

MI-Connection Board of Directors
January 3, 2008

On January 3, 2008, the Board of Directors of MI-Connection held a meeting beginning at 7:30 a.m. in the MI-Connection Board Room in Mooresville.

Present were Chairman Evan Webster, and Board members Ron Steen, Joe Cullen, and Steve Miller. Board members Ken Essex and John Kasberger were absent. Also present in person or by telephone were Junior Miller, Brian Bolling, Stacey Bright, Wes Rosenbaum, Sandra Munsey, Sally White, Gail Karrish (counsel), and Nick Miller (counsel). Mooresville Commissioner Frank Rader attended, as did members of the press.

The meeting was called to order by Evan Webster, and the approval of Minutes of prior meetings was postponed.

Junior Miller discussed working with Cable Development of Lexington, Kentucky and with Scientific Atlantic regarding location of cable, correct cable routing, remapping the underground cable, pole and pedestal locations, strategic placement of fiber, and new segmented nodes. It was pointed out that the town planning staffs have been helpful in the process. Within the next two to three weeks the mapping of the system should be complete. There was a discussion of the various costs, and the need for new materials, and the development of a "maintenance inventory". Junior Miller will provide updates on all of the matters at the next Board meeting on January 24th.

Wes Rosenbaum, Stacey Bright and Brian Bolling of BVU provided staffing updates. They discussed reasonable wait times and requested some staff additions. Stacey Bright indicated that it will be necessary to hire additional staff earlier than originally planned. Brian Bolling stated that current staffing needs are being handled with overtime, and that it will take approximately thirty days to train new personnel. It was noted that the MI-Connection buildings may require some remodeling to accommodate new personnel, and that should be considered when the capital budget is reviewed.

Steve Miller pointed out that the existing verbal agreement with Time Warner still requires signature. Also, the terms of an agreement with Prime Media still require negotiation. Wes Rosenbaum proposed that consideration be given to a proposal to Prime Media concerning the possibility of a 50/50 split. A discussion ensued concerning the capital expense which may be required to allow the appropriate utilization of current equipment.

Sandra Munsey spoke about the importance of "local origination" for the purpose of retaining customers. Also, she reminded the Board that all matters regarding press relations should be referred to her.

Nick Miller stated that the final separation costs should be determined within the next week and that the final "true-up" of subscriber accounts also should take place. The monies held in escrow will then released to Time Warner.

Junior Miller mentioned that he would be meeting with Nestor for information on line extension costs, and that MI-Connection was testing the dark fiber installed by Time Warner and that the testing should be completed before the middle of next week.

Ron Steen made a motion to move into closed session, and the motion carried unanimously.

Upon return to open session, Joe Cullen moved to adjourn the meeting, and the motion passed by unanimous vote. The meeting was adjourned at 9:46 a.m.