

**MINUTES
BOARD OF DIRECTORS
FINGER LAKES REGIONAL
TELECOMMUNICATIONS DEVELOPMENT CORPORATION
APRIL 24, 2009**

Members Present:

Geoff Astles, Ontario County Administrator
James Fralick, Ontario County Citizen
Edward Hemminger, Chief Information Officer, Ontario County
Wayne Houseman, Vice Chairman, Ontario County Board of Supervisors
Mike Manikowski, Ontario County Economic Developer
Mike Ward, Vice President Information Technology, Ultralife

Members Absent:

Doug Mossbrook, Eagle Mountain, Inc.
Robert Seem, Cornell Ag & Food Tech Park
David R. Smith, Ontario County Citizen
Camille Sorensen, Wayne Finger Lakes BOCES

Others Present:

Joe Starks and Andy Lukasiewicz, ECC Technologies
Linda Wiener, 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 Economic Development Conference Room.

MINUTES

The minutes of the March 19, 2009 meeting were presented to the committee for approval. After making two changes requested by Mr. Houseman and Mr. Ward, Mike Manikowski made a motion to approve the minutes as amended, seconded by Mr. Fralick, and carried.

Joe Starks introduced Andy Lukasiewicz who is now an employee of ECC Technologies. Formerly Mr. Lukasiewicz worked for both Time Warner and Frontier Communications.

CEO UPDATE – Ed Hemminger

Ed Hemminger advised that he would like to have a resolution authorizing him to open a Citizen Bank account and sign necessary documents and transfer funds when needed. Three accounts would need to be opened; money market, checking (regular), and an account for Empire Pipeline funds. Wayne Houseman made a motion to prepare and file the necessary resolution, seconded by Jim Fralick, and carried.

Discussion was held on the signatories required for the accounts, specifically that two signatures are required for amounts over \$10,000. Currently those having authority to sign are Geoff Astles, Ed Hemminger, and Doug Mossbrook, and the issue was raised as to whether Mike Manikowski should be given authorization to sign due to his accessibility in short notice. After expressing concerns with regard to internal controls and having another county employee being given authorization to sign, Linda Wiener felt that there were sufficient internal controls in place. Geoff Astles entertained a motion to have signatories as follows: Geoff Astles, Ed Hemminger, Doug Mossbrook, and Mike Manikowski. Jim Fralick moved that the motion be made, seconded by Mike Ward, and carried.

Ed Hemminger advised that the Board of Supervisors had approved the subordination agreement and signatures are now required.

Ed Hemminger advised that he anticipating the closing to occur in the following week with Citizens Bank for the balance of the funds needs to construct the fiber optic ring.

LEASING OF FIBER

Ed Hemminger advised that he agreed to lease two strands of fiber in the area of the Clifton Springs Hospital from the Finger Lakes Technology Group, which will save in build and make-ready costs, as well as property tax. In return, they will receive a monthly fee equivalent to what FLRTDC would charge them for leasing.

Joe Starks advised that a third strand would need to be leased to fulfill a contractual requirement and it would need to be monitored so any line breakage would be known. The expense would be part of the operation and maintenance budget.

Finger Lakes Technology Group requested more fiber (22.5 miles about \$800 month in revenues).

Ed advised that he has been in contact with a company who is interested in coming to Ontario County and leasing fiber with the intent of taking the fiber to all homes. There would be no cost to the County as stimulus funds would be the source for funding. More information will be forthcoming. Ed advised that the vendor is also trying to reach out to NYS to provide service to the entire public safety network.

2009 BUDGET

Ed Hemminger advised that the budget is on target with no unusual occurrences. He did advise that some make-ready costs were exceeding original expectations.

CONTRACTS FOR PHASE 3 – SYRACUSE UTILITIES AND ECC

Ed presented a contract for Syracuse Utilities and ECC technologies for Phase 3. He advised that ECC estimated the cost of their services to be \$332,125, and Syracuse Utilities gave a price of \$2,302,190.20 for completing the 132.4 miles of backbone cabling. Ed advised that the contract with Syracuse Utilities was for the same unit price as before. Total cost for all would be \$3,389,260, including make-ready costs. Ed advised that he anticipated the project to be completed by the end of 2010.

Mike Manikowski made a motion authorizing Ed Hemminger to sign the Phase 3 contracts for Syracuse Utilities and ECC Technologies, seconded by Jim Fralick. Ed advised that the make-ready figure of \$755,000 would be included. Motion carried.

ACCOUNTING SERVICES UPDATE

MARCH REPORT – Linda Wiener noted that the insurance expense in the Profit & Loss YTD Comparison had to be amended to show the monthly expense of approximately \$3,000 vs the total insurance cost for the year.

DESIGN, ENGINEERING AND CONSTRUCTION UPDATE

Joe Starks estimated a cost of \$90,000 to settle the public service dispute on Routes 5 & 20, of which \$45,000 or about 50% would be incurred by the FLRTDC, and 50% by Time Warner. An upcoming meeting will be held to review the situation. Ed Hemminger stated that the dispute dealt with the issue of last one on the utility poles.

Joe Starks advised that invoicing to customers would begin shortly, and he would contact Linda Wiener and Jim Townsend to make sure that all taxation issued were properly addressed.

The Board was advised that the projects were doing well, Verizon was on schedule, Marcus Whitman was on schedule and on budget, and Baker Hill, which is owned by Frontier, won't allow Verizon to connect so an alternative solution is being sought.

Joe Starks spoke about extending fiber to the Perinton Town Hall in Monroe County, and the Board was advised that Yates County had asked for stimulus money to build there, and the hospital in Dansville was interested in connecting to the ring. This led into discussion of a 4-county regionalization, staffing was briefing discussed, as well as the process and procedure. The Board was advised that Andy Lukasiewicz from ECC was developing operational documents and procedures for customer service, which will be reviewed in the future, as well as a contract for ECC to do the work. Geoff Astles noted the importance of concentrating on the core as the priority.

Joe Starks advised that the bank requested that ECC be a consultant on their behalf with regard to construction management, invoicing, and expenditures. He assured that there would be no duplication of fees.

OTHER BUSINESS

Mr. Ward questioned whether there was a requirement for attendance at the meetings, and Geoff Astles advised that he would see if there was a standard and notify the Board after his review.

Being no further business to come before the Board, the meeting adjourned at 11:07 a.m. The next meeting will be held on May 29 at 10:00 A.M.

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