



BOARD OF DIRECTORS MEETING

Tuesday, March 3, 2020 @ 4:00 P.M.
100 Cushman Street, Suite 512, Fairbanks, AK

DRAFT AGENDA

*To participate via teleconference call 1-800-315-6338;
when prompted, enter 47499*

*ATTENTION: The Doors to the Key Bank Building are locked at 5:30pm,
for access to the meeting after hours please call 1-800-315-6338; when
prompted, enter 47499 and request entry.*

I. CALL TO ORDER

- Roll call
- Approval of Agenda & Consent Agenda*
*(Items marked with * are approved under consent agenda)*
- * • *Approval of Minutes – 2/11/2020 & 2/19/2020 & 2/25/2020
- Public Comment – *limited to three minutes*

II. OLD BUSINESS (Board Discussion & Possible Action) (Possible Executive Session)

- Bylaw Modification Approval.....Page 13
- Director Requests for IGU Information Policy Page 24

II. OTHER BUSINESS (Board Discussion & Possible Action) (Possible Executive Session)

- Marketing & New Service Report Page 26
- Action Items List..... Page 39

III. REPORTS

- General Manager Page 42
- IGU Attorney Page 44

IV. CLOSING COMMENTS

- General Manager
- IGU Attorney
- Directors

V. ADJOURNMENT

APPROVAL OF MINUTES

2/11/2020

2/19/2020

2/25/2020



BOARD OF DIRECTORS MEETING
Tuesday, February 11, 2020 @ 4:00 P.M.
100 Cushman Street, Suite 512, Fairbanks, AK

DRAFT MINUTES

A Meeting of the Board of Directors of the Interior Gas Utility was held Tuesday February 11, 2020 in the IGU Conference Room, Fairbanks, Alaska. IGU Board Vice Chair, Michael Miller presiding.

Others in attendance were: Dan Britton (IGU General Manager), Heather Thomas (IGU Secretary), Zane Wilson (IGU Attorney), Michelle Hollowell (IGU Customer Service/Conversion Manager) Wesley Smith (IGU Controller), Zach Dameron (IGU Assistant Controller), & members of the Public; Jomo Stewart (FEDC), Jim Sackett (Governor's Office), Mike Craft, Kathy Mayo, Mike Newman (Financial Advisor-Hilltop Securities), Marc Greenough (Bond Counsel-Foster Garvey).

I. CALL TO ORDER 4:05pm

- Roll call
Mike Miller
Steve Haagenon-Telephonic
Patrice Lee-Telephonic @ 4:08pm
Mary Nordale-Telephonic @ 4:08pm
Pamela Throop-Telephonic
Jack Wilbur
Gary Wilken
- Approval of Agenda & Consent Agenda* **00:01:14**
- Approval of Minutes – 1/7/2020 & 1/21/2020*
(Items marked with * are approved under consent agenda)

00:01:19 Moved by Director Wilbur to remove the Financial reports from the Consent Agenda, 2nd by Director Wilken.

Motion passed without objection.

00:02:00 Moved by Director Wilken to move the Bylaw Modifications to New Business so that the Bond Discussion is first, 2nd by Director Wilbur.

Motion passed without objection.

00:03:19 Moved by Director Wilbur to approve the Agenda & remaining Consent Agenda, 2nd by Director Wilken.

Motion passed without objection.

- Approval of Financials – 1/28/2020*

Director Wilbur gives an overview of the Finance Committee Meeting on 1/28/2020. November Financials were not recommended to the Board due to there not being a current committee member that attended that December meeting. Consolidated financials were discussed, and it

was recommended that we used them going forward. The Board of Directors dashboard was discussed. It was recommended that we do not separate out the Liquefaction electricity but replace it with Storage & Distribution as well as add in Administration.

00:09:17 Moved by Director Wilken to adopt the December Financials, 2nd by Director Wilbur.
Motion adopted without objection.

- Public Comment – *There were no public comments*

II. OLD BUSINESS 00:10:00

- Bylaw Modifications were moved to New Business.
- Matanuska-Susitna Tax Status **00:10:15**

GM Dan Britton presents the PILT Agreement and requests that the Board hold the Executive Session until the end of the meeting in consideration of the public, if confidential discussion is needed. Thank you to Zane for all your hard work on our behalf for IGU to be tax exempt. Zane presents each paragraph and answered questions on the content of the PILT Agreement. The Matanuska-Susitna assembly will consider our Resolution regarding project approval on February 18th, 2020.

Board questions and discussion.

00:35:54 Moved by Director Wilken to accept the IGU PILT Agreement, 2nd by Director Wilbur.
00:36:19 Roll Call Vote: Lee-Y, Nordale-Y, Throop-Y, Wilbur-Y, Wilken-Y, Miller-Y, Haagenson-Y
Motion passed Unanimously 7-0

III. NEW BUSINESS 00:36:55

- Bond Authorization **00:37:09**

GM Dan Britton invites Mike Newman and Marc Greenough to the table for their presentation of the Bond Documents. Mike Newman begins the presentation discussing the activities that lead up to the Bond Authorization. Bank of America/Merrill Lynch, Goldman Sachs and Wells Fargo were selected as the Underwriters, two of which are the most prominent investment banks. Important upcoming dates were highlighted. On February 24th receive the Fitch rating. On March 4th AIDEA Board Meeting to approve the issuance of the Bonds, on March 9th Offering of Bond, on March 24th Price the Bonds & Bond Purchase Agreement. Mike discussed who can purchase these bonds and the order in which they should be offered. The first opportunity to purchase IGU bonds should be given to FNSB Residents, then FNSB Professional Retail, then State of Alaska residents, then State of Alaska Professional Retail, then National Retail and finally Institutions. Mike explains each Bond Document in length, then answers questions asked by the Board members.

- Resolution 2020-03 **01:38:00**

Marc Greenough presents Resolution 2020-03, a resolution of the IGU authorizing the execution and delivery of documents related to the issuance by AIDEA of Revenue Bonds and the loan proceeds to IGU. He mentions that his area of expertise is with State Law, Tax Law and Securities Law. Marc explains the content of the Resolution and answers questions asked by the Board members.

FIVE MINUTE BREAK @ 2:52:00

RETURN TO SESSION @ 2:52:27

02:52:42 Moved by Director Wilbur to adopt Resolution 2020-03, a resolution of the IGU authorizing the execution and delivery of documents related to the issuance by AIDEA of Revenue Bonds and the loan of Bond proceeds to IGU. 2nd by Director Wilken.

Discussion on motion.

03:03:25 Roll Call Vote: Nordale-N, Throop-N, Wilbur-Y, Wilken-Y, Miller-Y, Lee-N, Haagenson-Y
Motion adopted 4-3

GM Dan Britton and Board members express their gratitude for the effort and consideration that was put into the Bond Documents.

IV. OTHER BUSINESS 03:09:32

- Bylaw Modifications **03:10:13**

Zane presents the final version of the Bylaws. The redline version did not transfer into the PDF correctly when the packet was created. Items that were edited were discussed and questions from Board members were answered.

