

## Southern California Joint Pole Committee

437 So. Cataract Ave. Unit 3  
San Dimas, CA 91773  
Phone (909) 592-4001

February 10, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 9:30 p.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California (teleconference)
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks (teleconference)
Mr. Cory Autrey	Sprint-Nextel
Mr. Wayne Brown	Southern California Edison
Mr. Justin Cashmer	Verizon California (teleconference)
Ms. Lupe Hernandez	AT&T Mobility
Mr. Dennis Walls	City of Los Angeles
Mr. Daniel Lippert	City of Burbank
Mr. Randall Starkey	Time-Warner (teleconference)
Ms. Jennie Corella	Committee Staff
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item 1436: Compliance with Routine Handbook issue**, and discussed the first bulleted item, poles left in field. He stated that he is aware that this is a problem in the South. He added that AT&T California is creating a statewide organization funded for three years to clean up any backlog. Any items dated prior to January 1, 2009 are being labeled as backlog. AT&T California's intention is to begin pulling poles in great numbers very soon. However, he added that he is unable to contact members to notify them as to the order of pulling poles. He further stated that noting the ad hoc minutes, it appears that SCE and DWP have been manning the customer complaints by contacting the local staff that had the responsibility of the work. He suggests that this method be maintained until the new organization gets firmly established.

Mr. Wolfe then reported that there are dramatic changes within his organization. He added that the engineers in the North would be assigned to write the jobs to perform the work in the South, and do the accounting. The South would have fielders to work in unison with the Northern engineers, and all other transactions would remain in the South.

He added that if members follow the Routine, and work with AT&T California, the new process should run well. He further added that it is the intention of AT&T California to go operational with all pole-replacing members and to work together to address the poles left in field issue.

Mr. Brown stated that when SCE initiates a JPA and sends a Form 48 to joint members, but fails to give members a timeline to remove the poles, in many instances, SCE gets a customer complaint that there are two side-by-side poles left in the field. The customer complaint goes as far as the CPUC. The CPUC is not concerned with the timelines of the JPA and/or Routine Handbook their concern is to contact the base owner to ensure that they remove the pole(s). In most instances, SCE removes the pole(s) to satisfy the customer complaint, at no cost to other joint members. He adds, that in his opinion, this issue needs to be addressed when one member is taking on the task of another member who has the original responsibility of the task.

Mr. Wolfe responded that if his organization receives a CPUC complaint that is not theirs, they ensure that the complaint is redirected to the proper party.

Mr. Brown reiterated that the CPUC is not concerned with the JPA, but who the base owner is and that it is the responsibility of the base owner to address the complaint immediately.

Mr. Brown addressed Mr. Cashmer in regards to this situation. He stated that when SCE removes several poles, and sends the Form 48 as a partial completion, Verizon is requesting that SCE not send partials. However, Mr. Brown adds that this method must continue due to the many customer complaints. Therefore, it is incumbent on Verizon to create an internal method to address the partial Form 48s.

Mr. Wolfe inquired into the specifics of the customer complaints. Mr. Brown responded that customer complaints are for side-by-side or buddy poles.

Mr. Brown stated that the partial Form 48s are sent because members respond that they have not received notification that the work has been completed. The partial is sent because the entire job has not been completed at the time that the pole(s) must immediately be removed; therefore the need for the partial.

Mr. Wolfe reported that in regards to the newly created organization that would handle poles left in field and other backlog issues, he would contact the members with the particulars as soon as he is informed.

Mr. Lippert stated that historically, he has found it difficult to identify the correct contact people within AT&T California.

Mr. Wolfe responded that ensuring that all contact information is correct would be a part of the new organizations responsibility.

In closing, Mr. Wolfe suggested the members maintain status quo in regards to poles left in field until the new organization is fully organized.

Mr. Autrey inquired how Mr. Wolfe suggests addressing those members who do not follow through and leave the poles in the field. He added that according to the Routine the pulling party should have removed poles within sixty days, and if not pulled within that timeline they are in violation of the handbook.

