

**MINUTES  
BOARD OF DIRECTORS  
FINGER LAKES REGIONAL  
TELECOMMUNICATIONS DEVELOPMENT CORPORATION  
DECEMBER 18, 2009**

Members Present:

Geoff Astles, Ontario County Administrator  
Edward Hemminger, Chief Information Officer, Ontario County  
Wayne Houseman, Vice Chairman, Ontario County Board of Supervisors  
David R. Smith, Ontario County Citizen  
Camille Sorensen, Wayne Finger Lakes BOCES  
Mike Ward, Vice President Information Technology, Ultralife

Members Absent:

James Fralick, Ontario County Citizen  
Michael Manikowski, Ontario County Economic Developer  
Doug Mossbrook, Eagle Mountain, Inc.  
Robert Seem, Cornell Ag & Food Tech Park

Others Present:

Joe Starks and Andy Lukasiewicz, ECC Technologies  
Megan Connor Murphy, Dixon Schwabl  
James Townsend, Esq., Remington, Gifford, Williams & Colicchio  
Linda Wiener, on behalf of Bonadio & Co.

The meeting of the Finger Lakes Regional Telecommunications Development Corporation (FLRTDC) was called to order by Geoff Astles at 10:00 a.m. in the conference room of the Ontario County Planning Department.

**MINUTES**

The minutes of the October 23, 2009 meeting were presented to the committee for approval. Mr. Houseman made a motion to approve the minutes, seconded by Mr. Smith, and carried.

**ANNOUNCEMENTS**

Geoff Astles advised that it would be Wayne Houseman's last meeting as a member of the Board after serving for 12 years as a member of the Board of Supervisors, and he thanked him for the time and effort he put forth as a member of the FLRTDC. He also thanked Jim Fralick who happened to stop in during the later part of the meeting.

**AUDIT COMMITTEE UPDATE**

Mike Ward advised that he had met with Mengel Metzger Barr & Co. (certified public accountants) and he was recommending moving forward with their plan to start the annual audit on January 8<sup>th</sup> and complete it on January 31. Ed Hemminger advised that a resolution to approve the arrangement was necessary, and Mike made a motion to contract with Mengel Metzger Barr & Co. at a not to exceed cost of \$10,000, seconded by David R. Smith, and carried. Mike advised that the format would basically be the same as last year.

### **GOVERNANCE COMMITTEE UPDATE**

David R. Smith stated that a Board replacement would be needed for Wayne Houseman and Jim Fralick. Mike Ward's term will expire in January, and Mike advised that he was interested in continuing on the Board. Further information would be provided by Bob Seem at the January meeting. Ed Hemminger indicated a gentleman from Pervasive Solutions as a possible replacement.

### **LEGAL UPDATE**

Jim Townsend reported on the following:

- Because of recent amendments signed by the Governor, more openness and requirements are being placed upon the Board, but he did not feel there were any issues of concern due to having both an Audit and Governance Committee which reports to the general Board, and having a great deal of information available to the public on the website. He stated he would continue to monitor the situation.
- DBA, AXCESS ONTARIO COUNTY - The DBA was sent to the Secretary of State for recording.
- PROPERTY TAX - Discussions between ORPS, Joe Starks, and Jim continue with regard to the property tax issue. By January, ORPS will have a report on existing fiber. A mid-year update of significant changes would be filed. It was noted that the local assessors determine the fibers tax status, some of which is believed to be exempt. How or whether to report areas under construction is unknown at the present time.
- TAX PASS THROUGH – Jim advised that he would look into the concept of “tax pass-through”, an issue that has been raised in the Town of Perinton.

### **CONNECTIVITY – SURROUNDING COUNTIES**

Extensive discussion was held on the interest of other counties wishing to connect to the ring. Again it was made clear that the money Ontario County committed to the ring would not be spent on any other county, and other counties would need to be able to stand alone and pay operations and maintenance cost, plus overhead expenses, and not cause any delays to the anticipated 2010 year-end completion date for Ontario County. Other counties would maintain separate books and no funds would be co-mingled. Each county would be treated as a total separate entity, fiber included, which would make FLRTDC much like a subcontractor. At present, Yates and Livingston Counties have the most interest and Wayne County is in the loop. In the future, the Board will need to determine how to move forward with other counties, which will include separate contracts for each.