03:25:58 Moved by Director Wilbur to approve the Bylaw Modifications as presented, 2nd by Director Wilken.

Motion adopted without objection.

The Marketing & New Service Report was moved to the end of the meeting in case there is a need to go into Executive Session.

- Action Items List **3:27:26**

GM Dan Britton presents and gives an update to the action items listed.

- Marketing & New Service Report (Public) **3:40:10**

GM Dan Britton presents the public Marketing Report. Discussion regarding mailer edits and timing of the new website launch. The website is completed, a test site is available and will be sent to the Board for review. Update on marketing activities/events.

V. REPORTS 03:39:03

- IGU Attorney* -approved under consent agenda.

VI. CORRESPONDENCE 03:39:07

- North Pole Storage Subcontractor List

GM Dan Britton presents list as an informational document to the Board. Cornerstone is the prime contractor for the North Pole Storage project.

VII. CLOSING COMMENTS 04:09:40

- General Manager

GM Dan Britton would like to recognize the great job the IGU staff did in his absence. Dan is looking forward to a successful discussion with the Matanuska-Susitna borough on their provision of a Resolution supporting the liquefaction expansion project. Next week we are closing on the \$4M AIDEA loan.

- IGU Attorney

Zane comments that it has been very busy and it's good to have Dan back. He wanted to state that every effort was made to get the Bond Documents sent out to the Board as quickly as possible without delay.

- Directors

Director Wilbur was pleased with today's Bond presentation, expertise and the detailed responses. Director Wilken also commends the Bond Presentation, thanks to Zane for his hard work on the tax issue and thank you to Director Wilbur for pulling the financials together. Director Lee thanks Vice Chair Miller for running an excellent meeting and thanks to Heather for her excellent job on the minutes.

VIII. ADJOURED @ 8:25pm

Moved to Adjourn by Director Wilbur, 2nd by Director Wilken.



BOARD OF DIRECTORS SPECIAL MEETING
Wednesday, February 19, 2020 @ 2:00 P.M.
100 Cushman Street, Suite 512, Fairbanks, AK

DRAFT MINUTES

A Meeting of the Board of Directors of the Interior Gas Utility was held Wednesday, February 19, 2020 in the IGU Conference Room, Fairbanks, Alaska. IGU Board Vice Chair, Michael Miller presiding.

Others in attendance were: Dan Britton (IGU General Manager), Heather Thomas (IGU Secretary), Zane Wilson (IGU Attorney), Wesley Smith (IGU Controller) & members of the Public; Liz Greig, Mike Newman-telephonic (Financial Advisor-Hilltop Securities).

I. CALL TO ORDER 2:00pm

- Roll call
Mike Miller
Steve Haagenson-Telephonic
Patrice Lee-Telephonic
Mary Nordale
Pamela Throop
Jack Wilbur-Telephonic
Gary Wilken-Telephonic

- PILT Agreement Approval

00:01:08 Moved by Director Nordale to amend the agenda and remove the PILT Agreement Approval. The PILT Agreement was approved on 2/11/2020 before the doors to the building were locked, according to reviewing the audio and legal counsel the motion stands. 2nd by Director Throop.

Motion passed without objection.

- Approval of Agenda

- Public Comment –

Liz Grieg from Hamilton Acres. She has been attending IGU Board Meetings for the past three years and is concerned about the lower echelons of society in terms of finances and the ability to pay their bills. She mentions by her calculations that IGU has spent about \$186MM and this Bond is about \$60MM but most likely will be more. \$240MM is a lot of money for only 1,000 customers. She doesn't see an appreciable increase in customer base which is concerning. She claims there are about 99,000 people in the borough and not even 1/10th of people are gasified, North Pole should have been gasified a year and a half ago and its concerning.

Vice Chair Miller expresses his sincere apology that the doors were locked at the last meeting, it was an oversight and the issue has been taken care of.

00:07:23 Moved by Director Nordale to approve the Agenda as amended, 2nd by Director Lee.
Motion passed without objection.

II. NEW BUSINESS 00:07:43

- Bond Approval

GM Dan Britton opens the discussion with a brief update and an overview of questions that were submitted by the Directors after the last meeting. In relation to the question on the Subordination Agreement by AIDEA, Zane Wilson provided an update to that issue. Mike Newman provided support to Director questions. There was continued Director discussion concerning the readiness to approve the Bond Authorization. It was reiterated that approving Resolution 2020-03 continues the Bond Approval process. GM Dan Britton reminds Directors that if IGU decides against the Titan 2 expansion the Bond proceeds can be used for multiple Capital Projects.

- Resolution 2020-03:

RESOLUTION OF THE INTERIOR ALASKA NATURAL GAS UTILITY (IGU) AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE ISSUANCE BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY OF REVENUE BONDS AND THE LOAN OF BOND PROCEEDS TO IGU.

00:52:46 Moved by Director Wilbur to approve Resolution 2020-03, 2nd by Director Wilken.

Discussion on the Motion. Director Throop has concerns about IGU's ability to complete conversions over the next few years and feels IGU is a few years early for Issuing Bonds, she will be voting no today. Director Nordale feels there is not enough information to make a judgment and feels the Bond Issuance is premature, she will be voting no today. Director Lee also feels that the Bond Issuance is premature and will be voting no today.

01:04:12 Roll Call Vote: *Wilbur-Y, Wilken-Y, Haagenson-Y, Lee-N, Nordale-N, Throop-N, Miller-Y*
Motion passed 4-3

III. CLOSING COMMENTS 01:04:56

- General Manager

GM Dan Britton thanks the Directors for accommodating this Special Meeting and apologized for the issue with the locked doors. He mentions the issue has been resolved by adding a notice on the agenda, within the Newsminer ad and a notice posted on the building doors, instructing to call the call-in number to request entry after hours. He mentions the call-in number is always provided and feels there was adequate opportunity provided for the public to participate, it was an unfortunate oversight. The Matanuska-Susitna Borough approved the Resolution last night. Request to move the March Work Session from March 17th to March 24th. Dan is on the Board for the Arctic Winter Games and will be out of town.

- IGU Attorney

Zane does not agree that IGU violated the Open Meetings Act, the Public was able to attend if they wanted to but it was the better course to go to redo the meeting and eliminate any questions due to the magnitude of the decision being made. We are waiting on the Matanuska-Susitna Borough for their decision on IGU's Charitable Exemption, he is cautiously optimistic.

- Directors

Director Nordale requests a comparison analysis in terms of considering the Bond Issuance, feels we are on shaky grounds and believes it's only fair to the people of the Borough if we comply with bringing the lowest cost Natural Gas as possible to the Interior. Director Lee thanks Vice Chair Miller for putting this meeting together and agrees with Director Wilken that the extra days to read through and understand the Bond documents was a blessing. Director Wilbur will not have internet access until March 26th so the Work Session date change works for him. He does not feel we are stumbling around in the dark, we have hired experts and have made a well informed and intelligent choice to Approve the Bonds and comments that there is a demand for Natural Gas in Fairbanks. Director Wilken would like to associate himself with Director Wilbur's comments 100%. He asks Dan where we are at with the website, Dan comments that he completed his review and has submitted changes, a test site will be available soon for the Directors. Chair Haagenon shares Director Wilbur's vision for the future of Fairbanks and that there is a need for Natural Gas and looks forward to a great future. Vice Chair Miller is in favor of moving the March Work Session to the 24th. He thanks the members of the body for the good debate and questions on the Bond Approval.

