

# **SOUTHERN TIER NETWORK, INC.**

Minutes

September 8, 2011

8 Denison Parkway East, Suite 310, Corning, NY

## **ATTENDANCE**

Board Members: Mark Alger; David Hopkins; Judy McIntosh; Mark Middaugh, Timothy O'Hearn, Marcia Weber; Howard Zingler

Chief Executive Officer: Steven Manning

Absent: Michael Krusen; Michael Printup; Mark Rogus; Jack Wheeler

Guests: Joseph Starks; James Townsend; Andy Lukasiewicz, ECC

Call to Order: The meeting was called to order at 10:15 a.m. by Chair Marcia Weber in the conference room at the STC office.

1. Approval of Minutes – July 14, 2011 – Upon a motion duly made (Mark Alger, Timothy O'Hearn) and carried, the minutes of the July 14, 2011 meeting were approved as written.
2. Chief Executive Officer Position – The Southern Tier Central Regional Planning and Development Board of Directors approved the changes requested by Southern Tier Network for the STC-STN contract to include the CEO position. A contract is also underway between STC and GST BOCES for Steve Manning's time as CEO.

Steve Manning presented his view of the responsibilities and initial actions of the CEO.

If Steve were no longer working for BOCES, the contract between BOCES and STC would end immediately, but Steve would provide transition services as the CEO of STN. Jim Townsend recommended language to include in the contract for that possibility.

Marcia Weber, as chair of the board, will continue to chair the meetings.

The board will give the CEO a funding level below which he can make decisions without board approval. Jim Townsend requested a formal recommendation from the board, with the board treasurer's input.

Joe pointed out that Steve will be the spokesperson for STN.

The Board suggested a more concise version of the Mission Statement that Steve prepared. Steve will review the STN by-laws as well as the Certificate of Incorporation for their language concerning mission and will have a draft for the October meeting.

In the next few months, Steve will meet with the involved counties and other entities (Corning Inc., Guthrie, economic development agencies, etc.) to discuss their expectations of STN.

Joe suggested that Steve increase his involvement in the design and engineering of the project.

3. NYS Regional Economic Development Councils and Broadband – The Southern Tier's Regional Economic Development Council is advocating for a proposal for broadband from the Council.

STC staff sits on the Council's Infrastructure Work Group and has recommended extension of STN's dark fiber backbone into other counties. Another work group member advocates providing broadband wireless to 4,000 of the most rural residents. The workgroup is trying to come up with a compromise, and input from the STN board could be useful.

Upon a motion duly made (Howard Zingler/Mark Alger) and carried, the board states that the Southern Tier Network is willing to explore a contractual relationship with the Regional Council for the purpose of expanding service into the 8 counties.

4. Financial Update – Treasurer Mark Rogus was unable to attend the meeting; Marcia reported on his behalf.

M&T is prepared to extend to STN a credit arrangement totaling \$1 million to enable the financing of the lateral build. This is only an initial amount to allow the lateral contract discussions to continue, and the amount and terms can be modified. The board asked that the rates and carrying costs be available at the next meeting.

The only remaining insurance policy that STN needs to acquire is the criminal/cyber theft policy.

5. ECC Activities – Approximately 160 miles of backbone pole data has been collected, and the routes are nearly set. The river crossings will be the last piece determined. ECC is identifying where the fiber needs to go underground. The counties will then identify which sections they will be able to dig as part of their in-kind commitment.

As of August 15, 2011, STN is a regulated phone carrier. The pole attachment agreements have been submitted, and they are ready to begin construction. The preliminary bid specifications have been put together for the actual construction of the fiber, and bid documents should be ready for review by the middle of September. Steve will work with Joe to review the documents.

Jim Townsend recommended that the board comment on the bid process because the provisions would lead into a contract. Mark Rogus's comments on the bid process would be particularly useful because of his experience.

Given that recommendation, ECC will send the proposed bid to Steve to send on to the Board, allowing one week for comments that will be incorporated into the bid language as needed. If there are no comments, the document will be sent to contractors. Bids will be brought to the November meeting.

Joe has met with potential customers and discussed with them locations of the STN fiber, opportunities, and possible contracts. ECC is developing estimates for some potential customers.

Andy Lukasiewicz reported the estimated fiber routes and construction costs and discussed the budget.

6. Membership - It was noted that all training classes by the Authorities Budget Office are full until the end of the year. Jim Townsend reassured the Board that they will keep offering the classes.
7. Website and Branding –Board members were asked to submit their biographies so they can be put on the website.
8. Other – none
9. Adjourn – The meeting adjourned at 12:30 p.m.

Respectfully submitted,  
Susan M. Cratsley, Recording Secretary