

# **Arizona Independent Scheduling Administrator Association**

Minutes from the Annual Board of Directors Meeting  
Tuesday, September 11, 2007 at 2:30 PM

## **I. Call to Order**

Patrick Sanderson, Acting Executive Director, called the Board of Directors ("Board") Meeting of the Arizona Independent Scheduling Administrator Association ("AZ ISA") to order at approximately 2:30 PM.

## **II. Determine Quorum**

The quorum requirement is two-thirds of the members of the Board. A quorum was present: seven of nine members were present.

The following Directors were present: Ed Beck, Kevin Higgins, David Getts, Bill Chen, Jennifer Chamberlin, Eric Treese and Patrick Sanderson (Chair).

The following Directors were not present: Jerry Smith and Mike McElrath.

Also present was Lenin Arthanari of Low & Childers, P.C.

## **III. Welcome and Introductions**

All present were welcomed and introduced.

## **IV. Appoint Meeting Secretary**

Lenin Arthanari of Low & Childers, P.C. was appointed as Corporate Secretary for the meeting.

## **V. Alternates**

Mr. Sanderson advised the Directors that at the Board of Directors meeting, no alternates can participate in lieu of the actual Board Member. This is different from the Members' meeting where a Member's alternate is permitted to participate.

Mr. Chen suggested that the Bylaws be amended so that alternates of the Board Members can attend the Board meeting in place of the actual Board Member. Mr. Sanderson explained that it was the intention of the AZ ISA Founders that alternates not attend the Board meetings.

## **VI. Approve Board Agenda**

Ed Beck made and David Getts seconded a motion to approve the agenda for the September 11, 2007 annual Board meeting. The Board unanimously approved the motion.

## **VII. Approve May 9, 2007 Board Meeting Minutes**

The Board reviewed the Minutes for the May 9, 2007 Meeting of the Board. Mr. Sanderson noted that on Page 2, under Section VII, Other Business, the date of the Sempra Solutions hearing was changed to October 2 instead of the original July 31 hearing date. In regard to the same section, Mr. Beck clarified that the hearing was to be held regarding Sempra's application for a "Certificate of Convenience and Necessity Order."

Ed Beck made and David Getts seconded a motion to approve the minutes from the May 9, 2007 Board Meeting as amended. The Board unanimously approved the motion.

## **VIII. 2007 Financial Statement**

Mr. Sanderson then reviewed the 2007 Financial Statement which was based on the actual cash flow method. He then provided an explanation of expense items for the budget which was meant as a good introduction for the new Board Members.

## **IX. 2008 Draft Budget**

Mr. Sanderson proceeded to review the draft Budget for 2008 with the Board. He will try to get the D&O insurance premiums lower.

Ms. Chamberlin inquired whether travel expense items should be increased to reflect opportunities for greater exposure to AZ ISA.

The Board members participated in a discussion led by Mr. Sanderson of the Allocation Retail Network Transmission ("ARNT") which Mr. Sanderson stated is the primary focus of AZ ISA and thus, the reason why Mr. Sanderson has limited his travel opportunities to ARNT-related events.

The Board members presented several suggestions regarding Mr. Sanderson's role as Executive Director of AZ ISA which are as follows:

- Mr. Sanderson should follow previous Board direction to use his judgment and to determine which regional meetings give the most value to AZ ISA and thus, would be suitable meetings for Mr. Sanderson to attend.

- Serve as a conduit of information for the Arizona market, as well as for AZ ISA and its members.
- Act as an advocate and information resource for the AZ ISA.
- Try to attend meetings of SWAT, STEP, other local Arizona groups and the ACC at least once a month, providing a general summary of same to AZ ISA members. Mr. Sanderson agreed to prepare a monthly newsletter summarizing meetings attended and information obtained

It was agreed that the current and recent Boards' expectation of the Executive Director position is different from that of previous Boards and that the Directors and Mr. Sanderson are both still adapting to this evolving situation. It was also agreed that Mr. Sanderson will take some time to reflect on this issue and provide the Board, within approximately a month's time, with a written description of what he perceives his role should be as Executive Director and his expectations for the position.

**X. Letter of Credit**

Mr. Beck inquired as to why the organization is borrowing on a Letter of Credit (LOC) when there is cash at hand. Mr. Sanderson advised that the cash on hand is to pay expenses and that the LOC is used to pay D&O and E&O insurance. Ed Beck recommended that D&O and E&O insurance be paid out of existing AZ ISA funds. Mr. Sanderson agreed and will use AZ-ISA funds to pay annual insurance premiums.

**XI. Notice of Next Board Meeting**

The next Board meeting will be held on Wednesday, January 9, 2008.

**XII. Adjourn**

Patrick Sanderson, Acting Executive Director, adjourned the meeting at approximately 4:00 PM.

Respectfully submitted,

Lenin Arthanari  
Meeting Secretary