



Interior Gas Utility

Board of Directors Board Meeting

February 6, 2018

4:00PM

100 Cushman Street, Ste. 501, Fairbanks, Alaska

AGENDA

I. Call to Order

- Roll call
- Approval of Agenda and Consent Agenda
 - Items marked with * are approved under the consent agenda*
- Approval of December and January Minutes – 12/5/17, 1/16/18*
- Approval of December Financial Reports*
- Public Comment – *limited to three minutes*

II. New Business

- Duties of the Chair
- Board Roll
- Notice Protocol
- Siemens Update
- IEP Update

III. Old Business

- North Slope Pad Sub-lease

IV. Reports*

- General Manager
- Stantec Consulting Services, Inc.

V. Other Business

- Next Agenda

VI. Director Comments

VII. Adjournment



Interior Gas Utility

Board of Directors Special Board Meeting & Work Session

January 16, 2018

4:00PM

100 Cushman Street, Ste. 501, Fairbanks, Alaska

DRAFT Minutes

A Meeting of the Board of Directors of the Interior Gas Utility was held Tuesday, January 16, 2018 at the IGU, Fairbanks, Alaska. IGU Board Chairman, Mike Meeks, presiding.

Others in attendance were: Jomo Stewart (IGU General Manager), David Prusak (Stantec), Melody Franklin (Stantec), Zane Wilson (CSG – IGU Attorney), Gene Therriault (AIDEA), Kelly Laurel, Michael Walhof, and John Saams (Siemens Government Technology)

I. Call to Order

- Roll call

Board Members Present:

Chair Mike Meeks

Vice Chair Jack Wilbur – arrived 4:08

Director Frank Abegg

Director Bill Butler – telephonic, signed off at 4:45

Director Steve Haagenon

Director Pamela Throop

Director Patrice Lee

Chair Meeks welcomed Director Lee

- Approval of Agenda and Consent Agenda
*Items marked with * are approved under the consent agenda*
- Approval of Minutes – 11/30, 12/12 and 12/19*
- Approval of November Financial Reports*

Director Haagenon moved to adopt the Agenda as modified (order of first two items under Work Session were reversed) and the Consent Agenda Items, Director Abegg seconded. The Agenda and Consent Agenda were adopted.

- Public Comment – *limited to three minutes*

Liz Greig, 48 Farewell: Ms. Greig stated she had not had a chance to speak with her elderly neighbors since the last meeting she attended but did speak with another neighbor who lives a few doors down. The neighbor lives in a multi-family residential property. The landlord owns

several such properties and therefore, in conversion to gas, will need to change out multiple heating appliances. After speaking to another friend, a mechanical engineer, noted the cost of conversion for such properties will be less disruptive to tenants, and cost less, than she had originally thought or been led to believe.

Gene Therriault with AIDEA: Provided update regarding AIDEA's last Board meeting. No IEP action items but a member did express concerns about conversions. Specifically, that FNG/IGU need to develop a list of materials for prospective customers (new construction or existing construction) to facilitate easier conversion to gas in the future. Said parties should be proactive to get the information out to prospective customers so they have a better understanding of what is going to be required of them to be hooked up to natural gas, and encourage builders or those replacing old equipment to install the most easily/cheaply convertible boilers or furnaces. Noted he'd explained to AIDEA Board that a conversion plan update is in the process by Stantec which doesn't specifically speak to Director's suggestion but does compliment. AIDEA Chairman Pruhs has communicated that he would like to follow-up on this with Chairman Meeks.

II. Special Board Meeting

- Board Elections – Chair Meeks explained that the Chair and Vice-Chair are elected positions, the Finance Committee Chair and Finance Committee Member are appointed and, due to importance of conversions, that committee is being reinstituted with a Director-level Chair.
 - Chair:
Director Butler nominated Director Throop and Director Lee seconded
Vice-Chair Wilbur nominated Chair Meeks and Director Haagenon seconded
The vote was called: Chair Meeks – Meeks
Vice Chair Wilbur – Meeks
Director Abegg – Throop
Director Butler – Throop
Director Haagenon – Meeks
Director Throop – Throop
Director Lee - Throop
Director Throop elected as Chair and will preside at next meeting
 - Vice-Chair:
Director Abegg nominated Vice-Chair Wilbur and Director Haagenon seconded.
A yes/no vote was called: Chair Meeks – Yes
Vice Chair Wilbur – Yes
Director Abegg – Yes
Director Butler – Yes
Director Haagenon - Yes
Director Throop – Yes
Director Lee - Yes
Vice Chair Wilbur was re-elected as Vice Chair
 - Finance Committee Chair – Director Abegg volunteered and Board consented.