Mr. Wolfe responded that prior to accepting a penalty, he would do a forensic analysis of the step process of that specific pole to ensure that the correct process was followed. He added that he would not readily accept imposing a fine for this action. He would however ensure that this problem is corrected, as he has always done historically in regards to inconsistencies in the JPA process.

Mr. Autrey responded that the purpose of this issue on the agenda is to find a method to correct this inconsistency with the Routine. He added that either the ad hoc agrees to come to a consensus on how this should happen, or remove the item from the agenda.

Ms. Hernandez interjected that when this issue was brought to the table, AT&T California was the greatest offender. She questioned if Verizon California is an offender as well.

Mr. Brown responded in the affirmative.

Ms. Hernandez then stated that if VZ is also an offender, then the ad hoc should hear from Verizon California and their plans to correcting the inconsistency.

Mr. Cashmer responded that his organization is working and trying to correct the problem. He added that the CPUC walk through is helping this problem.

Mr. Brown responded that what his organization would like to prevent is being contacted by the CPUC to handle a task that is originally the responsibility of another member(s). He inquired how Verizon handles customer complaints.

Mr. Cashmer responded that he has received emails from SCE staff regarding customer complaints, and added that when SCE gets this type complaint to contact him so his organization could handle the problem. He further added that he would not support a fine for this lack of action.

Ms. Hernandez stated with that being said, Verizon and AT&T California are not in compliance with the Routine Handbook. She added that this requires action on the part of the ad hoc, such as perhaps revising the Routine.

Mr. Autrey suggested leaving this issue as is at this time since it appears that the offenders are attempting to correct it. However, the remaining issues, members attaching prior to issue JPA, finalizing JPAs in timely manner, and members attaching prior to approval of JPA seem to overlap, therefore, perhaps the same penalty could be applied to all three offenses. It was agreed to delete bullet point *poles left in field*.

Mr. Wolfe described how the above-mentioned offenses are creating problems within his organization.

Ms. Hernandez stated that the ad hocs have discussed members attaching prior to issuing a JPA. She added that there has been dialogue of new members attaching to poles, since their primary initial objective is to generate revenue, and then deal with the issue of processing the JPAs at a later date. It is said that their rationale is since the penalty for unauthorized attachment is so minimal, the need to generate revenue is greater than the cost of the penalty. She further added that the objective of this ad hoc discussion is to find a method to bring new and offending members into compliance with the Routine.

In addressing the four listed offenses, Mr. Walls questioned if finalizing JPAs in a timely manner could be corrected with the new AC cost of \$125.00 per pole for finalizing another members JPA. It was agreed that it would certainly help the situation.

Mr. Walls inquired if there were many instances of violations of the above-mentioned offenses, and is it just a selective few members who are in violation.

Ms. Hernandez responded that this issue was originally brought to the table by SCE. She added that perhaps those members that are experiencing these problems should discuss this matter off-line.

Mr. Walls suggested that those members experiencing these problems return next month with the list of offenders to be discussed within the ad hoc

After extensive discussion, it was agreed that this issue be assigned to an ad hoc committee. **Item 1485: Final Initiation Requirements** has been assigned to the Routine Revision ad hoc committee.

**Item: 1440: Review of 1998 Agreement**, was next on the agenda. Mr. Wolfe reported that in reviewing the agreement several times, in his opinion the only section that would be relevant to the Routine Handbook is number ten, breaches by members. Therefore, he questioned the purpose and value of investing the time to review the agreement.

The consensus is to have the ad hoc members review section 10 of the agreement.

Ms. Corella stated that in reviewing the agreement, the ad hoc has historically detected inconsistencies in the agreement with what is today. She added that the agreement states applicants are to submit a recent financial statement; however, today the committee requires a current *audited* financial statement. Ms. Corella further read the suggested revisions derived from the ad hoc reviewing the agreement at past meetings.

The consensus is to red-line all proposed revisions to date of the agreement and send the proposed revised copy to ad hoc members to review and be prepared for discussion at the next meeting.