IV. ADJOURED @ 3:20pm

Moved to Adjourn by Director Nordale, 2nd by Director Throop.



**Board of Directors
Work Session**
Tuesday, February 25, 2020 @ 4:00 P.M.
100 Cushman Street, Suite 512, Fairbanks, AK

DRAFT MINUTES

A Meeting of the Board of Directors of the Interior Gas Utility was held Tuesday February 25, 2020 in the IGU Conference Room, Fairbanks, Alaska. IGU Board Chair, Steve Haagenon presiding.

Others in attendance were: Dan Britton (IGU General Manager), Heather Thomas (IGU Secretary), Zane Wilson (IGU Attorney), Mary Ann Pease (Consultant) & members of the Public; Michael Meeks (COF), Jomo Stewart (FEDC).

I. CALL TO ORDER 4:04pm

- Roll call
Steve Haagenon
Michael Miller (Absent)
Patrice Lee (Telephonic)
Mary Nordale
Pamela Throop
Jack Wilbur (Absent)
Gary Wilken

- Approval of Agenda **00:00:55**

Moved by Director Wilken to approve the agenda, 2nd by Director Throop.

Moved by Director Nordale to amend the agenda to remove the draft policy. 2nd by Director Throop.

Discussion on the Motion: Director Nordale stated that the Draft Policy is improper, and that no director should have to yield his or her responsibilities to a person under the jurisdiction of the director. Director Nordale stated that the draft policy goes against the corporate code and it would be a waste of time to discuss it. Zane agrees with Director Nordale that Board Members are entitled to any information that is reasonably relevant for them to exercise their duties and fulfilling their oversight responsibilities. Zane explains that this draft Policy establishes the procedure for obtaining information, it does not say that anyone else has the right to impede your access. Zane believes that this draft policy is not an impediment of the corporate code. Director Wilken requests point of order and that we limit debate to a yes or no removal of an agenda item rather than debate the merits of the draft Policy. Director Throop would like the Policy removed because she did not have enough time to review the policy and would like to review policies of other utilities. Chair Haagenon reminds the Board that we are in a work session and that the policy is not up for a vote tonight. Dan comments that it was put on the agenda was for discussion only and to receive input on the policy.

00:11:34 Roll Call Vote: Wilken-N, Lee-Y, Nordale-Y, Throop-Y, Haagenon-N
Motion Passed 3-2

Main Motion:

00:12:09 Moved by Chair Haagenson to approve the agenda.

Motion passed without objection.

- No Public Comment

III. OLD BUSINESS 00:12:54

- Update on Gas Supply Search
 - MAP Report

Dan introduces Mary Ann Pease to present the Update on Gas Supply and suggests we move into Executive Session after she shares any public information she may have. Mary Ann presents a public update on the background and the process of the Gas Supply Search for IGU. She comments that IGU will have all the resources and tools at their disposal to see what the different options are that could be placed before you. She is a firm believer in keeping many of those options on the table, the board will have to weigh that risk, reward, opportunity mix.

00:24:47 Moved by Director Wilken to enter into executive session to discuss Gas Supply opportunities, challenges and negotiating strategy; the public knowledge of which would have an immediate impact on the finances of IGU, 2nd by Director Throop.

00:25:40 Roll Call Vote: Lee-Y, Nordale-Y, Wilken-Y Throop-Y, , Haagenson-Y
Motion Passed 5-0

6:48pm Moved by Director Throop to come out of Executive Session and return to public session. 2nd by Director Lee.

Motion passed without objection.

6:52pm Return to Public Session

VI. CORRESPONDENCE 00:00:06

- IGU Support Letter for SB175
- IGU Support Letter for HB232

GM Dan Britton briefly discusses the letters requested by Yuri and comments that they appear to be providing some traction.

VII. CLOSING COMMENTS 00:01:36

- General Manager

There are upcoming meetings this week for pending Gas Supply. February continues to be a cold month and our volumes remain high. Next week the AIDEA Board will be taking up our Bond resolution. Last week we presented our IGU Q1 update to the Fairbanks North Star Borough which went well. Dan had a great meeting and tour with Senator Sullivan and his staff. He was willing to be supportive and asked what we need, conversion assistance was discussed.

- IGU Attorney

Zane gives a summary of recent tasks completed over the past month. The Matanuska-Susitna Borough approved the Bond resolution and we resolved the tax issue saving IGU \$750,000. \$4M in SETs loan were approved. The Bonds are clear to move forward from a legal standpoint.

- Directors

Director Lee comments that we are making progress and it was great to hear the updates on the Gas Supply Search. Director Nordale had a meeting with her financial advisor and he asked why IGU was not farther along. In hearing that, we need to promote IGU and have a more adequate PR presence. She commends Mary Ann for her hard work and expertise. Director Wilken asks about a potential consultant that may have access to funds for conversion assistance. He urges Director Nordale and other Directors to remind people how far we have come when asked why IGU is not farther along. He thanks Mary Ann for her presentation on Gas Supply and that he will try to call-in for the March 3rd Board Meeting. Director Throop is excited about the options we have and thanks Mary Ann for the great presentation. She wanted to make a correction on the population drop comment from the last meeting. It has dropped 5% since 2012, not 10%. Chair Haagenson appreciates the team especially Dan and Mary Ann and their hard work and great presentation. He encounters people all the time that do not have knowledge of IGU, we need to be the ones to get our message across. We need to focus on moving forward and rely on providing service with a good price and be competitive. Thanks to Zane and Dan on their work on the Matanuska-Susitna tax issue. Dan and I will be going to the AIDEA board meeting on March 4th for their presentation of the Bonds.

VIII. ADJOURNED @ 07:10pm

***Moved to Adjourn by Director Nordale, 2nd by Director Wilken
Motion passed without objection.***

Bylaw Modifications Approval

Suggested Motion: Move to approve the Bylaw changes and forward to the Fairbanks North Star Borough for acceptance.

Interior Alaska Natural Gas Utility
Bylaws

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Article I - Name and Purpose

Interior Alaska Natural Gas Utility, referred to as the Interior Gas Utility (IGU), was established by the Fairbanks North Star Borough (FNSB) on 15 Nov 2012 with the purpose of bringing natural and/or manufactured gas to the largest number of people in the FNSB, at the lowest possible sustainable cost, in the shortest amount of time (See FNSB Ordinance 2012-48 FNSBC 11.01.010 - 11.01.030).

IGU is a public corporation and an instrumentality of the FNSB, wholly owned by the FNSB but has legal existence independent of and separate from the borough.