- Finance Committee Member – Director Lee volunteered and Board consented.
- Conversions – Director Haagenon volunteered and Board consented.

- Approval of FY 2018 Continuation (five month) Budget

GM Stewart provided an overview, noting the budget for consideration included totals for Legal and Contractual Services based on available funding against consultant-provided estimates for cost of work to be performed, funding for a part-time Admin and a contingency pool. Discussion ensued.

Directors Abegg, Wilbur, and Butler all stated they want a breakdown of the big-ticket line items (Contractual Services and Legal Fees). GM Stewart provided a verbal breakdown mentioning the numbers that had been provided by the sub-consultants for this line item was far more than what he had programmed into the budget at hand. When asked how he came to the numbers he programmed in, he stated that he referred to previous burn rates and what he foresaw on the horizon as to needs for these services spread over the term. Another concern mentioned by Director Wilbur was on the contingency line item. After further discussion a brief recess was taken from 4:55 to 5:00 pm so GM Stewart could retrieve another spreadsheet that showed consultant-provided estimates and further estimates for work on wholly or partially operating budget funded items Gas Supply, Due Diligence, and Utility Integration. Another break was taken at approximately 5:35pm to allow for GM Stewart to break out and, on a proportional basis, total budgets for Gas Supply, Due Diligence, and Utility Integration under the Contract Services heading; the contingency line item being zeroed-out and those funds included in the pool of available Contract Services funds. Being back in session at 5:45, GM Stewart provided the following figures: Gas Supply - \$181,125.00; Due Diligence - \$71,271.25, and Utility Integration - \$35,103.75.

Director Wilbur asked about the duties of the Part-Time Admin. GM Stewart explained this person would answer the phones, do filing, assist in preparing BOD documents, create file folders/labels, etc. – pretty much standard admin duties. GM Stewart noted the cost he received from TDL Staffing for 4-hrs day/5-days week was \$34.20. Director Wilbur thought that was high even being loaded with covering the tax burden.

Director Wilbur asked where Stantec is paid from. GM Stewart noted Stantec is predominately paid out of the Sets Funds (Capitol Budget), not the Operating Budget. Exception will be for efforts related to Gas Supply, Due Diligence or Utility Integration if expenses exceed “not to exceed” totals AIDEA actions have set for SETS proceeds for those items.

Director Wilbur asked if the monthly Financial Report can be modified as discussed in the Contractual Services breakdown and was told that should not be a problem.

Director Wilbur made a motion to approve the budget with the following corrections to be made: Contractual Services line will be deleted and three new lines: Gas Supply (\$180K), Due Diligence (\$70K), and Utility Integration (\$35K) will take its place using rounded dollar amounts GM Stewart calculated during this session. Director Haagenon seconded.

A yes/no vote was called: Chair Meeks – Yes

Vice Chair Wilbur – Yes
Director Abegg – Yes
Director Butler – Yes
Director Haagenson - Yes
Director Throop – Yes
Director Lee - Yes

Motion Passed

- BM 2018-01 - Recommendation for Concurrence to Proceed with the Pentex Land Purchase adjacent to the Tria Road LNG storage site.

Motion to Concur was made by Vice Chair Wilbur and seconded by Director Haagenson.

Under discussion, David Prusak came forward. He provided a brief overview of the Board Memo (pgs 28-29 of the meeting packet) and provided further specific details using the map (pg 30 of the meeting packet).

Discussion, questions, and responses:

Director Abegg noted it would be great to have but we are not rich enough. Noted dollars might be better spent on fixing plant or expanding distribution system.

Director Lee asked how long this has been for sale: Mr. Prusak responded he did not know nor did he know how long Mr. Fox has owned this Tract. Said the offer to sell appeared, however, to be generated by notices to adjoining property owners sent relative to the storage development project and came on an unsolicited basis. Director Lee noted dollars might be better spent on conversions.

Director Throop asked if an appraisal had been done to confirm asking price is in line or an environmental impact study done?