Ed Hemminger advised that he couldn't take on any more work involving the other counties and mention was made of the future need to hire permanent staff to manage the ring activities. If that were to happen, fees from all counties would need to be used to cover costs.

### **DIXON SCHWABL**

iUHBA representatives visited on November 18 and 19 and spent time at the Ag Tech Park, Marcus Whitman, Eastview Mall, and in Monroe County. Hobart and William Smith Colleges may be more of interest for the project being considered in the educational sector than FLCC.

A press release was drafted announcing the new name for the FLRTDC – AXCESS Ontario, and the year-end 2010 completion date for the Ontario County portion of the ring.

### **CEO UPDATE**

Ed Hemminger advised of the following:

- Authorization was given to spend up to \$3,000 on showcasing Ontario County to iUHBA representatives, and approximately \$2,500 was spent. When they visit again in February, Dixon Schwabl will be asked again to assist with arrangements for the visit but at no cost to Axxess Ontario.
- The NYS Broadband Development and Deployment Council's first meeting was on Monday and no action of substance occurred. The first round of Federal Stimulus money won't be distributed until February.
- Geoff Astles and Joe Starks met last week with Yates County legislators, and Wyoming County has asked for a meeting or presentation on December 22.
- Will email the 2009 and the 2010 budget, which will need to be adopted at the January meeting.

### **ACCOUNTING UPDATE**

#### **MONTHLY REPORTS**

*Profit and Loss YTD Comparison as of November 2009 and Balance Sheet as of November 30, 2009*

Linda Wiener reviewed the above two reports with the Board and advised of some upcoming changes/modifications that would be necessary. Camille Sorensen advised that the Marcus Whitman Assets should be updated as the contract is with Wayne Finger Lakes BOCES on behalf of Marcus Whitman.

The Board was advised that Linda was no longer an employee of The Bonadio Group, but has a contractual arrangement with them to continue the work she has been doing with the FLRTDC.

### **ECC TECHNOLOGIES**

An extensive update was given by Joe Starks advising of some of the following:

- Two quotes have been received to provide monitoring services for the fiber. One additional quote may be received by the end of the year. After discussion, Mike Ward made a motion to accept the bid received from FiberOptic.com at a not to exceed amount of \$25,716 unless the third bid received is lower and the bidder is found to be both reliable and dependable. The motion was seconded by Wayne Houseman, and carried.
- In January, there is 30 miles of fiber ready to be built, Victor to Naples and Canandaigua to Middlesex. The bank agreement has been modified to allow payment for a segment that is not completed but there will be a 10% retainage.
- In January, things will move quickly with the bank agreements for the laterals. Should the County carry a loan, a swap fee plus ½% will be charged to provide for administrative fees.
- Interest rates will vary for each draw. Verizon will pay around 7% for approximately \$808,000 in laterals and \$60,000 in pole attachment fees.
- Verizon will have 16 paying towers after the current four are completed.
- Negotiations are taking place in areas where the FLRTDC is charged an annual maintenance fee so that the corporation is made whole.
- Board was provided with a business update on current customers and potential customers.

Joe Starks advised that if anyone wanted to see a breakdown of tower costs, he had that information available.

### **MARKETING UPDATE**

Andy Lukasiewicz updated everyone on his marketing efforts.

**2010 MEETING SCHEDULE**

Discussion was held on the 2010 meeting schedule and Jim Townsend advised that the Bylaws state that the annual meeting will be held on the fourth Friday of January. David R. Smith made a motion to adopt the meeting schedule for 2010 with meetings to be held at 10:00 a.m. in the Economic Development Conference Room. The one meeting exception would be the January meeting which would be held at 3:00 p.m. on January 22. Other meeting dates are February 26, March 26, April 23, May 28, June 25, July 23, August 27, September 24, October 22, and December 10 (no meeting scheduled in November.) The motion was seconded by Mike Ward, and carried.

**OTHER BUSINESS**

Board was advised that a group of about 46 persons near Hunts Hollow were hoping to get Internet access, and Hemminger advised that a carrier would need to be found.

Geoff Astles thanked everyone for their work during the 2009 year.

Being no further business to come before the Board, Mike Ward made a motion to adjourn at 11:18 a.m., seconded by David R. Smith, and carried.

The next Board Meeting is scheduled for 3:00 p.m. on January 22, 2010, at which time officers would need to be appointed.

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  
Kristen Thorness, Assistant County Attorney  
Maureen Duggan, Economic Development

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