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Southern Tier Network, Inc. March 13, 2014 Minutes

ATTENDANCE

Board Members:; Carl Hayden; David Hopkins; Michael Krusen; Judy McIntosh; Mark Middaugh; Timothy O'Hearn; Mark Rogus; Jack Wheeler;

Excused: Mark Alger; Alan Eusden; Michael Printup; Marcia Weber; Howard Zingler

CEO: Steven Manning

Guests: Andy Lukasiewicz, ECC Technologies

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 10:10 a.m. by vice chair Timothy O'Hearn in the conference room at the STC office.

1. **APPROVAL OF THE MINUTES** - On a motion duly made (Rogus/Middaugh) and carried, the minutes of the February 13, 2014 meeting were approved. Note: It was suggested that a list of the acronyms be developed and distributed.
2. **AUDIT- FINANCE COMMITTEE REPORT**
 - a) **Annual External Audit Report** –A draft copy of the 2013 STN Audit was presented to the Board. The Financial/Audit Committee met previously to review the audit and recommends it for approval by the Board. There were no major findings or material weaknesses. On a motion duly made (Rogus/Wheeler) and carried, the 2013 STN Audit was approved. The audit will be posted to the STN website.
 - b) **Steuben County Lateral Build to Emergency Management Towers** – the Board discussed at length the Master Service Agreement (MSA) with regard to construction; laterals; number of fibers; ownership of the fibers; maintenance; and other specifications. Hage and Hage will modify the MSA and send it to Steuben County for their consideration.
 - c) **Guthrie Health Care Agreement** – On a motion duly made (Rogus/McIntosh) and carried, the board went into **EXECUTIVE SESSION** for the purpose of discussing contractual and customer-specific information.

On a motion duly made (McIntosh/Rogus) and carried, the Board came out of **executive session**. **Action:** On a motion duly made (Rogus/Hayden) and carried,

the board agreed to waive the installation fee for Guthrie in consideration of Guthrie's financing of the Waverly to Sayre build.

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

4. **ECC REPORT** (emailed to board prior to meeting)

- a) **Sales & Marketing Report** - ECC is working on multiple opportunities for STN.
- b) **Update on Empire Build** - Empire has completed the build between Bath and Naples. ECC evaluated the test results, and the fiber tests are good. The Board recommended a 10% retainage until all poles have permanent attachments.
- c) **Project Status Report** - On a motion duly made (Middaugh/McIntosh) and carried, the Board went into **EXECUTIVE SESSION** for the purpose of discussing contractual and customer-specific information.

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

- d) **STN – Tioga/Broome County Expansion** – ECC updated the board on the progress of the expansion. ECC will provide a recommendation to the Board regarding the best route to Ithaca.

5. **OTHER** –

- a) **Summary Results of Board Performance Evaluation Questionnaire** –Steve Manning presented the summary of the Confidential Evaluation of Board Performance forms for 2013. The summary needs to be submitted to the NYS Authorities Budget Office by March 31, 2014. The governance committee will meet at a later date to discuss the summary findings.
- b) **ABO Board Member Training Requirement** - ABO Training is required for all board members. Registration for training can be done through the ABO website:
<http://www.abo.ny.gov/training/onlinetraining.html>

6. **ADJOURN** – The next STN meeting will be on April 10, 2014. Upon a motion duly made (Middaugh/Hopkins) and carried, the meeting adjourned at 12:20 p.m.

Respectfully submitted,
Susan M. Cratsley
Recording Secretary