There was discussion with respect to AIDEA response (Executive Director authorization to purchase) and FNG reserves.

Director Haagenson moved to amend the Concurrence action as follows:

- 1) Make purchase contingent on receipt of appraisal
- 2) Performance of Phase 1 Environmental Assessment by the seller
- 3) Price still not to exceed \$75,000

By unanimous consent, the Concurrence action was so amended.

A yes/no vote was called:

Chair Meeks – Yes
Vice Chair Wilbur – Yes
Director Abegg – No
Director Haagenson - Yes
Director Throop – No
Director Lee - No

The vote being tied 3-3, the Motion Failed

III. Work Session

- North Slope Pad Sub-Lease

Gene Therriault (AIDEA) provided an overview with respect to letter (pgs 32-33 of the meeting packet) as well as map handed out separately (ADL 419409, Exhibit B: Legal Description). Sub-lease is for the 1/3 of the pad nearest the pipeline corridor to main line with ROW to both access roads from Spine Road. The sub- lessee will maintain the entire pad. If agreement cannot be obtained with IGU on this transaction, AIDEA lease will likely revert back to State.

Director Lee asked what Lease cost is, **response:** \$90,000. After subtracting current lease cost from Sub-Lease payments, property will generate \$140,000 income.

Director Haagenson noted the cost of building the pad was in the \$6.5M range; **response:** confirmed. Director Haagenson asked about an access easement and if current sub- lessee reserves right to pipeline; **response:** Not sure but believe there is no public or utility easement present as Director Haagenson would understand it. Ability of another sub- lessee on site to access gas via “piggy-backing” (use of spare capacity, use of pipe racks) will be for future discussion between this sub-lessee and the subsequent sub- lessee. Additional right(s)-of-way, taps &/or pipelines to property are a possibility via application to State.

Director Throop asked if other sub leasers could use the ROW; **response:** other lessees could negotiate with current Sub- lessee to utilize their existing infrastructure or obtain appropriate permits to build their own.

Director Wilbur asked if the current ROW for access roads for current sub-lessee preclude another sub leaser from using those access points; **response:** No and siting is planned to maintain pull-thru access and use for the entire Pad. Wilbur: Does lease value factor

Director Lee asked about long term financial stability; **response:** yes, Sub-lessee is financially stable.

Director Wilbur requested assurance lot use by Sub-lessee, as sited and configured, won’t preclude or overly reduce the possibility additional future sub-leasing; **response:** Not that we know of.

Director Throop performed a calculation of Pad value and lease value and questioned if, perhaps, the lease was being undervalued. Asked if sub-lessee might lease full pad; **response:** Sub-lessee is not interested in leasing full pad but has agreed to perform maintenance on the entire pad area none the less. Additionally, due to active utilization provisions and requirements, this Sub-lease secures the entire pad lease, which would lapse and revert to the State (along with value of all improvements) this summer.

Chair Meeks asked if this was an actionable item; response: No – for information only.

- Siemens Development Agreement Discussion

Kelly Laurel, (Siemens Government Technology) presented a slide show update of their developing strategy for supply, liquification, and transportation FOB Fairbanks storage tank. If there is concurrence to proceed with this approach, Siemens will develop strategy to meet a target price, with Siemens acting as the lead developer/facilitator/integrator and, for a time, owner of the LNG production infrastructure. Benefits of this approach in the short- to, possibly, intermediate-term, include: use of Siemens' reach and negotiating power in securing contracts for gas and transportation; use of Siemens' reach and connection in the federal sphere in securing additional project funding support; and alleviation of the need for IGU to spend remaining SETS funds &/or bond for development of liquefaction – IGU-contracted gas being converted to LNG by Siemens under a tolling agreement.

After the discussion and questions from the Board, and responses from the Siemens representatives, the Board agreed it was worth Siemens taking the next step and providing IGU a draft development agreement it can consider. Mr. Wilson (CSG – IGU Attorney) said he would need to review procurement rules.

- General Manager Contract

GM Stewart noted this is not ready at this time.