The last assigned issue on the agenda is **Item 1479: Review of By-Laws articles V and VI**. This item was assigned at the last nominating committee meeting. The issue is the reference to three elected members to the operating committee.

Mr. Autrey interjected stating that this sentence requires clarification or revision.

Ms. Corella stated that in her opinion, the three elected members should be those members with the greatest voting shares.

Mr. Wolfe agreed that those with the largest pole base have the greatest vested interest in the operation of the committee.

The members extensively discussed article I section D of the by-laws that define the operating committee and members. It was agreed that to address the issue of elected members, article I, section D would best serve as definition (see attachment).

There were no **miscellaneous items** for discussion.

The review of action items is:

- SCE to provide status of foreign JPAs to AT&T California
- Add proposed revisions collected to date to the 1998 Agreement and distribute to members.
- Add Item 1485: Final Initiation Requirements to the Routine Revision agenda.

- Place the proposed revised By-Laws on the discussion calendar of the February admin board meeting agenda.
- Ad hoc members are to research which members are not finalizing their JPAs and bring list to the next ad hoc meeting for discussion.

The meeting adjourned at 12:20 p.m., until March 2009.

Jennie Corella, Manager of Operations

# Attachment

## SOUTHERN CALIFORNIA JOINT POLE COMMITTEE

### BY-LAWS

January 1, 1998

### ARTICLE I

#### Definition of Terms

- (a) Administrative Board: A board composed of one authorized representative of each Member.
- (b) President: The annually elected office of the President shall consist of an authorized representative of the Administrative Board and shall be chosen on a rotational basis from the total membership. The President shall serve for a period of one year without compensation from the Committee.
- (c) Vice-President: The annually elected office of the Vice-President shall consist of an authorized representative of the Administrative Board. The Vice-President shall serve for a period of one year without compensation from the Committee.
- (d) Operating Committee: A Committee consisting of ~~at least four Members that includes the~~ Vice-President and ~~at least three~~ **elective Members. The first elective Member shall be chosen from an electric power utility Member, and the second from a communication utility Member. The third elective and any other participating Committee Member(s) may be drawn from the general membership.**

### ARTICLE II

#### Elections

##### Section 1

The President, Vice-President, and ~~three~~ **elective** members of the Operating Committee shall be elected at the annual meeting of the Administrative Board.

##### Section 2

The Administrative Board may hold a special election at any time to fill any vacancy that may occur by reason of the death, disability, resignation, or removal of any of such officers or members of the Operating Committee.

##### Section 3

The President, Vice-President and each member of the Operating Committee, shall take office upon expiration of the term of office of his/her predecessor and, unless removed by the Administrative Board, shall hold such office for a period of one year, or until a successor is elected.

### ARTICLE III

#### Powers and Duties of the Administrative Board

##### Section 1

The Administrative Board shall annually in October establish pole price schedules through the recommendations of the ad hoc Committee on Authorized Cost Elements in accordance with the Joint Pole Routine Handbook. Such schedules shall become effective on January 1 of the next succeeding year.

## Southern California Joint Pole Committee

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March 10, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 10:30 p.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California (teleconference)
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Sherri Goetz	Southern California Edison
Mr. Justin Cashmer	Verizon California (teleconference)
Ms. Lupe Hernandez	AT&T Mobility
Mr. Dennis Walls	City of Los Angeles
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item 1436: Compliance with Routine Handbook issue**. He reported that AT&T California's reorganization process is taking place and would eliminate some visible problems with other members in regards to Routine compliance. He added that members would shortly be receiving Form 48's. It is the objective of AT&T California to become compliant to the Routine in all aspects of joint use work. He further added that the only time this new process would fail is if the other joint members are not following the Routine within the established time frames.

Mr. Wolfe then addressed the three bulleted items on the agenda under compliance with Routine Handbook. *The first bullet is: members attaching prior to issuing JPA.* He reported that he reads this different than an unauthorized attachment, where the member placed a service wire and did not process the paper work, and has no intention of processing paperwork. But that a member's business plan has them on the poles prior to processing any of the required paperwork due to time constraints. He added if a members business is so urgent, that an absolute double in whole pricing should be imposed on those non-compliant members. All authorized costs should be doubled as well.

