the solid waste facility as seed money for the LDC. The funds are a loan, to be repaid at such time as the LDC has the ability to repay. The County Capital Improvement Plan has set aside \$500,000 to provide high-speed conductivity between county facilities. The funding will be transferred to the LDC to achieve that purpose.

Administrative issues that will need to be addressed include drafting and approving bylaws, setting up meeting schedules, and completing filing requirements with the Public Service Commission. The LDC is considered a telephone company.

There was unanimous support to have Geoff Astles serve as Chair of the Board of Directors until such time as the bylaws were approved. Similar support was given to Ed Hemminger to act as executive director. Geoff Astles noted that the County was willing to provide staff time to the LDC as it organizes, but will not be doing it on a permanent basis. As noted in the overview discussion, the LDC will be hiring consultants or contracting for services and will not have employees. The LDC will not be providing direct service to the general public and will not be maintaining the fiber optic infrastructure. This will be done by contract.

The members agreed that monthly meetings would serve to accomplish the initial business.

Bylaws will be written to address membership of the LDC Board of Directors. When originally created, the Chairman of the Board of Supervisors at that time, Carmen Orlando, was named to the Board of Directors. He has since retired from his position of Supervisor. The Board of Directors will be able to structure the organization to allow for membership consistent with title, and identify business sectors or areas of expertise, which should be represented on the Board of Directors. To assist with these decisions, Ed Hemminger will obtain copies of bylaws of organizations already in existence, which may serve as models.

The Directors agreed that for the next meeting, Ed Hemminger would invite ECC Technologies and the attorney who has done the work to date to provide information on legal counsel, which the LDC would require. It was noted that there were several specialized legal aspects important to be addressed at the outset, including not for profit status as 501c(3) and 501c(6), tax consequences, PSC regulations, and others. The next step would be to issue an RFQ. A similar process is anticipated for accounting services. Members pointed out that this should be done early in the process so that all expenses can be tracked in compliance with regulations. At present, the LDC has not received any revenue. Members were asked to submit names of firms for consideration.

Geoff Astles will begin the process for the transfer of the reserved County funds. This will require approval by the County Board of Supervisors. The members anticipated requesting a match of county money from the state.

The local telecommunications companies have either indicated support for the LDC's goals or have not voiced major objections. Businesses that will be using the services provided by the telecom companies over the LDC's fiber optics will be urged to provide letters of commitment and copies of contracts to show that the seriousness of interest is beyond a general letter of support.

Members were urged to contact Geoff Astles or Ed Hemminger with any questions, requests for copies of earlier reports, or any other information. The group agreed that the first and fourth Friday mornings appear to be a good meeting time. Next meeting was set for Friday, 24 February, at 10:30 AM in the Office of Economic Development conference room. Agendas and informational material will be sent in advance of the meeting by Ed Hemminger.

By consensus, the meeting adjourned at 11:35 AM.

Respectfully submitted,

Darlys McDonough

GA/DM/marg