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Southern Tier Network, Inc. April 10, 2014 Minutes

ATTENDANCE

Board Members: Carl Hayden; Michael Krusen; Judy McIntosh; Timothy O'Hearn; Michael Printup; Mark Rogus(10:30); Marcia Weber; Jack Wheeler; Howard Zingler

Excused: Mark Alger; Alan Eusden; David Hopkins; Mark Middaugh

CEO: Steven Manning

Guests: Joe Starks, ECC Technologies

J.K. Hage; Dan Burgess; Amy Porter, Hage and Hage, via conference call
Dan Wilhelm, STC/STN Accountant

CALL to ORDER - The meeting was called to order at 10:05 a.m. by chair Marcia Weber in the conference room at the STC office.

1. **APPROVAL OF THE MINUTES** - On a motion duly made (Krusen/O'Hearn) and carried, the minutes of the March 13, 2014 meeting were approved.
2. **AUDIT- FINANCE COMMITTEE REPORT**
 - a) **Report Out from April 9, 2014 Committee Meeting** – (emailed) – discussed at the Audit-Finance Committee meeting were the following: purchasing matter, Steuben public towers, delinquent account policies, revenue matters and yearend financial audit. The official bound copy of the 2013 year-end audit was distributed at the board meeting.
 - b) **ABO PARIS Report – Assessment of Effectiveness of Internal Controls** (distributed at the meeting) - On a motion duly made (O'Hearn/Rogus) and carried, the Internal Control Statement was approved as written.
 - c) **Purchasing Matter** – on a motion duly made (Krusen/Printup) and carried, the board approved the purchase of new accounting software for the accountant.
3. **GOVERNANCE COMMITTEE REPORT**
 - a) **Board Evaluation Results** – the committee reviewed the results of the board's summary evaluation and will focus on the evaluation of the CEO. The committee asked the CEO to establish objectives for himself, the accountant and the COO. The evaluation of these objectives will be reviewed by the committee on an annual basis, and recommendations will be made to the board.

- b) **Acronym List** – the acronym list was reviewed. The committee added more acronyms to the list. The list will be included with the board minutes each month.
- c) **ECC Professional Service Agreement** – the recommendation of the governance committee was for the board to instruct its attorney to discuss the proposed agreement with ECC’s attorney, including mutual indemnification language. It was suggested that if there is failure to agree on a dispute, arbitration would be utilized. Once the attorneys establish mutual agreement, the document will be brought to the board for approval.

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

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

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

5. **OTHER** –

- a) **Steuben County Lateral Tower Build Agreement** – The agreement is that STN will enter into an IRU with Steuben County for 12 strands of fiber. Hage & Hage will develop the language.
- b) **Naples Ruptured Gas Line** – ECC reported on a ruptured gas line in Naples, NY. This occurred during underground boring. All the correct steps and actions were taken prior to drilling. The responsibility for this accident falls on the locating company that erroneously marked the dig-path. The STN insurance agent has been notified of this event. STN should not be financially responsible for this work.
- c) **Media Protocol** – with the recent ruptured gas line in Naples, the board discussed having a “standby statement” and a communication protocol created for reporting to the media on issues that may arise. It was suggested that all questions pertaining to STN should be routed to the CEO.
- d) **STN Brochure** – Steve distributed an STN brochure. Steve can provide additional copies if anyone would like more.

6. **ADJOURN** – The next STN meeting will be on May 8, 2014. Upon a motion duly made (Printup/O’Hearn) and carried, the meeting adjourned at 11:10 p.m.

Respectfully submitted,
Susan M. Cratsley
Recording Secretary