IGU will function first as a facilitator, second as an implementing corporation that contracts, partners or joint ventures with private companies, and third as a provider/competitor if services are not currently being provided or if the private entity is unwilling to provide them or cannot do so in a cost effective, timely manner.

Article II - Definitions/ Abbreviations

- 1) Assembly: Refers to the FNSB Assembly.
- 2) Board or Board of Directors: Refers to the IGU Board.
- 3) Facilitate: Make (an action or process) easy or easier. Facilitation for IGU will contain a wide range of tools to make the utility's goals easier to achieve, such as, but not limited to:
 - a) Develop relationships to advance the long term, cost effective supply of gas to the FNSB.
 - b) Provide a community voice that keeps the community's best interest in mind toward achieving IGU's purpose.
 - c) Provide services or products which are not available to the private sector that enhance the overall results, such as transparency, tax-exempt financing, reduced taxes, access to governmental programs, evaluation of services for contract compliance to meet IGU goals and acceptance of grants without triggering a taxable event.
- 4) FNSB: Fairbanks North Star Borough
- 5) IGU: Interior Gas Utility
- 6) Operations: An active process; a discharge of a function. ~~Operations for IGU will be contracted, as required, with qualified private sector entities. IGU will limit involvement of operational aspects unless that service is not available from the private sector.~~
- 7) Oath of Office: I do solemnly affirm that I will support and defend the Constitution of the United States, the Constitution of the State of Alaska, and the laws of the Fairbanks North Star Borough, and that I will honestly, faithfully, and impartially

perform my duties as a member of the Interior Alaska Natural Gas Utility Board to the best of my ability.

7)8) Partner: A person or entity who shares activity. Includes all forms of public-private, public- public, and joint venture agreements that further the purpose of the Utility.

9) Provide: To make available. Includes, but is not limited to, direct provision of operations or product-based commodities.

10) Quorum of Board of Directors: The presence of four of a majority of the membership of the Board of Directors is required to establish a quorum. Regardless of any other provision of the Bylaws Aa quorum is required for the Board to take official actions of the Board.

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8)11) Quorum for Committee Meetings: The presence of 51% or more of committee members constitutes a quorum of the committee. The act of a majority of all committee members present at a meeting at which a quorum exists constitutes a valid act of the committee.

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9)12) Utility: Refers to IGU.

Article III - Board of Directors

The Board shall have the power to make and adopt resolutions, policies and procedures it may deem advisable for the management of the business and affairs of the Utility except those inconsistent with the enabling ordinance, these Bylaws or other applicable law.

Section 1: Appointment and Elections

1) Initial Terms of IGU Directors: Three seats are appointed (one each by the FNSB, City of North Pole and City of Fairbanks). Prior to the end of the initial terms, listed below, elections will be held to fill seats, A, B, C, and D.

FNSB seat appointed – 31 Dec 2016

North Pole seat appointed - 31 Dec 2016

Fairbanks seat appointed – 31 Dec 2016

At large seat A- 31 Dec 2015

At large seat B - 31 Dec 2015

At large seat C - 31 Dec 2014

At large seat D - 31 Dec 2014

2) Regular Terms of IGU Directors: After the expiration of their initial terms all Directors

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[shall thereafter serve a term of three years.](#)

3) Vacancy:

- a) The Board may declare a Board seat vacant when the Director:
 - i) Resigns and the Board accepts the resignation;
 - ii) Is convicted of a felony or an offense involving violation of the oath of office;
 - iii) No longer physically resides in the FNSB; or
 - ~~iv)~~ Has more than 35% unexcused absences from regular Board meetings, as determined quarterly (does not apply to emergency board, special board, [worksessionshops](#) and committee meetings).
 - b) If a city appointed seat becomes vacant then a new member will be selected by the associated city mayor and confirmed by the city's governing body. All other vacant seats are appointed by the FNSB mayor and confirmed by the assembly.
 - c) A person appointed to fill a vacancy serves until the expiration of the term for which appointed and until a successor is appointed or elected and sworn.
 - d) If less than 30 days remain in [an appointment term or elected positions where there are less than 30 days prior to the vacant seat's election filing deadline](#), the vacant seat shall not be filled.
- 4) Term Limits: Except for appointed positions, seats will be limited to two consecutive terms. Directors may be reelected after sitting out one election cycle; at that point the elected member may once again run for up to two consecutive terms.
- 5) Qualifications: All Directors must be a resident of Fairbanks North Star Borough for at least one year at the time of appointment or election.

Section 2: Officers

1) Chair:

- a) The Chair shall be elected annually by the majority of the Directors [present](#). [The first regular board meeting in](#) January of each year shall be the election cycle.
- b) The Chair shall preside at all meetings of the Board and shall be the official representative of the Board, unless delegated by the Chair to another Director.
- c) The Chair shall serve as the official FNSB Assembly representative for the Utility on all matters, unless delegated by the Chair to another Director.
- d) The Chair should brief the FNSB Assembly at least quarterly, unless delegated by the Chair to another Director.

- 2) Vice Chair: Performs the duties of the Chair when the Chair is not physically present at the meeting and while there is a vacancy in the office of the Chair.
- 3) Additional Officers: The Board shall have the authority to create additional officers as needed, such as Treasurer and Secretary, and assign specific duties to those officers.

Section 3: Indemnity

- 1) To the fullest extent permitted by law, IGU shall indemnify a Director against any claim, demand, suit, or judgment arising from an act taken in good faith, ~~and~~ within the scope of the Director's duties and permitted under AS 10.06.490.
- 2) Independent legal counsel shall be provided if:
 - a) A Director requests and a majority of the membership of the remaining Board of Directors ~~Board~~ concurs, or
 - ~~b) The Chair or IGU's attorney determines that there may be a conflict of interest between IGU and the Director.~~
 - ~~c) The liability of the Director involves claims or defenses not reasonably related to the claims or defenses of the Utility.~~

Section 4: Sanction of Directors

- 1) A Director who violates the Board's ethical standards may be subject to one or more Board imposed sanctions including, but not limited to, public censure ~~or removal from office.~~
- ~~2) Prior to imposition of sanctions, the Director shall be entitled to may~~ present a defense to the Board.
- ~~3) A director may be removed as provided for by the laws of the State of Alaska. Removal of Directors will follow State law.~~
- ~~2)4) Any action to sanction a board member shall require a 2/3 majority vote of seated Directors eligible to vote.~~
- ~~3) Removal may only be imposed if the violation occurred in the Director's present term and shall require a 2/3 majority vote of seated Directors eligible to vote.~~

Section 5: Resignation of a Director

- 1) A Director may resign at any time.
- 2) Resignation must be in writing and submitted to the Chair. It is effective when accepted at the next Regular Board Meeting.

Section 6: Compensation

These Director positions are voluntary. Compensation to the Directors shall not

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exceed the compensation paid to FNSB Assembly members. Reimbursement of approved expenses is not considered compensation.

Article IV - General Manager

The General Manager (GM) of the Utility is responsible to the Board for the operation and management of the Utility and unless otherwise provided by ordinance, may not be appointed to a term longer than five years.

