

**MINUTES**  
**FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION**  
**dba ACCESS ONTARIO**  
**BOARD OF DIRECTORS MEETING**  
**September 23, 2011**

Members Present:

John Garvey, Ontario County Administrator  
Ed Hemminger, SMS  
Michael Manikowski, Ontario County Economic Developer  
Doug Mossbrook, Eagle Mountain, Inc.  
Robert Seem, Cornell Ag & Food Tech Park  
David R. Smith, Ontario County Citizen  
Camille Sorensen, Wayne Finger Lakes BOCES  
Steve Von Berg, Pervasive Solutions  
Mike Ward, Vice President Information Technology, Ultralife

Members Absent:

John Sheppard, Supervisor, Town of Seneca

Others Present:

Sean Barry, Ontario County CIO  
Andy Lukasiewicz, 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 Access 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.

**APPROVAL OF MINUTES**

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

**NEW BOARD MEMBER APPOINTMENT**

Ed Hemminger was welcomed as the newest board member. Ed gave an update on the recent CIO 100 award ceremony and thanked the Board for sending him.

Jim Townsend reminded the Board that they will need to consider additional members to offset the addition of Ed Hemminger and Geoff Astles. It was mentioned that a representative from a hospital would be ideal.

**FINANCIAL UPDATE**

Terry Phillips reported that he was still working with Citizens Bank to modify the debt covenant to require a minimum amount of cash on hand, rather than the current arrangement.

Additionally he reminded the Board that auditors would need to be hired soon and that if the decision was made to go out to RFP, that process would need to be done by the end of October. Alternatively we could just go with the auditors used in 2010.

A motion was made to go out to RFP by Mike Manikowski. Seconded by Hemminger. Unanimously approved.

Terry will work with the Audit Committee and send the RFP to Steve VonBerg for review before it goes out. Hoping that we will be able to get a firm with LDC experience.

### **SALES PLAN**

Andy Lukasiewicz reported that the Stanley to Flint build was complete. This is significant in that it means the original backbone construction is now complete and that the completion of the ring should be publicized if possible.

Ed Hemminger asked if we have a total dollar amount for the cost to build the ring.

ECC is currently identifying current colocation spots. A colocation in Naples is important because it will be the corridor to the Southern Tier Network. Doug Mossbrook asked what the cost of a colocation hut was and Andy responded in the \$25K to 50K range.

And IRU for additional fiber is currently in the works with Iberdola. Hemminger asked if this would be an opportunity for a better arrangement over pole attachment fees, etc. Joe Starks stated that it is a possibility to get our wires in the electric space and have a lower install cost because it eliminates the make ready. It should be noted that fiber is not impacted by electric lines in close proximity. Joe also mentioned that he is trying to lock us in as a preferred vendor for Iberdola. Also trying to position Axxess Ontario as a Verizon preferred vendor.

A question was raised by Joe Starks concerning the regional development councils and their position on broadband. He noted that North Carolina is providing funding to build laterals with great success and perhaps the councils should consider a similar approach.

Per the agenda, the topic of providing free access onto the ring for schools vs. the determination that AO should pay property tax was discussed. Joe Starks stated that we should be able to swap Canandaigua Schools' excess capacity on their own fiber for connection to various school buildings. Ed Hemminger stated that his original intent was one free hookup per campus, not per building. However, Canandaigua Schools offer a unique opportunity that others do not. Joe Starts suggests pursuing a formal agreement with CCSD that would include free connection in exchange for their excess capacity. AO would maintain the fiber. It would need to be document as a reciprocal agreement. Sean Barry to pass on to CCSD that we would like to move forward.

Jim Townsend reported on the tax issues. He would like the Board to consider transferring ownership to the IDA and leasing back the fiber to get around the special franchise tax. Citizens Bank would need to be brought into the loop before such plan was undertaken. Taxing entities would also have to agree to tax only fiber strands used to benefit "for profit" businesses. Mike Manikowski mentioned that it was important that

Supervisor Sheppard was comfortable with the idea. He also stated that a lot of things would need to happen quickly for this to come together before 3/1/12 and that it would be a deviation from the typical IDA policy and pilots. The IDA would need to agree to do this and it would likely be an administrative nightmare.

Townsend asks support of the Board to pursue this idea with the IDA. **<did not record response of Board but I believe support was held back for now due to questions about the real benefit to AO>**

### **OPERATIONS SUPPORT**

Sean Barry reported that the ECC Operations Support proposal would save AO approximately \$90K per year. He would recommend that the Board agree to the proposal but would like to make sure everyone is comfortable with ECC. ECC leaves room at this time so the proposal can be discussed.

Discussion is short. Doug Mossbrook makes motion to accept the proposal effective 10/1/11 effective for three years. David Smith seconds. Ed Hemminger recuses himself from vote. Unanimously approved.

### **OTHER BUSINESS**

Ed Hemminger to present a Frank Duserick paper about broadband at a conference in Florida that he will attend while visiting family.

Doug Mossbrook was unanimously appointed to the Audit Committee.

### **ADJOURNMENT**

A motion to adjourn was made and seconded at 11:15. 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