

SOUTHERN TIER NETWORK, INC.

Minutes

June 9, 2011

8 Denison Parkway East, Suite 310, Corning, NY

ATTENDANCE

Board Members: David Hopkins; Steven Manning; Mark Middaugh, Timothy O'Hearn, Mark Rogus; Michael Krusen; Jack Wheeler; Marcia Weber

Absent: Mark Alger

Guests: Joseph Starks, James Townsend

Call to Order: The meeting was called to order at 10:05 a.m. by Chair Marcia Weber in the conference room at the STC office.

1. Approval of Minutes – May 12, 2011 – Upon a motion duly made (Mark Rogus/Steve Manning) and carried, the minutes of the May 12, 2011 meeting were approved as written.
2. Finance Update – M. Rogus reported that the D & O and general liability policies have been secured and are effective as of mid-May. The crime and fraud piece is the only insurance left to secure.

Possible means of financing the laterals were discussed. M&T Bank will be invited to the July meeting to discuss that topic. Bonding was mentioned, though that could be complex.

3. ECC Activities – J. Starks discussed the routes, which are being verified with field surveys. He explained that the backbone is divided into segments according to Town and Village in order to define the value for tax purposes. ECC is gathering pole information and determining what segments need to go underground. Meetings have been held with several potential service providers. There will not be any contracts until the fiber is available. He reported that the tariffs will be filed within the next few days. Construction will begin in mid to late August 2011. An RFP will be issued in July to bid out services.

Joe will meet with the counties for final confirmation of the routes.

4. Chief Executive Officer Position – Steve Manning met with Ed Hemminger of Ontario County (Acess Ontario) and discussed the CEO position. The CEO reports to the board, manages contracts for marketing and public relations, coordinates with ECC and legal, creates the agenda, and facilitates board meetings. Important points: work with economic developers, understand the mission, and don't be tempted to vary from that mission. Developing a mission statement would be appropriate.

The BOCES superintendent supports S. Manning serving as CEO. The BOCES attorney and Jim Townsend will discuss the legal aspects.

Steve proposed serving for the next 12 months for 16 hours per week for a total of \$65,000, including his salary, fringe, and travel. Upon a motion duly made (Mark Rogus/ Tim O'Hearn) and carried, the board went into executive session, at which point S. Manning left the room.

Upon a motion duly made (M.Rogus/J. Wheeler) and carried, the regular meeting was resumed.

After further discussion, it was suggested that S. Manning submit his resignation from the STN board, to be accepted by the board if he were to become CEO. Steve agreed.

5. Membership –In order to engage new board members promptly, on a motion duly made (Mike Krusen/Jack Wheeler) and carried, individuals proposed at the last meeting will be invited to join the board and attend the next board meeting. Steve Manning abstained from the discussion and vote.

The finance/audit, and governance committees must be controlled by independent (non-governmental) board members and will be established shortly.

6. Website and Branding – Possible STN logos created by Corning Incorporated designers were reviewed. Suggestions for alterations will be shared with the designers. Website configurations were also discussed; once it is established, the site will be maintained by ECC Technologies.
7. Other – the next meeting will be on July 14.
8. Adjourn – On a motion duly made (David Hopkins/Mark Rogus) and carried, the meeting adjourned at 12:10 p.m.

Respectfully submitted,
Susan M. Cratsley, Secretary