The GM, or designee, shall sign all contracts, escrow agreements and deeds, leases, grant and loan applications and agreements, and intergovernmental agreements, consistent with Board fiscal policies.

Exceptions occur when the signing is expressly delegated by the Board or these Bylaws to some other officer or agent of the Utility, or is required by law to be otherwise signed. The GM may be prescribed other duties by the Board that are not specifically delegated in these By-Laws.

The Board will review and confirm (by vote) the GM's performance objectives at the beginning of each calendar year.

At the end of the calendar year the Board will review the GM's performance.

Article V - Committees

The Board may establish standing and temporary committees to advise the Directors. Each committee shall be chaired by a member of the Board of Directors, and include at least one other member of the Board. Committees may include non-Directors. All appointments shall be made by the Chair, subject to confirmation by [a majority of the Board of Directors present](#). These Committees will report and may develop work products during the Committee of the Whole Meetings.

Article VI - Public Relations

Any requests for interviews of Board Members, Officers, or employees by the media concerning the Utility shall be referred to the Chair or the GM for prior approval.

Article VII - Meetings

Section 1: Regular Board Meetings:

- 1) The Board shall establish a Regular Board Meeting schedule and publish that schedule.
- 2) Directors shall attend at least 65% of regular board meetings, as determined quarterly, unless excused by the Chair from doing so. Excused absences may include, but are not limited to, emergencies, competing work requirements, sickness, etc.

Section 2: Emergency Board Meetings

- 1) The Chair, Vice Chair, or any two Directors may call an emergency meeting when a bona fide emergency exists, and may be called with as much public notice as reasonably possible in light of the emergency.

- 2) The call for an emergency meeting may be transmitted electronically or hand delivered to the business or home address of each Director at the earliest convenience prior to the time of the meeting.

Section 3: Special Board Meetings

- 1) The Chair, Vice Chair, or any two Directors may call a special meeting when deemed expedient for the purpose of considering and transacting the business specified in the call for the meeting. Notice requirements for Special Board Meeting are the same as for a Regular Board Meeting.
- 2) The call for a special meeting may be transmitted electronically or hand delivered to the business or home address of each Director at the earliest convenience prior to the time of the meeting.

Section 4: Committee Meetings

The committee chair shall establish a meeting schedule and publish that schedule.

Section 5: Rules Governing Meetings:

- 1) All meetings shall be public meetings and, with the exception of Emergency Board Meetings, require public notice a minimum of five days prior to the meeting.
- 2) Meetings shall be conducted according to Robert's Rules of Order, except as otherwise set out herein; however, the Chair may use less formal procedures if no Director objects.
- 3) Directors do not have to be physically present at meetings, but may attend by electronic means.
- 4) Board meetings, including emergency and special board meetings, shall maintain a place on their regular meeting agenda for members of the public to address the Board of matters concerning the Utility. A public person shall be given three minutes to address the Board; this time may be reduced or expanded by the Chair but shall be applied equally to all members of the public. Public comment periods are not required at committee meetings.
- 5) Any substantive business that is publicly noticed in an agenda may be transacted at meetings.
- 6) The Chair or any other Director may request an executive session. A motion to enter into an executive session shall be duly seconded and subject to a vote of the Board. A majority of the Directors present must vote in the affirmative for the executive session to occur. Executive sessions shall be confidential unless waived by a majority vote of the board. Minutes will be taken during this session and archived according to Board policy.

7) A written record shall be made of meetings and approved at the next regular meeting.

~~7)8) Unless otherwise specifically stated in the Bylaws, any matter coming before the Board of Directors shall only be approved if a majority of the membership~~

of the Board of Directors present vote in favor of approval.

Article VIII - Ethical Standards

Section 1: Conflict of Interest

No Director, or the GM, shall have any substantial personal or financial pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with this Board's efforts. The Board shall adopt, by resolution, an ethics policy that covers the activities of Directors and employees.

Section 2: Use of Public Funds in Elections

Restrictions in state law applicable to political subdivisions on the use of public monies to influence elections shall apply to IGU.

Article IX - Amendments

These By-Laws may be amended by the Board by a vote of a simple majority of the membership of the Board of Directors subject to the approval of the FNSB Assembly.

Article X - Financial Transactions

Section 1: Independent Auditors

- 1) The Board shall provide an annual report, which must include financial statements audited by independent outside auditors.
- 2) These reports shall be available to the public.

Section 2: Fiscal Policies

The Board shall adopt by resolution, approved by a majority of the membership membership of the Board of of the Board of Directors present, fiscal policies that govern the financial activities of the organization. This shall include, but not be limited to: budgets, contract authorizations, signatory authority, procurement, investment, and debt.

Article XI - Sunset Review

- 1) On or before November 15, 2015, the Board shall conduct a thorough assessment of the activities and performance of the organization. At that time the Board shall make a determination, by resolution voted on by the Board, of the following:
 - a) Whether IGU has substantially exercised the powers granted in the enacting ordinance;
 - b) Whether sufficient progress has been made toward accomplishment of the organization's existence to continue efforts for another three-ten year period;
 - c) Whether the organization has advanced sufficiently to the point where any operations and/or partnerships can be transferred to the private sector.

Such a transfer shall be considered only if it is in the economic best interests of the rate-payers of gas utility services.

- 2) Any change to the organization recommended as a result of the sunset evaluation shall require approval of the Assembly.
- 3) Such an evaluation shall be undertaken by the Board every ~~ten~~three years, and approved by a majority of the membership of the Board of Directors

Draft Policy

Director Requests
for
IGU Information

Suggested Motion: Move to approve and assign a number to the policy on Director Requests for IGU Information.

INTERIOR GAS UTILITY POLICY

Policy N0. X.XX

Page 1 of 1

Subject: Director Requests for IGU Information

Effective Date:
XXX X, 2020

Revision Date:

1. Objective

- a. To allow Director requests for IGU information to be asked and answered in a manner that allows Board discussion of the requests and ensures that all Directors are afforded the full response to the request;
- b. To provide an orderly structure for Director requests for information.

2. POLICY

Outside of IGU Board meetings all requests for information from Officers, employees and consultants, shall be made through the General Manager, who will provide responses to IGU Director requests for information by providing necessary information to make Board decisions or fulfill reasonable Board oversight responsibilities and ensure relevant information is made equally available to all Board members.

The IGU Board agenda shall include a standing agenda item: "Director Requests for IGU Information", to allow for an opportunity to make the requests in open session and to allow for Director discussion. Normally, all information requests will be made during meetings, under this agenda item, with responses provided at subsequent meetings, unless a reasonable time sensitivity exists.

3. RESPONSIBILITIES

It shall be the responsibility of the Board Chairman to ensure these functions are carried out.

EXECUTIVE SESSION MARKETING & NEW SERVICE REPORT

SUGGESTED MOTION:

MOVE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THE MARKETING & NEW SERVICE REPORT; THE PUBLIC KNOWLEDGE OF WHICH WOULD HAVE AN IMMEDIATE IMPACT ON THE FINANCES OF IGU.