- Board Training: Open Meetings Act and Communications Protocols

Mr. Wilson (CSG – IGU Attorney) noted the following:

- It is best to stay away from communicating via email regarding issues over which the IGU Board has jurisdiction, especially if more than three members are involved. Should four members be involved in this type of communication, it is considered a meeting in the legal and falls under the Open Meetings Act.
- Communications with Contractors, Staff, Attorneys, or others on IGU matters should be run through the GM or Chair.
- A memorandum was distributed with the meeting packet from the FNSB Attorney.
- There were some questions to which Mr. Wilson responded. He will follow up with the FNSB Attorney with respect how notice can or should be given and any substitute there might be to News-Miner publication.

Director Haagenson moved to enter into Executive Session at 7:00 pm. There was no second and discussion was that there was no need to go into Executive Session.

IV. Other Business

- Next Agenda

Topics mentioned were Gas Supply, Duty of the Chair, the December 5, 2017 minutes. Timelines and deadlines for meeting notice production to publication, relative to agenda formulation and finalization, were discussed.

V. Reports*

- General Manager
- Stantec Consulting Services Inc.

VI. Director Comments

Members present were positive about the Siemens presentation

Director Lee thanked everyone for a warm welcome.

Director Wilbur stated answers to his questions on voting abstentions and formalization of the use of PM Prusak on FNG Storage had not been given. GM Stewart noted the answer to the storage question (MOU between FNG and IGU drafted and in legal review) was included in the GM report accepted under the consent agenda. Mr. Wilson and Board discussed abstention issue, with follow-up to be performed.

VII. Adjournment

Director Wilbur moved to adjourn at 8:07 PM. This was seconded by Director Haagenon and without objection, the meeting Adjourned.

Finance Committee Report



Interior Gas Utility

Finance Committee Meeting

January 23, 2018

12:00PM

100 Cushman, Suite 501, Fairbanks, Alaska

AGENDA

- I. Roll Call**
- II. Monthly Financials**
 - a. Profit & Loss
 - b. Bank Statements
- III. External Financial Reports (as needed)**
- IV. Closing Comments**

Interior Alaska Natural Gas Utility

FINANCIAL STATEMENTS

**December 31, 2017
and Supplemental Schedules**

Interior Alaska Natural Gas Utility
Statement of Net Position
December 31, 2017

	<u>Plant</u>	<u>Operating</u>	<u>Total</u>
ASSETS			
Current Assets			
Checking/Savings			
13100 · Mt. McKinley	820,351.46	-95,744.63	724,606.83
13103 · Mt. McKinley - AIDEA Reserve	594,337.26	0.00	594,337.26
13104 · Mt. McKinley - FNSB Reserve	1,051.40	0.00	1,051.40
Total Checking/Savings	<u>1,415,740.12</u>	<u>-95,744.63</u>	<u>1,319,995.49</u>
Accounts Receivable	0.00	115,511.92	115,511.92
Total Current Assets	<u>1,415,740.12</u>	<u>19,767.29</u>	<u>1,435,507.41</u>
Other Assets			
10100 · Utility Plant in Service			
30300 · Intangible Asset - CPCN	729,676.00	0.00	729,676.00
39100 · Office Furniture and Equipment	0.00	21,598.37	21,598.37
Total 10100 · Utility Plant in Service	<u>729,676.00</u>	<u>21,598.37</u>	<u>751,274.37</u>
10700 · Construction Work In Progress			
18330 · Phase 1	27,198,278.92	0.00	27,198,278.92
18340 · Phase 2	737,857.88	0.00	737,857.88
Total 10700 · Construction Work In Progress	<u>27,936,136.80</u>	<u>0.00</u>	<u>27,936,136.80</u>
10800 · Accumulated Provision for Depn	0.00	-10,730.56	-10,730.56
16600 · Prepayments	0.00	5,495.99	5,495.99
Total Other Assets	<u>28,665,812.80</u>	<u>16,363.80</u>	<u>28,682,176.60</u>
TOTAL ASSETS	<u><u>30,081,552.92</u></u>	<u><u>36,131.09</u></u>	<u><u>30,117,684.01</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	5,098.50	26,800.10	31,898.60
Other Current Liabilities			
24000 · Payroll Liabilities	0.00	3,986.36	3,986.36
Total Other Current Liabilities	<u>0.00</u>	<u>3,986.36</u>	<u>3,986.36</u>
Total Current Liabilities	<u>5,098.50</u>	<u>30,786.46</u>	<u>35,884.96</u>
Long Term Liabilities			
22400 · Other Long-Term Debt	29,346,778.42	0.00	29,346,778.42
Total Long Term Liabilities	<u>29,346,778.42</u>	<u>0.00</u>	<u>29,346,778.42</u>
Total Liabilities	<u>29,351,876.92</u>	<u>30,786.46</u>	<u>29,382,663.38</u>
Equity			
21600 · Unrestricted Net Position	0.00	67,269.49	67,269.49
21610 · Net Investment in Capital Asset	729,676.00	0.00	729,676.00
Changes in Net Position	0.00	-61,924.86	-61,924.86
Total Equity	<u>729,676.00</u>	<u>5,344.63</u>	<u>735,020.63</u>
TOTAL LIABILITIES & EQUITY	<u><u>30,081,552.92</u></u>	<u><u>36,131.09</u></u>	<u><u>30,117,684.01</u></u>

