

ARIN BOARD OF TRUSTEES  
BUSINESS MEETING  
Thursday, 10 December 2015  
Teleconference

DRAFT MINUTES

Attendees:

Vint Cerf, Chair  
Paul Andersen, Vice Chair/Treasurer  
Timothy Denton, Secretary  
Aaron Hughes, Trustee  
Bill Woodcock, Trustee

Scribe:

Thérèse Colosi

Staff:

Nate Davis, COO

ARIN General Counsel:

Stephen Ryan, Esq.

Regrets:

John Curran, President & CEO  
Bill Sandiford, Trustee

1. Welcome & Agenda Review. The Chair called the meeting to order at 3:03 p.m. EST. The presence of a quorum was noted. The Chair called for any comments on the agenda. The COO requested an item be added to discuss AFRINIC travel support. Paul Andersen requested a statement from the Board with regard to the passing of Rob Blokzijl of RIPE NCC. The Chair stated these items would be added under Any Other Business.

2. Consent Agenda.

A. Approval of Minutes. (Exhibit A)

It was moved by Aaron Hughes and seconded by Paul Andersen, that:

*“The ARIN Board of Trustees approves the Minutes of 02 November 2016, as written.”*

The Chair called for any comments. There were no comments.

B. Preliminary 2016 Board Travel Schedule – per Board Travel Guidelines.

C. ARIN Accountability Review Report - Informational item.

It was moved by Aaron Hughes, and seconded by Paul Andersen, that:

*“The ARIN Board of Trustees accepts the Consent Agenda, as presented.”*

The Chair called for any comments. There were no comments.

The motion carried with no objections or abstentions.

The Chair noted that Bill Sandiford and Bill Woodcock were not present to vote at this time.

3. Ratification of Policies. On 19 November 2016, the ARIN Advisory Council moved to forward the following Recommended Draft Policies to the ARIN Board for adoption.

- A) Recommended Draft Policy ARIN-2015-1: Modification to Criteria for IPv6 Initial End-User Assignments. (Exhibit B) The COO provided an overview of the key points of the policy to the Board and its timeline in the Policy Development Process (PDP).

It was moved by Paul Andersen, and seconded by Aaron Hughes, that:

*"The ARIN Board of Trustees, based on the recommendation of the ARIN Advisory Council, and noting that the Policy Development Process has been followed, adopts Recommended Draft Policy ARIN-2015-1: Modification to Criteria for IPv6 Initial End-User Assignments."*

The Chair called for discussion. The COO provided summary points and noted that the PDP was followed and that the policy had support by community consensus.

The motion carried with all in favor via roll call vote.

- B) Recommended Draft Policy ARIN-2015-4: Modify Section 8.2 to Better Reflect How ARIN Handles Reorganizations. (Exhibit C)

It was moved by Paul Andersen, and seconded by Aaron Hughes, that:

*"The ARIN Board of Trustees, based on the recommendation of the ARIN Advisory Council, and noting that the Policy Development Process has been followed, Recommended Draft Policy ARIN-2015-4: Modify Section 8.2 to Better Reflect How ARIN Handles Reorganizations."*

The Chair called for discussion. The COO provided summary points and noted that the PDP was followed and had community support.

The motion carried with all in favor via roll call vote.

4. ARIN 401K Discretionary Match. (Exhibit D) The COO provided a background summary to the Board, and noted that the President does not benefit from this match; and, that the COO only benefits to the extent of approximately \$100 USD. Management asked for this discretionary match on behalf of staff, given competitive nature of the Washington DC technical market.

It was moved by AH and seconded by PA, that:

*"The ARIN Board of Trustees approves the 2015 401K Discretionary Match for ARIN employees."*

The Chair called for discussion. The Treasurer stated that the contribution's intent is to be based on merit. The Chair noted that the President had stated it was an on-going commitment to staff. This action by the Board sends a message of appreciation to the staff.

The motion carried with all in favor via roll call vote.

5. Adoption of Changes to the ARIN Fee Schedule. (Exhibit E) The Treasurer explained that the proposed revisions to the fee schedule are based upon community feedback received since the current fee schedule was implemented. The community did not believe ARIN was fairly collecting fees to cover expenses. A community-based panel discussion was held at ARIN 36. The key point taken from community discussion was support for adjusting categories for IPv6 – lower categories for fees. The fees were seen as a barrier to entry because smaller blocks at smaller organizations are being impacted due to their smaller capacity to pay. Additionally, there was widespread community support to increase fee categories at the top of the fee schedule as well, as large Internet number resource holding members wanted investments made in ARIN’s technology and automation.

The Treasurer stated that on 17 November 2015, the ARIN Finance Committee met and reviewed the proposed changes to the fee schedule. Based on this review, they recommend the proposed fee schedule to the ARIN Board for adoption. The Treasurer stated these changes favorably adjust the xxx-small category for IPv6 and add the 4x and 5xlarge categories on the IPv4 side. The transfer fee remains at appropriately at 500 USD.

The Treasurer reviewed the attached fee schedule presentation with the Board. He stated that the fee schedule is seen as formulaic with no upper limit - as an organization grows, it will increase. The proposed fee schedule currently encompasses all organizations in their current size. The Chair supported the revised fee schedule.

