

## DRAFT 9/16/11

### Guidelines for Decision-Making and Governance of the WiredWest Cooperative

Article 4.2 of the WiredWest ByLaws provides that "The legislative power and authority of the WiredWest Cooperative and the administration and the general supervision of all fiscal, prudential, and governmental affairs thereof shall be vested in" the Board of Directors. Article 4.1.2 specifies that the powers of the Board shall include "setting policy for the cooperative", "approving the annual budget", "electing officers", and "establishing an Executive Committee". Article 4.1.5 stipulates that the responsibilities of the Executive Committee include "managing the day-to-day affairs of the Cooperative" and "hiring a manager or administrator."

Recognizing the need for the Executive Committee to act efficiently and expeditiously in implementing the goal of the Cooperative to build a fiber network serving citizens, businesses and other organizations in its member towns, the Board of Directors hereby adopts as the policy of the Cooperative the following guidelines for the Executive Committee in fulfilling its responsibilities:

1. It is the responsibility of the Board of Directors to set broad policy goals for the organization. The Executive Committee serves at the pleasure of the Board of Directors.
2. Given the circumstances under which the Committee operates, which include a compelling need to move the fiber project forward, the disbursement of member towns and their representatives over a large geographic area, and the threat from incumbent telecommunications providers or other potential competitors, the Board recognizes that the Committee must be accorded flexibility in exercising its powers to accomplish these goals according to its best judgment.
3. The Cooperative has been awarded a grant of \$50,000 from the Massachusetts Broadband Institute (MBI) for conducting an engineering study, doing market research and mapping utility pole locations so as to enable it to refine parameters for its business and financial plan, and for the deployment of the network. The Board recognizes that the Committee has the power to conduct the work under that grant according to its best judgment.
4. In the current absence of an operating budget, the Committee will seek approval of the Board for any other expenditures in excess of \$10,000.
5. The Committee will develop a budget and business plan, and submit them to the Board for its approval, at the earliest practical time following completion of its work under the MBI grant.
6. The Committee will report to the Board on a quarterly basis its progress in implementing that budget and plan. The Board authorizes the Committee, when necessary and appropriate in the judgment of the Committee, to redirect and repurpose amounts within that budget of up to but no more than \$25,000 without seeking additional approval from the Board. Changes to the budget above that amount must be approved by the Board.
7. It is the responsibility of the Committee to hire a general manager to conduct the operations of the Cooperative. The hiring of that person and the employment contract governing the terms of such hiring, including salary, shall be submitted by the Committee to the Board for its approval.
8. The operational model for the Cooperative may involve retaining an Anchor Service Provider to operate the network and/or deliver services to its customers. It is the responsibility of the Committee to identify such a Provider, but the contract with that Provider will be submitted to the Board for its approval.
9. The Committee will make a good faith effort to keep the Board informed of its actions by publishing the minutes of its meetings on the WiredWest website, and through other ongoing communications to the Board. The weekly meetings of the Committee are open to members of the Board and the public.