INCLUDED PARTIES: IGU BOARD OF DIRECTORS, DAN BRITTON-GM, HEATHER THOMAS-IGU SECRETARY & IGU ATTORNEY

MEMORANDUM

TO: Dan Britton
FROM: Michelle Hollowell
SUBJECT: Marketing & New Service Report
Date: February 28, 2020

Please find below the status of several updates for Marketing & New Service activities for the month of February.

Advertising & Marketing

Residential Mailers Please see Attachment A as the revised recommended mailer to be sent out first to neighborhoods that currently have gas lines throughout their area that we have not been able to hook up before due to lack of storage. The initial or first wave of mailers will be sent to the following neighborhoods: Aurora, Bjerremark, Doyon Estates, Hamilton Acres, Peger Lake Development, Shannon Park, and University West. Also included in the initial mailers will be individuals that signed up to be informed when gas was ready at the Tanana Valley State Fair, the Renewable Energy Fair, and the Go Winter Expo.

Estimated costs for mailers as described above is:

Quantity	Printing cost	Mailing cost
5773	\$1,625	\$1,310

Commercial Mailers The revised recommended commercial mailer is Attachment B and it has been designed to emphasize energy savings, maintenance savings, and the importance of not having to worry about leaking underground fuel oil containers. The initial mailers will be sent to commercial properties over 5000 square feet that have been identified throughout the last 8 months. Additional commercial properties located throughout the community that currently have natural gas lines in front of them and are not in the first mailing, will be in the second mailing.

UAF Principles of Marketing

We were one of the companies chosen by the UAP Principles of Marketing class to participate with a team of 6 students. The team of six will get a real-life learning

experience and we get the benefit of a diverse group of fresh eager eyes assisting us with extra marketing efforts. I met with the team on February 24th and the team consists of students of various ages and majors. The team of students choose three deliverables from the below list of 5 deliverables that were sent to them. The team choose #2, #4, and #5. I'm very excited to see what ideas they will produce. These are the students that want an A for the class and the only way to get an A is to work on a project such as ours.

1. Design and produce online geographically specific spot advertising – as an example preparing an ad that pops up with Google searches.
2. Design and produce social media advertising campaign for Facebook and Twitter.
3. Design and produce an e-marketing campaign that incorporates natural gas being the cleanest burning fossil fuel and points out how natural gas promotes cleaner air especially with our current PM 2.5 issues.
4. Design and produce a television commercial that packs a punch with information and confidence that we are here to stay.
5. Design and produce a 30 second radio commercial.

Website

The website after review is waiting on one of the Savings calculators to be changed to a format that is more beneficial to customers in ease of use and labeling. Current changes are being made in regards to the applications not just being fillable PDF's but also adding the feature of being able to fill out the application and send it directly to us from the website. To accommodate for this feature the extra bandwidth required for this feature had to be verified that it was available with our current provider and the extra security measures put in place.

Initial page catches the customer's attention by emphasizing to "Sign Up Now" and the site is user friendly and searchable. There are 4 scrolling screens to the top that give quick links to applications, news, projects and safety. All pages give our contact information and 811 Call Before You Dig.

Identifiable Tabs with descriptive drop-down menus:

Home Tab

Will return you to the home page and clicking on the IGU Logo will also return you to the home page

Service Tab

- Benefits of Natural Gas
- Service Map showing current areas that we have natural gas lines for Fairbanks and North Pole map where we have lines
- Savings Calculators has both a Residential Energy Calculator and a Savings with or without Loan Calculator
- Installation Process gives an overview of the installation process

- Installation Providers
- Residential Application – fillable PDF
- Commercial Application - fillable PDF

Customers Tab

- Payment Options with a phone number to pay by auto pay, pay by phone, pay online with a button that takes you to the payment site, pay by mail information, pay in person information, budget billing information.
- Your Utility Bill gives customers information on how natural gas is measured, calculating their bill, what is a BTU, costs of heating comparisons to other sources of energy, and explanation of Heating Degree Day.
- Payment Assistance Information with a listing of agencies and their contact information in FNSB to assist our customers who need a little extra help.
- Rebates & Programs with contact information for the FNSB Change Out Program and a link to their application and a copy of the FNSB Ordinance No. 2019-45.
- FAQs with commonly asked questions

Safety Tab

- Natural Gas Safety with emergency phone numbers, safety tips and 811 information
- Excess Flow Valve Installation information
- Fuel Tank Decommissioning contains a link to the State of Alaska Fuel Tank Decommissioning Brochure

About Tab

- News
- Our Mission
- IGU Board of Directors
- Calendar
- IGU History & Future – story board

Public Documents Tab

- Board Documents
- FNSB Quarterly Reports
- Legislative Quarterly Reports
- IGU Policy Documents
- RFP's/Bids
- Search Documents

Contact Tab

- All contact information including phone, fax, address, and email
- Get in Touch section

Current Customer Statistics

Current completed applications turned in for Spring 2020 installs – see Attachment C.

Applications given out for Fairbanks for the month of February:

9 Residential Emailed	-3 Completed and returned
3 Residential In-Person	-0 Completed and returned
2 Commercial Emailed	-2 Completed and returned
0 Commercial In-Person	-0 Completed and returned

Follow ups with customers through email or by phone when I haven't received a completed application.

Current Customer Applications versus Financial Forecast & Pro Forma

Please see Attachment D.

C-PACE (Commercial Property Assessed Clean Energy)

The C-PACE Advisory Group met on January 10th.

The current status of the Alaska C-Pace program is that they have completed their contract amendment and legal documents are being worked on that serve as the foundation of the program. The C-PACE program is receiving a strong push at the municipal level in Anchorage to stand up a program. They are required to provide one resolution and two ordinances to the Anchorage municipality and these are scheduled to be completed in February. At a future date a RFP will be issued for a C-PACE program administrator. At this meeting it was mentioned that the Municipality of Anchorage will be doing a green bank opportunity report by April. Another meeting was scheduled for February 21st and then was cancelled due to no further progress from the previous month. The next meeting will be scheduled for the end of March or first week in April depending upon the forward motion of the Anchorage Municipality.

Mayor Ward and I have discussed the C-PACE program several times now and his office is very interested in the C-PACE program. The Borough has a bit of legal red tape that needs to be overcome to proceed with the program. I'm awaiting information from the Anchorage Municipality in how they are navigating the legal red tape and then that information will be conveyed to Mayor Ward so that the FNSB can move forward with the C-PACE program.

FNSB Targeted Airshed Grants

The FNSB Air Quality Division has \$6,400,000 in Targeted Airshed Grants that are available for residents of the borough to apply for up to \$14,000 towards the conversion from a solid burning heating source to a cleaner source of heating. Ordinance 2019-45 that provides up to \$1,000,000 towards fuel oil to gas conversions will begin on March 2nd. I have a meeting with the Air Quality Division on March 2nd to go over the specifics of the new program and to relay information to that group on our application to installation process. Information received from Nick Czarnecki, Air Quality Manager, 37% of the conversions have been to natural gas. Between November 2019 and today's date, the Air Quality Division has paid out \$1,300,000 in Targeted Airshed Grant dollars.