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the accrual basis of accounting.

RJG, A Professional Corporation provides no assurance on these financial statements.

Interior Alaska Natural Gas Utility
Statement of Operating Revenues and Expenses
Six Months Ended December 31, 2017 and 2016

	July 2017 - December 2017	July 2016 - December 2016
Income		
42110 · Misc Nonoperating Income		
42111 · FNSB Contract	189,753.33	243,431.91
42114 · Interest	443.41	1,250.10
42115 · AIDEA Grant IEP Funds	5,072.25	0.00
Total 42110 · Misc Nonoperating Income	<u>195,268.99</u>	<u>244,682.01</u>
Total Income	<u>195,268.99</u>	<u>244,682.01</u>
Expense		
42120 · Misc Nonoperating Expense		
42130 · Contractual Services		
42131 · Advertising	5,685.21	1,542.70
42132 · Contract Services	45,435.48	0.00
42133 · Legal Fees	81,326.11	126,328.37
42134 · Office Services	571.17	418.50
42135 · Travel Expenses	1,486.06	1,087.65
42136 · Rent	24,780.00	24,780.00
42137 · Insurance	6,208.72	7,157.40
42138 · Financial Services	28,977.00	20,230.00
42139 · Communications	1,217.89	1,957.85
42140 · Membership - Fees	0.00	800.00
Total 42130 · Contractual Services	<u>195,687.64</u>	<u>184,302.47</u>
42160 · Materials Expenses		
42161 · Office Supplies	3,416.99	3,302.26
42162 · Information Technology	1,643.98	1,000.00
42164 · Depreciation Expense	1,802.40	1,802.40
42165 · Interest Expense	368.01	625.02
Total 42160 · Materials Expenses	<u>7,231.38</u>	<u>6,729.68</u>
42170 · Payroll Expenses		
42171 · Salary Expenses	48,124.96	48,643.23
42172 · Employee Benefits	2,406.29	2,432.21
42173 · Payroll Tax Expenses	3,743.58	4,121.94
Total 42170 · Payroll Expenses	<u>54,274.83</u>	<u>55,197.38</u>
Total 42120 · Misc Nonoperating Expense	<u>257,193.85</u>	<u>246,229.53</u>
Total Expense	<u>257,193.85</u>	<u>246,229.53</u>
Changes in Net Position	<u><u>-61,924.86</u></u>	<u><u>-1,547.52</u></u>

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the accrual basis of accounting.

RJG, A Professional Corporation provides no assurance on these financial statements.

Interior Alaska Natural Gas Utility
Statement of Operating Revenues and Expenses - Budget to Actual
One Month and Six Months Ended December 30, 2017