The COO stated the possibility of changing the transfer fee at a later time. He explained that there is a process change for transfers in that the community has requested that ARIN accept transfer fees at the beginning of the transfer request process while organizations are waiting for their transfer requests to be processed. The Treasurer stated that this process cuts down on transfer time and that the community was in full support.

The Chair asked the COO how ARIN will treat the transfer payment from an accounting perspective , as the payment is in advance of approving the request. The COO noted presently that it a liability to ARIN, and that it may change to a non-refundable transfer application fee. Otherwise, there are fees paid when resources change hands (ie, legacy space not under agreement), and once space comes under an ARIN agreement, the space falls into ARIN’s accounting process. ARIN is considering options with moving the transfer fee to the front of the process as part of the implementation including the appropriate handling of the accounting.

Counsel re-joined the call at this time (3:22 pm EST), noting connection difficulties.

It was moved by Paul Andersen, as Treasurer, and seconded by Aaron Hughes that:

*“The ARIN Board of Trustees adopts the ARIN Fee Schedule, as presented, with staff to determine the appropriate start date as soon as is feasible.”*

The Chair called for discussion. The Treasurer asked when staff expected implementation of the new fee schedule. The COO stated it would be implemented sometime between the first and second quarters of 2016.

The motion carried with all in favor via roll call vote.

The Chair took a moment to determine if Bill Sandiford or Bill Woodcock had yet joined the call. They were not on the call at this time.

6. 2016-2017 Draft Budget Presentation. The Treasurer provided a brief overview of the process noting the recommended budget from staff extended into 2017, as requested. He noted that the FinCom had met and reviewed the presented budget; and, noted short-term spikes with long-term cost effectiveness. The COO provided highlights of the budget to the Board.

The Chair asked for a Profit and Loss Statement for 2016. The COO stated he would provide it to the Board.

Bill Woodcock joined the call at this time (3:29 p.m. EST). He stated he was in agreement with the budget. The Treasurer stated that this budget does not account for the adjustment in fee schedule that the Board had just adopted.

The Chair asked a question of clarification for those in the community paying attention to the budget. He asked if the <2.8M> was a recurring cost or not. The COO and the Treasurer stated that that was it was not. The COO pointed out that ARIN has funding in the operations account to offset the office move-related expenditures. Additionally, as part of the new office lease negotiations, ARIN has a one-year lease abatement (non-payment) benefit. ARIN can return some money, as a result of the abatement, back into the reserves. The Chair thanked him for the clarification.

It was moved by Paul Andersen, and seconded by Bill Woodcock, that:

*“The ARIN Board of Trustees approves ARIN 2016-2017 Draft Budget, as proposed.”*

The Chair called for discussion. There were no further comments.

The motion carried with all in favor, via roll call vote.

7. Any Other Business.

- AFRINIC Policy Working Group Travel Support. The COO stated that Bill Woodcock had proposed to the Board’s list that that ARIN support AFRINIC travel to ARIN 37 for two people; and that the Chair and Bill Sandiford had posted replies of support. The COO stated that unless there were any objections, staff would move forward with support travel for two AFRINIC staff members. Bill Woodcock provided background information from discussions he had directly with Alan Barrett, CEO of AFRINIC.

The Chair proposed that a maximum of 20,000 USD be made available, in support of AFRINIC’s participation of RIR meetings. He requested that the President or COO negotiate the details.

It was moved by Paul Andersen, and seconded by Bill Woodcock, that:

*“The ARIN Board of Trustees approves a proposal of travel costs of 20,000 USD in support of AFRINIC’s participation, at their discretion, of RIR meetings. ARIN President or COO to negotiate the details.”*

The motion carried with all in favor via roll call vote.

- Tribute to Rob Blokzijl of RIPE NCC. The Chair stated he knew Rob very well. Rob had worked for several decades in the Internet community to include work with ICANN and ISOC. He noted that the President had also sent a declaration to RIPE on behalf of the ARIN Board.

It was moved by Bill Woodcock, and seconded by Aaron Hughes that:

*“The ARIN Board of Trustees recognizes and appreciates Rob Blokzijl’s many years of service to the Internet community and to RIPE NCC. We extend our deepest condolences to the Blokzijl family and their friends, on behalf of the ARIN community.”*

The motion carried by acclamation.

- 2016 Board Travel. The Chair reminded the Board to submit their desired travel to him and the Vice Chair. Paul Andersen stated he was only missing Bill Sandiford’s information, and would follow up with Bill directly. Aaron Hughes asked if only travel through the first quarter of 2016 was needed at this time. Paul Andersen responded that was correct, but the sooner he and the Chair had a comprehensive list from each Board member, the better.

The Chair called for any other business items. He wished everyone a happy holiday season, and looked forward to the Board’s face-to-face meeting in January in Santa Monica, CA.

The Chair asked Counsel if he had any comments he would like to add to the meeting. Counsel stated he would be sending annual disclosure documentation to each Trustee for review in advance of the Board’s January face-to-face meeting. This exercise is performed to fulfill Trustee obligation with regard to any conflicts of interest they may have as seated members of the ARIN Board.

8. Adjournment. The Chair entertained a motion to adjourn at 3:44 p.m. EST. Tim Denton moved to adjourn, seconded by Aaron Hughes.