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Southern Tier Network, Inc. March 12, 2015 Minutes

ATTENDANCE

Board Members: Alan Eusden; Carl Hayden; Dave Hopkins; Judy McIntosh; Timothy O'Hearn; Jim Osborn; Michael Printup; Mark Rogus; Marcia Weber; Jack Wheeler; Steve Wilber; Howard Zingler

Excused: Mark Alger; Thomas Santulli

CEO: Steven Manning

Guests: Joe Starks, Andy Lukasiewicz; Ed Hemminger - ECC Technologies
Jim Baase; Brian Ketchum; Brian Wagner – Empire Access
J.K. Hage, Amy Porter--Hage and Hage (via conference call)
Dan Wilhelm, STC/STN Accountant

CALL to ORDER - The meeting was called to order at 10:00 AM by chair Marcia Weber in the STC conference room.

1. **APPROVAL OF THE MINUTES** - on a motion duly made (Zingler/O'Hearn) and carried, the minutes of the February 12, 2015 meeting were approved.
2. **NEW NEW YORK BROADBAND PROGRAM INFORMATION** – the funding for this program is part of the \$500 million broadband fund that is included in this year's NYS budget, subject to the budget's approval by April. STN will contact Susan Payne, who will be updating the Southern Tier Regional Economic Development Council's plan in May/June, to provide information on what STN is doing and what the needs are for the NYS broadband funds.
3. **PRESENTATION BY EMPIRE ACCESS** – Representatives from Empire Access updated their fiber build status, discussed fiber to the premises, and addressed questions from the board. Empire Access requested financial loans for its further expansion into other areas.

Following the departure of Empire Access, the board discussed the loan request and agreed that a decision could not be made until the STN business plan was updated. In order to do this, the board will hold a retreat in the near future. The formation of a sub-committee to plan the retreat could expedite the process.

4. **FINANCE-AUDIT COMMITTEE REPORT**
 - a. **2014 External Audit Report** – A draft copy of the 2014 STN Audit was presented to the Board. The Financial/Audit Committee met previously to review the audit with Jeff Paille of Bonadio. The finance committee recommended approval of the 2014 STN Audit, seconded by Hopkins, and carried. The audit will be posted to the STN website.

- b. **Yates County Project Build (Ontario County Segment)** – the committee reviewed and discussed the implications of the 9.4 mile build from Yates County to Geneva. Access Ontario has submitted a proposal to build this section, and the AO proposal was compared to the cost if STN were to build the backbone.

The finance committee recommended that STN execute the contract between Access Ontario and STN for the build to Ontario County because of the economics and for risk mitigation. The motion by Mark Rogus included the committee's recommendation that the contract timing be aligned with the Yates IRU and that the Access Ontario contract would not be signed until Yates had signed the IRU. Tim O'Hearn seconded the motion, which was carried.

5. **GOVERNANCE COMMITTEE REPORT**

- a. **Update on STN Public Safety Governance Committee** – public safety directors from Chemung, Schuyler, and Steuben Counties met with the STN CEO to discuss the governance aspect of the interoperability grant that each county had received and for which Chemung and Schuyler Counties asked STN to act as the governance agency. The Board reviewed a charter document outlining the structure of the proposed Public Safety Governance Committee, including representation from Steuben, Schuyler and Chemung counties with an invitation to Yates County upon execution of its IRU with STN. The Public Safety Governance Committee will have direct reporting to STN's Governance Committee. On a motion duly made (Rogus/McIntosh) and carried, the board approved the creation of the Public Safety Governance Committee and acceptance of the associated funding.

6. **ECC PROJECT STATUS AND SALES AND MARKETING REPORT**

On a motion duly made (Wheeler/Printup) and carried, the board went into **EXECUTIVE SESSION** for the purpose of discussing contractual and customer-specific information.

On a motion duly made (Hopkins/Rogus) and carried, the Board came out of **executive session** with **no action** being taken.

7. **ADJOURN** – On a motion duly made (McIntosh/Hopkins) and carried, the meeting adjourned at 12:20. The next meeting will be held on Thursday, April 9, 2015.

Respectfully submitted,
Susan M. Cratsley, Recording Secretary