	Actual	Budget	Variance	Actual	Budget	Variance	
	December 2017	December 2017	December 2017	July 2017 - December 2017	July 2017 - December 2017	July 2017 - December 2017	Seven Month Budget *
Income							
42110 • Misc Nonoperating Income							
42111 • FNSB Contract	27,381.11	40,391.43	-13,010.32	189,753.33	242,348.58	-52,595.25	282,740.00
42114 • Interest	138.78	900.00	-761.22	443.41	1,800.00	-1,356.59	1,800.00
42115 • AIDEA Grant IEP Funds	0.00	0.00	0.00	5,072.25	0.00	5,072.25	0.00
Total 42110 • Misc Nonoperating Income	27,519.89	41,291.43	-13,771.54	195,268.99	244,148.58	-48,879.59	284,540.00
Total Income	27,519.89	41,291.43	-13,771.54	195,268.99	244,148.58	-48,879.59	284,540.00
Expense							
42120 • Misc Nonoperating Expense							
42130 • Contractual Services							
42131 • Advertising	168.75	428.57	259.82	5,685.21	2,571.42	-3,113.79	3,000.00
42132 • Contract Services	2,078.48	0.00	-2,078.48	45,435.48	0.00	-45,435.48	0.00
42133 • Legal Fees	5,747.50	14,285.71	8,538.21	81,326.11	85,714.26	4,388.15	100,000.00
42134 • Office Services	425.67	100.00	-325.67	571.17	600.00	28.83	700.00
42135 • Travel Expenses	0.00	1,000.00	1,000.00	1,486.06	6,000.00	4,513.94	7,000.00
42136 • Rent	4,130.00	4,130.00	0.00	24,780.00	24,780.00	0.00	28,910.00
42137 • Insurance	1,191.43	2,100.00	908.57	6,208.72	12,600.00	6,391.28	14,700.00
42138 • Financial Services	2,980.00	3,800.00	820.00	28,977.00	22,800.00	-6,177.00	26,800.00
42139 • Communications	0.00	425.00	425.00	1,217.89	2,550.00	1,332.11	2,975.00
42140 • Membership - Fees	0.00	236.43	236.43	0.00	1,418.58	1,418.58	1,655.00
Total 42130 • Contractual Services	16,721.83	26,505.71	9,783.88	195,687.64	159,034.26	-36,653.38	185,540.00
42160 • Materials Expenses							
42161 • Office Supplies	507.17	600.00	92.83	3,416.99	3,600.00	183.01	4,200.00
42162 • Information Technology	286.58	500.00	213.42	1,643.98	3,000.00	1,356.02	3,500.00
42163 • Miscellaneous	0.00	357.14	357.14	0.00	2,142.84	2,142.84	2,500.00
42164 • Depreciation Expense	300.40	350.00	49.60	1,802.40	2,100.00	297.60	2,450.00
42165 • Interest Expense	0.00	150.00	150.00	368.01	900.00	531.99	1,050.00
Total 42160 • Materials Expenses	1,094.15	1,957.14	862.99	7,231.38	11,742.84	4,511.46	13,700.00
42170 • Payroll Expenses							
42171 • Salary Expenses	7,403.84	9,168.67	1,762.83	48,124.96	55,000.02	6,875.06	64,166.69
42172 • Employee Benefits	370.20	458.33	88.13	2,406.29	2,749.98	343.69	3,208.33
42173 • Payroll Tax Expenses	607.47	1,375.00	767.53	3,743.58	8,250.00	4,506.42	9,825.00
Total 42170 • Payroll Expenses	8,381.51	11,000.00	2,618.49	54,274.83	66,000.00	11,725.17	77,000.02
42190 • Budget Reserve							
42191 • AIDEA Hold-back	0.00	714.29	714.29	0.00	4,285.74	4,285.74	5,000.00
42192 • Contingency	0.00	714.29	714.29	0.00	4,285.74	4,285.74	5,000.00
Total 42190 • Budget Reserve	0.00	1,428.58	1,428.58	0.00	8,571.48	8,571.48	10,000.00
Total 42120 • Misc Nonoperating Expense	26,197.49	40,891.43	14,693.94	257,193.85	245,348.58	-11,845.27	286,240.02
Total Expense	26,197.49	40,891.43	14,693.94	257,193.85	245,348.58	-11,845.27	286,240.02
Changes in Net Position	1,322.40	400.00	922.40	-61,924.86	-1,200.00	-60,724.86	-1,700.02

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the accrual basis of accounting.

RJG, A Professional Corporation provides no assurance on these financial statements.

* Budget approved for July 1, 2017 through January 31, 2018.

