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Minutes September 12, 2013

ATTENDANCE

Board Members: Carl Hayden; Michael Krusen; Judith McIntosh; Mark Middaugh; Timothy O'Hearn; Marcia Weber; Jack Wheeler;

Excused: Mark Alger; David Hopkins; Michael Printup; Mark Rogus; Thomas Santulli

CEO: Steven Manning

Guests: Andy Lukaszewicz; Jeff Gasper; Joe Starks, ECC Technologies
Brian Ketchum; Jim Baase; Ryan Wagner, Empire Telephone
J.K. Hage, Amy Porter, Hage and Hage
Dan Wilhelm, STC/STN Accountant

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 THE MINUTES**

On a motion duly made (Jack Wheeler/Timothy O'Hearn) and carried, the minutes of the June 13, 2013 and August 8, 2013 meeting were approved.

2. **FINANCE/AUDIT COMMITTEE REPORT** – Mark Rogus, chair of the finance committee, was unable to attend the board meeting. Judy McIntosh, (finance committee member) presented on behalf of the committee:

- a) **2nd Quarter Financials** – (handed out at the meeting) the board reviewed and discussed at length the 2nd quarter financial report.

The 2014 budget needs to be filed with the NYS Public Authorities Reporting Information System (PARIS) by October 31, 2013.

- b) **Report on Tax Exempt Status** – the board discussed this at length.

- c) **Empire Telephone Proposal** – the board discussed the possible partnership between Empire Telephone and STN for specific segment builds. The board discussed at length the pro's and con's of leasing versus building fiber segments.

3. **GOVERNANCE COMMITTEE REPORT** – no report

4. **PRESENTATION BY EMPIRE TELEPHONE**

- a) Brian Wagner, President; Brian Ketchum, Vice President; Jim Baase, Sr. Vice President, Empire Telephone introduced themselves and introductions were made.

Representatives from Empire Telephone presented overview of the company and discussed perceived benefits of a partnership between STN and Empire Telephone. Empire Telephone representatives addressed questions from the Board. The Board reacted positively to the presentation and directed ECC to continue working with Empire representatives on proposal revisions.

5. **ECC REPORT**

- a) **\$100K Verizon Bond Requirement** – ECC is taking this to the PSC and will bring back the findings to the board at the next meeting.
- b) **Project Status Report** – (distributed prior to the meeting) Joe Starks and Andy Lukasiewicz expanded upon the status report.
- c) **Sales & Marketing Report** – (distributed prior to the meeting) ECC continues to market the network and discussed possible new customers and carriers.
- d) **Todd Cable Contract Extension 2.0** –STN is approaching the established financial contractual limits with Todd Cable. ECC will prepare an amendment to the existing contract for an extension to complete the fiber ring construction and existing laterals. The contract extension will include a scope of work.
- e) **Discuss transition from Construction to Operation mode** – the network will soon be going from construction mode to operational mode, and this will be discussed at the next board meeting.
- f) **Discuss Establishment of Gigabit City** – New York State currently does not have a Gigabit City, and it was suggested that Corning would be a good location.

6. **OTHER** – STN submitted an application to the Southern Tier Regional Economic Development Council to extend the STN network into Tioga and Broome Counties.

7. **ADJOURN** – The next STN meeting will be on October 10, 2013. Upon a motion duly made (Judy McIntosh/Mark Middaugh) and carried, the meeting adjourned at 12:40 p.m.

Respectfully submitted,
Susan M. Cratsley
Recording Secretary