

MINUTES
FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION
dba AXCESS ONTARIO
BOARD OF DIRECTORS MEETING
December 10, 2015

Members Present:

Don Culeton
John Dorak
Mary Krause
Michael Manikowski
Bob Seem
David Smith
Camille Sorensen
Mark Tolbert (by phone)
Johnny Walker
Andrew Wickham

Members Absent:

Doug Mossbrook

Others Present:

Sean Barry, CEO
Mike Kenyon, Ed Hemminger, ECC Technologies
Helen Zamboni, Underberg & Kessler
Terry Phillips, The Bonadio Group (by phone)

The December 10, 2015 meeting of the Board of Directors of the Finger Lakes Regional Telecommunications Development Corporation, dba AxcCESS Ontario, was called to order in the Ontario County Economic Development Conference Room, Mezzanine Level, County Municipal Building, 20 Ontario Street, Canandaigua, NY at 3:30 p.m. by CEO Sean Barry, at Vice Chairman Mark Tolbert's request. Sean introduced Andrew (Drew) Wickham, the acting Town of Seneca Supervisor and the designee of the Chairman of the Ontario County Board of Supervisors, John Sheppard's successor as an ex officio member of the Board.

APPROVAL OF THE MINUTES:

Approval of the minutes of the September 24 meeting was moved by Mike Manikowski, seconded by Johnny Walker. Motion carried.

FINANCIAL UPDATE:

Revenue at October 31 remains behind budget due to the continued delays in the Iberdrola contract. However, revenue is quite stable at just under \$95,000/month. Terry reported that new Citizens Bank documents have been signed by Sean; counsel noted that these had not been sent to her and Terry said he would do that (these have since been received). Terry also

wanted to be sure that, as the Southern Tier Networks build from Geneva to the Yates County line would entail significant cash outlay, ECC was set to invoice STN on a progress basis rather than waiting till completion. Ed Hemminger assured Terry that this would be done. Focus in the first quarter of 2016 would be placed on making application to the Office of Real Property Tax Services for relief from real property taxes. Apparently one of the utilities in our area is also on the process of moving poles from the right-of-way to private property. This will allow a reduction in real property tax expense as well. Finally, Terry noted that the engagement of Flaherty Salmin as Access Ontario's auditors for 2015 be approved, with the engagement letter to be modified as to the date for delivery of the report from March 17 to March 11. Mary Krause made such a motion, which was seconded by David Smith. Unanimously approved. One very old receivable with D&D Power was noted; this is the result of a claim for damages caused by D&D Power. Terry asked that counsel assist in collecting this debt.

GOVERNANCE:

Bob Seem lead a discussion of the possibility of having John Sheppard as a private citizen join the board, if Seneca County approved. The consensus was that John's deep involvement as a member of the Executive Committee and later as Chairman made him a desirable director candidate. Counsel was directed to prepare a proposed amendment to the bylaws for adoption at the January meeting to eliminate as much of the language that greatly restricts the available pool of candidates, whether John Sheppard was going to be a candidate or not, in recognition of the need to be able to recruit directors with broad experience, so long as they supported the mission of the company. John Dorak and Don Culeton, directors in the class of 2016, agreed to stand for election to serve full three year terms at the January meeting. Meanwhile Bob Seem and the Governance Committee will work on a slate of officers for election at that time as well.

RFPs:

Mark Tolbert asked that a thorough review of all contracts for services be done and RFPs prepared. The first ones should be those for services currently provided by ECC and Syracuse Utilities. David Smith agreed to take the lead on preparing the RFPs, and Ed Hemminger said he would provide David copies of the last RFPs issued by Access Ontario for construction and maintenance. Counsel reminded the board that it voted earlier this year to extend ECC's contract through 2016 and seek bids for that work during 2016, to be effective on January 1, 2017. In addition, Finance, bookkeeping, counsel and marketing services should be subject to RFPs this year.

SALES AND OPERATIONS:

At 4:09 p.m., a motion was offered by John Dorak, seconded by Johnny Walker, to go into executive session for the discussion of the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by the Corporation as publicity would substantially affect the value thereof. Motion carried. At 4:34 p.m., a motion was offered by Bob Seem, seconded by Johnny Walker, to leave executive session. Motion carried.

At 4:36 p.m., a motion was made by John Dorak, seconded by David Smith, to adjourn. The motion passed.

REMINDER: NEXT BOARD MEETING IS JANUARY 28 AT 3:30 P.M.

Distribution:

All Board Members, present and absent
Ontario County Board of Supervisors
Clerk's Office, Board of Supervisors
Mary Krause, County Administrator
Mary Gates, Deputy County Administrator
Gary L. Curtiss, County Attorney
Cathy Bentzoni, County Finance Officer
Michael Wojcik, Economic Development