Next, Mr. Wolfe discussed bullet number two: *finalizing JPAs in a timely manner.* He stated that the Routine handbook describes all time limits. He added that a time frame should become mandatory for finalizing JPAs, and penalties could be doubled here as well. The ad hoc would need to define timely manner such as 60 or 90 days from date of Form 48 as mandatory.

The last bulleted item is: *members attaching prior to approval to JPA.* He stated that in this situation, the members did initiate the paper process. He added that as per the Routine Handbook, after 45 days the initiator might

invoke 18.1-D. He further added that when he visits the site, and observes that the work has been completed prior to AT&T California approving the JPA, he questions himself the extent, if any, harm done.

Ms. Hernandez responded that the harm could be done if there are pending JPAs. She added that one member issues a JPA to purchase space, and a second member comes along and attaches to the space without approval and/or input from other joint members. The first member did not wait for the response that there is a pending JPA.

Mr. Walls stated that per bullet two, one issue experienced by DWP is that they do not receive the Form 48's from joint members, and the work is constructed in the field.

The members discussed that by increasing the cost of having another joint member finalizing the JPA for the initiator to \$125.00 per pole, would aid in prompting initiating members to complete their paperwork.

After extensive discussion on the three issues of member non-compliance, Ms. Hernandez stated that in her opinion, it appears the above-discussed issues belong within the routine revision ad hoc committee.

The consensus is to move this agenda item to the Routine Revision ad hoc committee.

**Item: 1440: Review of 1998 Agreement**, was next on the agenda. Mr. Wolfe reported that as committee chair, he is not prepared to review the Agreement at this time, and requested that this item be tabled for the next ad hoc meeting.

There were no **miscellaneous items** for discussion.

The review of action items is:

- Remove Compliance with Routine Handbook and place on the Routine Revision ad hoc committee agenda.

The meeting adjourned at 11:00 a.m., until April 2009.

Jennie Corella, Manager of Operations

## Southern California Joint Pole Committee

437 So. Cataract Ave. Unit 3  
San Dimas, CA 91773  
Phone (909) 592-4001

April 14, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 10:00 a.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California (teleconference)
Mr. Steve Rodriguez	T-Mobile USA
Ms. Lynn Prescott	Verizon Wireless
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Sherri Goetz	Southern California Edison
Ms. Lupe Hernandez	AT&T Mobility
Mr. Dennis Walls	City of Los Angeles
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item: 1440: Review of 1998 Agreement**. The members reviewed the bankruptcy section 11.B. Mr. Wolfe stated that this section is difficult to comprehend in that it is written in legal terminology.

Ms. Hernandez reported that at an earlier meeting, it was agreed that the ad hoc members take the Agreement to their respective legal departments for aid in interpretation.

Early in the month, Ms. Corella sent a copy of the agreement reflecting all the proposed revisions up to date for review by the ad hoc members.

The members discussed what the lawyers would be interpreting. Ms. Prescott stated that they would not be changing any time lines this would be incumbent on the members to identify.

Mr. Wolfe inquired if the ad hoc should continue reviewing the document and when the review process is complete have the members legal department review the Agreement in its entirety for interpretation.

The members discussed the situation with Altrio Communications. It was determined that Altrio did not file for bankruptcy but liquidated their assets only. Champion has purchased the Altrio assets only, but not their liabilities. The members were required to file as creditors with the bankruptcy courts.

The members then discussed section 11-F of the Agreement. In this section it states that joint pole members have *“the first right of refusal to purchase, within fifteen working days, the debtor’s pro rata interest at a price equal to the schedule that is published in the Joint Pole Routine Handbook less all costs of removal, disposal, and administration.”* Ms. Prescott stated that 15

working days are not sufficient for members to arrive at a reasonable business decision. The base owner has the first option of refusal to purchase.

Ms. Haney suggested determining which owners have an interest, and then consider the order of refusal to purchase.