Conversion Group

The Conversion Group met on February 17th at 5:30 P.M. and it consisted of some of the former members and some new members such as representatives from local suppliers of natural gas equipment. A few interested committee members were unable to attend due to other commitments and a smaller attendance due to the President's Day Holiday. Jennifer Imus from First National Bank of Alaska was in attendance and discussed the different options that First National offers for financing. The group will meet again during the second week of March depending upon scheduling conflicts for a finalized date.

Events

-Keller Supply Breakfast & Learn on January 28th. Information provided on Rinnai Natural Gas Appliances and I provided information to a group of over 20 local contractors such as Rocky's, Beckley's, and Artic about our current progress and how many customers our new tank allows us to supply with natural gas. I encouraged them to also speak with UAF Technical College and Hutchinson High School about training classes.

-Dinner & Learn on February 18th for Burnham Natural Gas Appliances. Information provided on Burnham Natural Gas Appliances and I provided information to a group of over 25 local contractors such as Rocky's, Beckley's, SK Maintenance, and Artic about our current progress and how many customers our new tank allows us to supply with natural gas. The group was provided with Distribution maps so that they had a better idea of where our lines are located. The training class provided an opportunity to keep driving home that natural gas is here.

-I will be attending a training class on Lochinvar Boilers on March 10th. I will be provided with the opportunity to speak to those attending the class about our availability of adding new customers and the importance of being prepared for the new installations.

-Video tour with Mayor Ward to raise public awareness about natural gas "through the Mayor's eyes" will be a short video that will be shared across social media. Tour scheduled for the week of March 30th.

Training

I will also be receiving training for updating the website with basic information such as news releases, calendar information, pictures, upcoming events, and various other aspects that won't require a website engineer. The training will begin on March 31st.

Porcaro Communications

See updated schedule Attachment E.

Breathe Easier

A
Service line
installations
begin
this June.
Sign up now!



With Clean Natural Gas, now in your neighborhood!

interiorgas.com

Clean. Reliable. Affordable. Here. Now!

Breathe easier, because now you can get natural gas for your home or business, right in this neighborhood. So you'll never have to schedule another fuel delivery, shovel a path for the driver, or clean up the soot from dirty oil or wood-burning heat.



And our cost will make you breathe easier, too. Just compare IGU's prices to the other fuels.

- Natural gas from IGU: \$20.81 per MBtu***
- Propane: \$27.15 per MBtu*
- Heating oil #1: \$23.64 per MBtu*
- Heating oil #2: \$21.59 per MBtu*

*Cost based on BTU equivalence reported by the Cold Climate Housing Research Center. Average cost of 500 gallons of #1 fuel delivered is \$3.12/gallon, #2 fuel delivered is \$2.98/gallon and propane costs of \$2.49/gallon.

Plus, you can take advantage of the Borough's Air Quality Improvement Program, which will reimburse you to convert from dirty fuels to clean natural gas. For more information about the Fairbanks North Star Borough Change Out Program to switch from wood, coal, or oil to clean natural gas, visit fnsb.us and click on Air Quality under the Residents section.

The choice is clear. Clean natural gas is better for you and for our community.

Call, visit or check out our website today and breathe easier.

interiorgas.com
452-7111



3408 International Street • Fairbanks, AK 99701



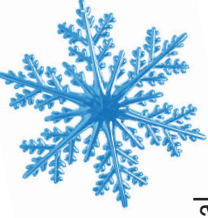
Breathe Easier With Clean Natural Gas



interiorgas.com

Blaze a path to higher profits.
Sign up now. Installations begin in June!

Clean. Reliable. Affordable. Here. Now!



You have enough to worry about in your business. Heating your facility shouldn't be one of them. Well, now you can breathe easier, because you can get clean, reliable natural gas right here.

Natural gas from IGU is far more convenient than other fuels, and it will lower your maintenance costs, too. Plus, you'll never need to worry again about fill-ups, leaky fuel tanks, or excessive emissions, because natural gas is cleaner and safer both below and above ground.

The choice is clear. Clean natural gas is better for your business and for our community.

Sign up now. Installations begin in June!

Call, visit, or check out our website today, and breathe easier.

interiorgas.com
452-7111



3408 International Street • Fairbanks, AK 99701



Spring 2020 Service Line Install Applications

11/5/2019 12/2/2019 12/31/2019 2/4/2019 2/26/2019

Commercial

Divine Properties	1				
Ed Maynard	2				
DRE Investments, LLC	4				
DeAK Investments/Design Alaska	1				
University Community Presbyterian Church	1				
Moostard	1				
John Garben	2				
College Utilities		1			
Holiday Companies		1			
Denali Industrial Supply		1			
AK Properties		1		1	
Jackie Jordan			1		
D & D Blumer Investments			3		
University Park Condo Association			3		
Chin No			2		
University Chevron				1	

Total by date	12	0	4	9	2
Total Commercial					27

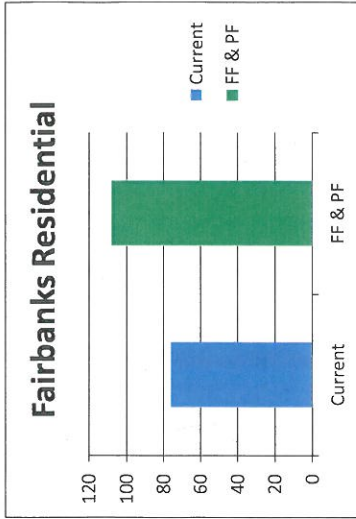
Residential

Aurora	2	1			1
Bjerremark	4			1	
Davis-Van Horn	1	1			
Doyon Estates	1	1			
Hamilton Acres	3	2			1
Hilton Park	1	1			
Peger Lake Development	1	2			
Rickert	2	1			
Taku-Westgate	2	2		1	
Townsite					
University West	1	1			
Wilcox Estates	3				
Shannon Park	2	1	2	1	1
Townsite/Weeks Field			2		

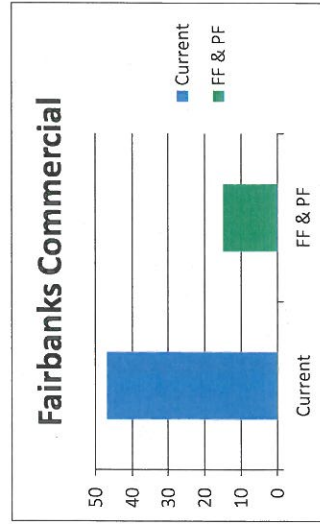
Total by date	22	13	4	4	3
Total Residential					46
Totals					73

Current Customer Applications versus Financial Forecast & Pro Forma

RESIDENTIAL	Fairbanks		North Pole	
	Current	2020 FF & PF	Current	2020 FF & PF
Existing Applications	30	108	1	133
New	46			
Fuel Oil	3			
Propane	40		1	
Wood	4			
Coal				
Totals	76	108	1	



COMMERCIAL	Fairbanks		North Pole	
	Current	2020 FF & PF	Current	2020 FF & PF
Existing Applications	20	15	0	15
New	25			
Fuel Oil	1			
Propane	26			
Totals	47	15		



INDUSTRIAL/ LARGE COMMERCIAL	Fairbanks		North Pole	
	Current	2020 FF & PF	Current	2020 FF & PF
Existing Applications		2	0	0
New				
Fuel Oil				
Totals				

Existing = Lines Installed Summer-Fall 2019
 Applications = Completed Applications for Spring-Summer 2020

2/26/2019



This schedule has been updated to reflect the current pace of approvals, etc.

