

**MINUTES**  
**FINGER LAKES TELECOMMUNICATIONS DEVELOPMENT CORP., d/b/a**  
**AXCESS Ontario County MEETING OF THE BOARD OF DIRECTORS**  
**September 24, 2010**

<b><u>Members Present:</u></b>
Geoff Astles, Ontario County Administrator
Edward Hemminger, Chief Information Officer, Ontario County
John Sheppard, Supervisor, Town of Seneca
Michael Ward, V.P. Information Technology – Ultralife Corp.
Robert Seem, Cornell Ag & Food Technology Park
Camille Sorenson, Wayne Finger Lakes BOCES
Michael Manikowski, Ontario County Economic Developer
<b><u>Members Absent:</u></b>
Doug Mossbrook, Eagle Mountain, Inc.
Steve VonBerg, Pervasive Solutions
David R. Smith, Ontario County Citizen
<b><u>Staff Present:</u></b>
Linda Frasca, Administrative
<b><u>Others Present:</u></b>
Linda Wiener, CFO on behalf of The Bonadio Group
Kim Allen, Dixon Schwabl
Andy Lukasiewics, ECC Technologies
Terry Phillips, The Bonadio Group
Jim Townsend, Esq., Remington, Gifford, Williams & Colicchio

**CALL TO ORDER:** The 9/24/2010 Axxess Ontario meeting of the Board of Directors (a.k.a Finger Lakes Regional Telecommunications Development Corporation) was called to order by Geoff Astles at 10:05 a.m. in the Ontario County Economic Development conference room.

**MINUTES:** Edward Hemminger shared that the 6/25/10 minutes sent out for review was a rough draft and required additional revisions. Board members reviewed the minutes and offered the following amendments:

Page 1 – Executive Session:

Paragraph 1 - recommended that the wording to enter in to executive session state “to convene in to executive session for the purpose of discussing sensitive contractual matters.”

Paragraph 2 – Move the paragraph below the third paragraph so that the minutes show that no action was taken during executive session.

Motion made by John Sheppard and seconded by Michael Ward to accept the 6/25/10 meeting meetings with amendments as discussed above. Motion carried.

**Legal Update:** (Jim Townsend)

- Property Tax Update - Mr. Townsend provided Property Tax update and answered all questions presented for board members.
- Ontario Telephone IRU Update - Mr. Townsend updated the board on the submission of IRU agreement form to the bank for their review, and reported that he should be hearing back from them any day now. Mr. Townsend stated that a conference call was scheduled for Monday, 9/27/10, with key parties to discuss final matters (i.e. – the right to cancel, right to use fiber, etc). Once these matters have been finalized the agreement will be signed by the initial proposed completion date.  
Ed Hemminger stated that total cost remains the same - \$360,000.
- Authorization of Loan Documents – Mr. Townsend reviewed that in March 2009 Ed Hemminger and/or the Board Treasurer had been authorized to execute all IRU loan closing documents. Mr. Townsend shared that Mr. Hemminger has informed him that he will be unavailable the next two (2) weeks, and stated that Treasurer has been unavailable as well. Mr. Townsend is recommending that the initial authorizing resolution be amended to include the Chairperson of the Board as an authorized second signatory person to execute said loan documents.  
**Motion made by John Sheppard seconded by Bob Seem to authorize Geoff Astles, Chairperson of the Access Ontario Board to execute the loan closing documents. Motion unanimously carried.**

**Accounting Services Update:** (Linda Wiener/Terry Phillips)

Ms. Wiener reviewed the August financial statement (balance sheet) for board members clarification as follows: Accounts receivables are current on payables – no concerns. Citizen loan is at \$1.8 million – no other changes at this time. Ms. Wiener answered all questions presented by board members. Mr. Phillips stated that the board will see significant amount of activity in the last quarter as we are finalizing the construction and doing more drawdowns – approximately another \$2 million dollars.

Ms. Wiener reviewed the annual budget to date – and the remaining budget. Non-recurring revenue should be off set by non-recurring expenses – 10 % differential. Additional discussion on revenues will take place at the December 17<sup>th</sup> meeting.

Ms. Wiener reported on the PARIS report due to the State in October in order to be compliant. Ms. Wiener reviewed the proposed budget (on file), present budget, and future cash flows. Mr. Astles questioned lateral expenses. Andy Lukasiewics, ECC Technologies, explained revenues/expenses of ATT/Verizon matter for board clarification.

**2011 Proposed Budget:** Mr. Phillips gave a brief report of the proposed 2011 budget and answered all questions presented by board members.

**Motion made by Michael Ward seconded by John Sheppard to accept the proposed 2011 budget as presented. Motion unanimously carried.**

**Revenue & Expense Recognition Policy:** Ms. Wiener shared that the policy was reviewed at the last meeting and that all revisions recommended at that time had been made. Ms. Wiener reported that invoices have been received and handled in a timely manner. Ms. Wiener requested board approval of the policy.

**Motion made by John Sheppard seconded by Bob Seem to accept the Revenue & Expense Recognition Policy as reviewed by Ms. Wiener. Motion unanimously carried.**

**Audit:** Ms. Wiener shared that the 2010 audit will be pushed out to February early March due to additional invoicing to be received. Ms. Wiener will work with the auditor on possible audit dates and will report to the board in December. Michael Manikowski questioned meeting the Public Authority deadline and questioned getting it extended. Mr. Phillips/Ms. Wiener reported they had ninety (90) days. Ms. Wiener will bring it to Jackie's attention

Ed Hemminger questioned the need to approve retaining Megal Bentzer & Bar next year (2011). No RFP needed at this time; when proposal is received further discussion will take place.

**Dixon Schwabl:** Kim Allen with Dixon Schwabl reported that they are currently actively working on the final draft of the Intelligent Communities Forum Award submission and shared that it would be completed in the immediate future. Additional updates will be provided at the December meeting.

**Design, Engineering & Construction Update – (Joe Starks – Andy Lukasiewicz):** Mr. Lukasiewicz reviewed the Outage report; stated that to date there had only been four (4) outages reported. A procedure has been developed on how to handle damage claims. Phase 3 of the project is moving along with significant progress being made. Approximately eighty-six percent (86%) will be completed shortly.

**Chairman Astles:** Mr. Astles shared his retirement plans and stated that a new chairperson would be required and that they should be elected soon in order to turn the reins over to him/her. Board will follow up with Mr. Astles recommendation in January.

**Presentations:** Mr. Hemminger updated the Board on the following upcoming presentations:

NYSAC Conference – Buffalo, NY – attended by Mr. Hemminger.

IEDC Conference – Columbus, OH – Chairman Astles to moderate with Mr. Hemminger and Mr. Manikowski as presenters.

NATO Conference – Washington DC – Mr. Hemminger will attend.

**Old Business:** Mr. Hemminger shared that Annual report to the county will be completely shortly and that the ring will be completed in January.

**New Business:** Mr. Hemminger stated that the updates are great and to keep them coming – they will be sent out with the agenda.

**Next Meeting Date:** The next Access Ontario – FLRTDC meeting scheduled for November 5, 2010.

**Adjournment:** Being no further business for discussion **motion to adjourn made by John Sheppard seconded by Mike Ward. Motion unanimously carried.** The 9/24/10 FLRTDC meeting adjourned at 11:45 a.m.

Respectfully submitted,

*Linda R. Frasca*

Administrative Assistant