After extensive discussion on this section, Mr. Wolfe proposed not revising this section, and let the legal departments clarify it when they review the Agreement. The ad hoc would start next month's review with Section 12 REMEDIES.

Mr. Wolfe then reported on the status of AT&T California and compliance with the Routine Handbook. He stated that he visited several locations and what has been decided is that rather than moving staff to other locations, the work would be routed to their respective locations. The SCJPC work would fit with the engineer's workload and two groups have been created to handle the process. He added that the groups are making great progress and that AT&T California is removing poles in greater numbers. Mr. Wolfe stated that he would continue this report at the Routine Revision ad hoc committee since it was agreed that this issue was previously assigned to the Routine Revision ad hoc committee.

There were no **miscellaneous items** for discussion.

The review of action items is:

- All ad hoc members to take a copy of the SCJPC 1998 Agreement and have it reviewed by their respective legal departments.

The meeting adjourned at 10:45 a.m., until May 2009.

Jennie Corella, Manager of Operations

## Southern California Joint Pole Committee

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May 12, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 1:50 p.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California
Mr. Steve Rodriguez	T-Mobile USA
Ms. Lynn Prescott	Verizon Wireless
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Sherri Goetz	Southern California Edison
Ms. Lupe Hernandez	AT&T Mobility
Mr. Dennis Walls	City of Los Angeles
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item: 1440: Review of 1998 Agreement**. Mr. Wolfe reported that it was ascertained that Section 11- Bankruptcy, is difficult to comprehend in that it appears to be written in legal terminology. It is agreed that the ad hoc members take Section 11 to their respective legal departments to aid them with interpretation. Mr. Wolfe reported that he has sent the section to his legal department, but has not received a response to date.

Mr. Autrey stated that he believes the idea is to send the entire agreement to the members respective legal departments when the ad hoc has completed its review of the entire agreement. Ms. Hernandez agrees with Mr. Autrey.

The members appear to be experiencing some difficulty in interpreting the agreement. Ms. Hernandez stated that the original intent of reviewing the agreement is to ensure that it correlates with the methods the committee is transacting business today.

Ms. Haney stated that it is incumbent on the committee to identify if the agreement correlates to business transactions today, because the committee operations are so unique that a lawyer would find it difficult to determine if the agreement expresses the true intentions of the committee. The members are aware that any lawyer would require answers to the many questions the review of the agreement would prompt.

The consensus is to continue reviewing the agreement and start with section 12 at the next meeting.

Mr. Wolfe proceeded to report on the AT&T California pole removal program. He reported that this program has dramatically increased. His organization is utilizing pole data extrapolated from their system to aid in identifying poles that require removal. However, they are encountering some frustration with the system to enable them to get the information to their planners.

He further reported that his organizations intends on issuing Form 48s regardless of the year of the JPAs. He added that his organization is responding to Form 48s issued by other members and responding on the Form 48 accounting for surface restoration, and PTD and are using the narrative section of the Form 48 to summarize poles that have been pulled and their respective locations.

Ms. Prescott inquired the effect of JPAs that have been final billed. Ms. Goetz inquired if his organization is verifying that the pole number is correct, in the event that the original JPA pole number was replaced in the interim. Mr. Wolfe responded that their concern is the PTD regardless of the pole number.

After discussion it was agreed that the AT&T California method would not create a problem for joint members.

There were no **miscellaneous items** for discussion.

The review of action items is:

- No actions items at this time.

The meeting adjourned at 2:25 p.m., until June 9, 2009.

Jennie Corella, Manager of Operations

## Southern California Joint Pole Committee

437 So. Cataract Ave. Unit 3  
San Dimas, CA 91773  
Phone (909) 592-4001

June 9, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 10:10 a.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California (teleconference)
Mr. Steve Rodriguez	T-Mobile USA
Ms. Lynn Prescott	Verizon Wireless (teleconference)
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Lupe Hernandez	AT&T Mobility
Mr. Dennis Walls	City of Los Angeles
Mr. Ihab Ibrahim	City of Banning
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item: 1440: Review of 1998 Agreement**. Mr. Wolfe reported that section 11 is to be reviewed by members respective legal departments. He inquired if any members have anything to report in regards to comments from their legal counterparts. There were no reports or comments from fellow members.

