

MINUTES
FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION
dba AXCESS ONTARIO
BOARD OF DIRECTORS MEETING
April 27, 2017

Members Present:

Don Culeton
John Dorak
Mary Krause
Bob Lowenthal
Michael Manikowski
Bob Seem
John Sheppard (by phone)
Andrew (Drew) Wickham (by phone)

Others Present:

Sean Barry, CEO
Terry Phillips, The Bonadio Group
Andy Lukasiewicz, ECC Technologies (by phone for part of meeting)
Stev Egna, Valuation Resource Group (by phone for part of meeting)
Helen Zamboni, Underberg & Kessler

The April 27, 2017 meeting of the Board of Directors of the Finger Lakes Regional Telecommunications Development Corporation, dba AxcCESS Ontario, was called to order in the Ontario County Economic Development Conference Room, County Municipal Building, 20 Ontario Street, Canandaigua, NY at 3:32 p.m. by Vice Chairman John Dorak.

John Dorak announced that he had received earlier in the afternoon by email a letter, dated April 25, from Mark Tolbert resigning from the board. The board thanked Mark for his service.

APPROVAL OF THE MINUTES:

A motion to approve the minutes of the March 23, 2017 meeting was made by John Sheppard, seconded by Mary Krause, noting that the reference to the date of the next meeting needs to be corrected (to April 27 from April 20). Motion carried.

GOVERNANCE:

A motion was made by John Sheppard, seconded by Drew Wickham, to elect John Dorak as Chairman. Motion carried. A motion was then made by Mary Krause, seconded by Don Culeton, to elect John Sheppard as Vice Chairman. Motion carried.

With Mark Tolbert's resignation, the board now consists of eight directors and the directors are in agreement that this is not the time to bring on new board members. Therefore, John Sheppard made the following motions, seconded by Mike Manikowski:

BE IT RESOLVED, that paragraph number 10 of the Corporation's Certificate of Incorporation shall be amended to read in its entirety as follows:

10. The number of directors of the corporation shall be no less than seven (7) and no more than fifteen (15).

and it is further

RESOLVED, that Section 2 of Article III of the By-Laws of the Corporation is amended to read in its entirety as follows:

Section 2. Election of Directors. The number of directors shall be no less than seven (7) and not more than fifteen (15). Directors shall be selected for their knowledge of economic development, local government affairs, business, finance and telecommunications. The board shall consist of the Ontario County Administrator, the Ontario County Director of Economic Development and the Chairperson of the Ontario County Board of Supervisors as *ex officio* members, and four (4) to twelve (12) at-large members who support the mission and purpose of the Corporation and reside, work or volunteer for organizations located in the region benefited by the activities of the Corporation.

The other resolutions proposed for adoption in the notice sent to the board on or about March 27 were not adopted, as the New York Public Authorities Law requires each public authority to have Finance and Governance Committees, each with at least three independent directors. There is no prohibition in the statute to having the same individuals constitute the Audit and Governance Committees; good governance practices require that members of the Finance Committee do not control the Audit Committee, however.

STRATEGIC INITIATIVES UPDATE:

Following the introduction of Steve Egna, at 3:49 p.m., a motion was offered by Bob Seem, seconded by Mary Krause, to go into executive session for the discussion of the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale of exchange of securities held by the Corporation as publicity would substantially affect the value thereof. Motion carried. At 4:31 p.m., a motion was offered by Mary Krause, seconded by Don Culeton, to leave executive session. Motion carried. Steve Egna then left the meeting.

FINANCIALS AND PROPERTY TAX UPDATE:

Terry Phillips then briefly reviewed the financial statements for February 2017, noting that there are two large receivables outstanding due to administrative "snafus", both of which are close to resolution and payment. Terry reminded the board that the revenue target in the budget was driven by the board's desire to achieve breakeven in 2017 and was, in his estimation, quite aggressive. Terry reported that the analysis of the special franchise values on the ORPTS database against Axxess Ontario's records is complete, with the end result being

that there is no discrepancy. Reporting for additions in 2016 need his final review so that the filing can be made by the May 5 deadline.

SALES & OPERATIONS UPDATE:

Andy Lukaszewicz then joined the meeting. At 4:48 p.m., a motion was offered by Bob Seem, seconded by Bob Lowenthal, to go into executive session for the discussion of the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale of exchange of securities held by the Corporation as publicity would substantially affect the value thereof. Motion carried. At 5:00 p.m., a motion was offered by Bob Lowenthal, seconded by John Sheppard, to leave executive session. Motion carried.

At 5:02 p.m., a motion was made by Mary Krause, seconded by John Sheppard, to adjourn. The motion passed.

Next meeting will be June 8 at 3:30 p.m.

Distribution:

All Board Members, present and absent
Ontario County Board of Supervisors
Clerk's Office, Board of Supervisors
Mary Krause, County Administrator
Mary Gates, Deputy County Administrator
Gary L. Curtiss, County Attorney
Cathy Bentzoni, County Finance Officer
Michael Wojcik, Economic Development