June 11: Preliminary meeting with IGU staff.

June 17: Agency reviews existing materials and utility plans.

June 24: Agency concept and strategy discussions.

July 24: Slogan and branding concepts submitted to IGU.

August 15: Approval of slogan and branding (in board work sessions).

October 23: Approval of logo.

November 8: Annual Marketing Plan submitted.

November 8: Submit website layouts for initial approvals and revisions.

November 15: Website layout approved. Begin construction of overall site. Approval and revisions will be continual through remainder of process.

November 15: Revised Marketing Plan submitted.

December 11: Mailer layouts submitted for review.

December 16: Meet with IGU regarding web ideas and needs.

December 17: Gather visual references for website and data from current site to begin site map planning.

December 30: Set up test server for website design.

January 2: Base wireframe website structure set up on on test server. Contact host regarding site security.

January 3: Final revisions to mailer.

January 6: Begin final site construction from base wireframe.

January 6: Receive mailing lists for first direct mailer.

January 7: Comprehensive marketing plan submitted to board for review.

January 16: Internet and social media training of Michelle by Kristin.

February 6: Commercial mailer submitted for approval.

February 7: Final revisions and testing of website.

March 3: Approval of marketing plan.

March 3: Website reviewed by Board.

March 9: Website revisions received and begin implementing.

March 13: Approval of website.

March 16: Transfer website from test location to final hosting server.

March 17: Website live.

March 20: First mailer sent out.

March 20: Production and implementation of plan begins. Subsequent schedules and activities will be dictated by annual plan.

ACTION ITEMS LIST

Action Items_3_3_2020

Item	Action	Responsible Person	Date Initiated	Due Date	Status	Notes
1	Gas Supply Contract with Mary Ann Pease (MAP Consulting)	Dan Britton	07/01/19		Ongoing	Schedule is in accordance with the contract. MAP update on 2/25/2020 and upcoming Gas Supply meetings.
2	Entity Integration - Recommendation with a schedule	Dan Britton, IGU Attorney, FA, Accounting	10/31/19	06/30/20	Developing detailed list of action items.	RCA approval can take up to 6 months. Currently presenting consolidated financials
3	Policy Drafted on Public Records Retention	Dan Britton, IGU Attorney	12/13/18		In progress	
4	New Schedule - Consolidated Format	Mark Rockwell	01/22/19		In progress	Completion pending other priorities completed.
5	FEED	Dan Britton	07/02/19		In progress	Air Liquefaction Presentation April 7th
6	New Project Manager hire	Mark Rockwell	07/02/19		In progress	Working on details with an individual
7	Financial Advisor - Bond Issuance Closing	Wes Smith	07/02/19		In progress	Moving forward, AIDEA Board action on March 4th 2020
8	Duties and Powers of the IGU Board of Directors Chair	IGU Board	04/23/19	TBD	Pending BOD action	
9	GVEA Term Sheet	Dan Britton & Robin Brena	04/23/19	03/31/20	On Hold	Waiting on gas supply finalization
10	Policy Ranking	IGU Board	01/07/20		In progress	Sent out to the Board, awaiting response
11	Apply for Department of Revenue Storage Tax Credit	Dan Britton				Working with Cook & Haugeberg

REPORTS

- General Manager
- IGU Attorney

General Manager Report – For the month of February 2020

General

- LNG Storage Tariff informational filing to the Regulatory Commission of Alaska completed February 19, 2020
- IGU received notification from the Matanuska Susitna Borough (MSB) regarding MSB's acceptance of IGU's application for tax exemption based on IGU's charitable status.
- IGU and MSB executed a Payment in Lieu of Taxes (PILT) agreement in February covering the taxation of IGU's LNG facility in Pt. Mackenzie, Alaska.
- IGU presented the 1st 2020 quarterly update to the Fairbanks North Star Borough on February 20th. Dan Britton and Director Miller represented IGU.
- I met with Senator Sullivan and staff on February 20th. Provided a tour of the new storage facility and discussed possible ways the Federal Government could assist IGU with its mission.

Financial / Accounting

- Finance Committee met on January 28, 2020 and reviewed unaudited financials for the month ending December, 2019. A recommendation for acceptance by the IGU Board was made.
- Moving forward with consolidation of entities. The Finance Committee approved presenting only consolidated statements moving forward.
- IGU Board approved Bond Documents. Alaska Industrial Development and Export Authority (AIDEA) will review during AIDEA Board meeting on March 4, 2020.

Marketing

- Marketing information provided on the Marketing and New Service Report presented in the Board Packet.

Operations

Titan

- Titan produced 100% of the required LNG for FNG and its other customers, without interruption.
- Zero Lost Time Injuries, Zero Titan Vehicle Accidents.
- Zero Third Party Damage.

FNG

- 100% delivery reliability with no firm supply interruptions. FNG has interrupted service to the Fairbanks Memorial Hospital and UAF given current firm usage volumes and temperature. Inventories were maintained above five (5) days.
- Volumes in January and February, exceeding Budget levels given sustained cold weather.
- Zero Lost Time Injuries, Zero Vehicle Accidents.
- Zero Third Party Damage.

IGU

- Distribution System intact with no recorded pressure loss.
- Zero Third Party Damage.

Capital Projects

5.25 MM Gallon Storage Project

- Tank has remained in operation with only Boil-off gas been sent into the Distribution system. Sustained cold resulting in high gas usage has limited our ability to fill the Tank. Tank filling is expected to resume in the first part of March.
- Final ancillary systems commissioning ongoing.

North Pole Storage

- Owner provided equipment purchase contracts being completed.
- Contract for infrastructure work executed.

Titan Expansion

- 65 % Design work complete. IGU has contracted with Haskell Corporation to complete an independent Budget review.
- Project Manager employment offer accepted with a start date of the middle of March.

MEMORANDUM

TO: IGU Board
FROM: Zane D. Wilson
SUBJECT: Summary of Activity
DATE: February 27, 2020

Over the last month we have been engaged on the following issues:

1. Follow up on Mat-Su resolution and tax issue.
2. Review revised bond offering documentation and assist in resolving issues on same.
3. OMA issues associated with Key Bank door being locked.
4. Wrap up of AIDEA second loan amendment.
5. Review and editing of NDAs associated with gas purchase discussions.
6. Attend IGU Board meetings.

CLOSING COMMENTS

-General Manager

-IGU Attorney

-Directors

ADJOURNMENT