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STN BOARD MEETING MARCH 29, 2012 Minutes

ATTENDANCE

Board Members: Mark Alger; Judy McIntosh; Mark Rogus; Timothy O'Hearn; Michael Printup; Marcia Weber; Howard Zingler

Alternate Board Member: Jack Wheeler

CEO: Steven Manning

Excused: Dave Hopkins; Michael Krusen; Mark Middaugh

Guests: Jim Brady, Chemung County; Brian Ketchum, Empire Telephone; Andy Lukasiewicz, ECC Technologies; Joe Starks, ECC Technologies (speaker phone); Jim Townsend, Legal Counsel; Dan Wilhelm, STC

1. APPROVAL OF MINUTES

On a motion duly made (Howard Zingler/Mark Alger) and carried, the minutes of the February 14, 2012 meeting were approved.

2. EXECUTIVE DIRECTOR REPORT

- a. Board Member Annual Self Evaluation Form Submission – Steve Manning asked board members to submit their Annual Self Evaluation forms to Jim Townsend for reporting purposes to the Authority Budget Office. Jim will report to the board any issues that are noted in the evaluations.
- b. Report on Empire Telephone Meeting – Steve and Joe Starks met with representatives from Empire Telephone Company. They discussed the mission and philosophy of STN and reviewed STN's current path. They discussed ways in which they could work together to expand the network within the rural areas. Joe is currently working on the pricing for Empire to lease from STN and for STN to lease to Empire.

Joe said that it is possible to work with Empire as well as Armstrong Telephone Company and Finger Lakes Technologies to reach the rural areas and that there is value to working together.

Mark Rogus noted that the finance committee should review the financial plan for leasing compared to the cost estimates for building.

3. FINANCIAL REPORT

- a. Financial/Audit Committee Report – Steve reported that STN received the Letter of Credit needed for the Frontier agreement.
- b. Financial Statement Review – the financial statement will be sent out soon.

Steve noted that the Governance Committee needs to meet to review the board makeup.

The STN Audit is currently under review by the auditor and should be completed soon. The finance/audit committee will review the preliminary audit before it is submitted to the Board, which should be in May.

EXECUTIVE SESSION – on a motion duly made (Timothy O’Hearn/Mark Alger) and carried, the meeting went into executive session to discuss competitive and contractual items. Brian Ketchum left the meeting at this point.

On a motion duly made and seconded, the board came out of executive session with no action to be taken.

4. PROJECT REPORT

- a. Review of Southern Tier Regional Economic Development Council Presentation – Joe will be making a presentation to the Southern Tier Economic Development Council on behalf of STN regarding options for serving the Southern Tier East/Binghamton area. The group discussed the content that should be in the presentation.
- b. Review of Construction Contract– ECC will meet with the contractor next Tuesday to go over the project in detail. ECC is requiring the contractor to provide a bond, though the amount is not yet decided. ECC will contact the Chair, Treasurer, and CEO with a number they believe is appropriate.

The first 50 miles of fiber have been ordered, and STN could place the order for the rest of the fiber. The make ready is being done for the Corning to Addison segment. In addition, ECC is prepared to begin the Schuyler Hospital build and the Corning application as well.

Joe anticipates that the fiber will be delivered within the next few weeks. The contractor will be on board next week.

- c. Review of County IRUs – The IRUs (Indefeasible Rights of Use) were sent to the counties for their review and could be brought to the board in a month or two.
- d. Marketing Update – (Steve Manning excused himself from the meeting while this discussion took place) Andy Lukasiewicz reported that the GST BOCES issued a Request for Proposal (RFP) to interconnect with the network for about 70 school locations. Their preference is a dark fiber solution. BOCES plans to connect school locations with the hub.

The board discussed the possible cost of preparing the proposal as well as the cost of financing the project.

The board requested more information before taking action. Within the next week, Andy will send a proposal to the board for review and will survey board members. The proposal to BOCES needs to be submitted by April 25.

- 5. OTHER – there was no other business.
- 6. ADJOURN – on a motion duly made (Michael Printup/Tim O'Hearn) and carried, the meeting adjourned at 1:20 PM.

Respectfully submitted,
Susan Cratsley, Recording Secretary