Interior Alaska Natural Gas Utility
Statement of Operating Revenues and Expenses by Month
January through December 2017

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	TOTAL
Income													
42110 • Misc Nonoperating Income													
42111 • FNSB Contract	84,610.13	-54,912.08	42,654.29	67,192.26	25,524.20	13,302.33	23,593.32	32,407.07	18,241.02	52,748.75	35,382.06	27,381.11	368,124.46
42114 • Interest	0.00	0.00	445.80	0.00	0.00	394.26	0.00	0.00	304.63	0.00	0.00	138.78	1,283.47
42115 • AIDEA Grant IEP Funds	0.00	0.00	0.00	0.00	0.00	337,625.24	5,072.25	0.00	0.00	0.00	0.00	0.00	342,697.49
Total 42110 • Misc Nonoperating Income	84,610.13	-54,912.08	43,100.09	67,192.26	25,524.20	351,321.83	28,665.57	32,407.07	18,545.65	52,748.75	35,382.06	27,519.89	712,105.42
Total Income	84,610.13	-54,912.08	43,100.09	67,192.26	25,524.20	351,321.83	28,665.57	32,407.07	18,545.65	52,748.75	35,382.06	27,519.89	712,105.42
Expense													
42120 • Misc Nonoperating Expense													
42130 • Contractual Services													
42131 • Advertising	186.47	167.18	276.49	0.00	340.79	295.78	0.00	533.50	216.00	121.50	4,645.46	168.75	6,951.82
42132 • Contract Services	0.00	0.00	0.00	0.00	0.00	528,307.99	0.00	12,433.48	0.00	29,330.20	1,593.32	2,078.48	573,743.47
42133 • Legal Fees	64,870.68	-73,231.62	24,846.61	46,900.05	3,994.20	-5,134.10	5,775.00	11,469.25	4,013.25	37,248.51	17,072.60	5,747.50	143,571.73
42134 • Office Services	205.38	8.50	25.50	17.00	65.37	8.50	18.00	18.00	27.00	64.50	18.00	425.67	901.42
42135 • Travel Expenses	476.19	140.63	215.20	145.68	352.49	458.74	0.00	98.90	0.00	463.65	923.51	0.00	3,274.99
42136 • Rent	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	4,130.00	49,560.00
42137 • Insurance	1,205.87	1,089.17	1,205.87	1,166.97	1,202.14	1,152.99	1,191.43	1,191.43	290.00	1,191.43	1,153.00	1,191.43	13,231.73
42138 • Financial Services	3,066.50	2,730.00	788.50	5,624.50	4,354.00	3,482.50	3,792.00	3,912.50	5,814.00	9,361.50	3,117.00	2,980.00	49,023.00
42139 • Communications	350.23	703.53	358.23	0.00	338.57	692.44	0.00	697.22	0.00	520.67	0.00	0.00	3,660.89
42140 • Membership - Fees	0.00	0.00	330.00	0.00	275.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	605.00
Total 42130 • Contractual Services	74,491.32	-64,262.81	32,176.40	57,984.20	15,052.56	533,394.84	14,906.43	34,484.28	14,490.25	82,431.96	32,652.89	16,721.83	844,524.15
42160 • Materials Expenses													
42161 • Office Supplies	522.31	631.67	489.00	489.00	517.08	489.00	574.69	504.10	489.00	705.22	636.81	507.17	6,555.05
42162 • Information Technology	250.00	250.00	250.00	250.00	250.00	250.00	255.50	255.50	275.80	285.30	285.30	288.58	3,143.98
42164 • Depreciation Expense	300.40	300.40	300.40	300.40	300.40	300.42	300.40	300.40	300.40	300.40	300.40	300.40	3,604.82
42165 • Interest Expense	104.17	104.17	104.17	104.17	104.17	719.00	208.33	159.68	0.00	0.00	0.00	0.00	1,607.86
Total 42160 • Materials Expenses	1,176.88	1,286.24	1,143.57	1,143.57	1,171.65	1,758.42	1,338.92	1,219.68	1,065.20	1,290.92	1,222.51	1,094.15	14,911.71
42170 • Payroll Expenses													
42171 • Salary Expenses	8,144.22	7,403.84	8,514.42	7,403.84	8,514.42	8,144.22	7,774.03	8,514.40	7,774.05	8,144.22	8,514.42	7,403.84	96,249.92
42172 • Employee Benefits	407.22	370.20	425.73	370.20	425.72	407.23	388.71	425.73	388.70	407.22	425.73	370.20	4,812.59
42173 • Payroll Tax Expenses	765.06	695.02	788.74	695.02	764.42	482.80	598.21	656.54	598.22	626.53	656.61	607.47	7,974.64
Total 42170 • Payroll Expenses	9,316.50	8,469.06	9,738.89	8,469.06	9,704.56	9,034.25	8,760.95	9,596.67	8,760.97	9,177.97	9,596.76	8,381.51	109,037.15
Total 42120 • Misc Nonoperating Expense	85,014.70	-54,507.51	43,058.86	67,596.83	25,928.77	544,187.51	25,006.30	45,300.63	24,316.42	92,900.85	43,472.16	26,197.49	968,473.01
Total Expense	85,014.70	-54,507.51	43,058.86	67,596.83	25,928.77	544,187.51	25,006.30	45,300.63	24,316.42	92,900.85	43,472.16	26,197.49	968,473.01
Changes in Net Position	-404.57	-404.57	41.23	-404.57	-404.57	-192,865.68	3,659.27	-12,893.56	-5,770.77	-40,152.10	-8,090.10	1,322.40	-256,367.59