Mr. Wolfe reported that he has started his review of section 10 and reviews all other sections referenced to in section 10. This approach gains a greater understanding of the section. He added that he is approximately two-thirds done. He proposed that he would further analyze section 10 and return with comments. He added that he would define each paragraph for understanding of what the paragraph is addressing and relay his interpretation to the ad hoc members at the next meeting.

There were no **miscellaneous items** for discussion.

The review of action items is:

- Mr. Wolfe to complete the review of the entire section 10
- Members to report on legal departments comments on section 11.

The meeting adjourned at 10:15 a.m., until July 2009.

Jennie Corella, Manager of Operations

## Southern California Joint Pole Committee

437 So. Cataract Ave. Unit 3  
San Dimas, CA 91773  
Phone (909) 592-4001

July 14, 2009

A regular meeting of the **ad hoc Committee on Reorganization** took place on the above date, at 10:05 a.m., at the Committee office. Those in attendance were:

Ms. Robert Wolfe	AT&T California (teleconference)
Mr. Larry Chow	Southern California Edison
Mr. Steve Rodriguez	T-Mobile USA
Ms. Lynn Prescott	Verizon Wireless
Ms. Paula Haney	NextG Networks (teleconference)
Mr. Randall Starkey	Time-Warner (teleconference)
Mr. Cory Autrey	Sprint-Nextel
Ms. Lupe Hernandez	AT&T Mobility
Mr. Scott Hunter	City of Los Angeles
Mr. Ihab Ibrahim	City of Banning
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Wolfe opened the meeting by addressing the first issue on the agenda, **Item: 1440: Review of 1998 Agreement**. Mr. Wolfe inquired if any members, who have submitted the Agreement to their respective legal departments for review of Section 11, have anything to report. The members did not report. Mr. Wolfe reported that he has not received any response from his legal department. He added that he would follow up with his legal department and recommended that members do the same.

Mr. Wolfe reported that he has reviewed Section 10 of the Agreement, and those sections referred to in Section 10. However, he has not documented his findings and interpretation.

The members discussed Section 10 and addressed material default. Mr. Chow inquired if any members are 90 to 180 days late habitually in paying their assessment invoices. Ms. Corella responded that there are instances when invoices are 90 to 180 days late, but this is usually due to a lost invoice. However, there are some members that are consistently 60 days late, but do not exceed this pattern.

The members questioned the verbiage in section 10-(C), which states that the failure to pay any expense for repair, maintenance, and replacement on a jointly owned pole by one member to another is a default, but the section shall not apply to JPAs. It was determined that this alludes to monies billed among members without the need of initiating a JPA.

Mr. Chow noted that Section 10-(D) mentions the ad hoc committee minutes as governing documents. Therefore, any issues agreed upon within

the ad hoc committees are equivalent to what is specified in JPAs. He questioned if the members viewed the statement as such, and added that he views the statement to include the minutes as governing documents. The members agreed. Mr. Chow then stated that it appears only a handful of members are to agree on issues that all members must adhere to. Ms. Hernandez responded that when the ad hoc members agree on an issue, that issue is taken to the Board for Committee approval or if necessary, only as a notification of a minor process change.

The members reviewed and discussed Section 10-(G), which states members must maintain the net worth as required by the Administrative Board. Currently, there is not a method in place of periodically determining the net worth of members. Ms. Prescott stated that she believes there is not set criteria to determine net worth of an entity.

Mr. Autrey noted that Section 12 addresses remedies for members who are in breach.

Mr. Wolfe stated that the ad hoc would open the next meeting by reviewing Section 12 that addresses remedies. In the interim, members could avail themselves for preparation of the next meeting by reading Section 12.

There were no **miscellaneous items** for discussion.

The review of action items is:

- Members to review Section 12 in preparation for next meeting
- Members to follow up with legal departments comments on section 11.

The meeting adjourned at 10:40 a.m., until August 2009.

Jennie Corella, Manager of Operations