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the accrual basis of accounting.

RJG, A Professional Corporation provides no assurance on these financial statements.

Interior Alaska Natural Gas Utility
A/R Aging Summary
December 31, 2017

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Fairbanks North Star Borough*	<u>27,381.11</u>	<u>0.00</u>	<u>35,382.06</u>	<u>52,748.75</u>	<u>0.00</u>	<u>115,511.92</u>
TOTAL	<u><u>27,381.11</u></u>	<u><u>0.00</u></u>	<u><u>35,382.06</u></u>	<u><u>52,748.75</u></u>	<u><u>0.00</u></u>	<u><u>115,511.92</u></u>

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the accrual basis of accounting.

RJG, A Professional Corporation provides no assurance on these financial statements.



Interior Gas Utility

Finance Committee Meeting

January 23, 2018

12 PM

100 Cushman, Suite 501, Fairbanks, Alaska

MINUTES DECEMBER FINANCIALS REVIEWED

I. Roll Call

- a. Frank Abegg, David Durham, Doug Bishop (arrived 12:18 PM), Patrice Lee (arrive 12:33 PM).
- b. Other: Sam Trotzke, Pam Throop, Jomo Stewart, Wesley Smith (FNG), David Prusak

The meeting was called to order at 12:05 pm

II. Monthly Financials

- a. Statement of Net Position:
 - i. Cash has declined from last month paying for normal operating and capital costs during the month.
 - ii. Waiting to be reimbursed from the FNSB.
- b. Budget to Actual
 - i. Legal fees will be under reported because all invoices have not yet been received.
 - ii. Contract Services are for integration and due diligence costs are included in expense but were not budgeted for when the budget for the period ending January 31, 2018 was approved.
 - iii. This does not reflect the 12 month budget just passed by the IGU Board which Sam received at this meeting.
 - iv. Roughly expenditures are currently running about \$45,000 to \$50,000 per month.
- c. Operating Revenues and Expenses by Month
 - i. There is an over statement on one legal invoice in both expense and operating costs that will be corrected next month.
- d. Aging Summary
 - i. FNSB invoice has been sent in January.
- e. Transaction by Account
 - i. There is a credit shown which was explained as part of it was related to integration and gas supply.
 - ii. All the accounts have been reconciled for December 2017.
- f. Bank Statements
 - i. No comment.

III. Closing Comments – Meeting Adjourned at 1:00 pm

- a. Discussion on moving construction costs for phase 1 construction to account 105 Property Held for Future Use. A possible recommendation has been requested on how to move forward. Moved by Dave Durham and seconded by Doug Bishop, and approved unanimously.
- b. The Finance Committee recommended that the IGU Board accept the December 2017 Financial Report as presented at their meeting.
 - i. Moved by Doug Bishop and seconded by Dave Durham and approved unanimously.
- c. The next meeting will be February 27, 2018. Jomo to set up a call in number for those unable to attend.

General Manager Report

Financial:

Mt. McKinley Bank

- GM received and reviewed November Bank Statement.

Finance Committee

- December financials reviewed by the Finance Committee on January 23th.
- Recommended acceptance by the Board on February 6, 2017.

AIDEA

- SETS Loan Scope, Accounting and Reporting:
 - IGU draft of the revised SETS loan accounting and report submission form has been provided to AIDEA and is under review.

Accounting:

RJG

- In addition to standard activities, has assisted in budgetary monitoring and budget formulation.

Legal:

Cook Schuhmann & Groseclose

- Provided direct support at Board Meetings and Work Sessions
- Reviewing disclosure schedules relative to PSA/FA
- Provided legal analysis and opinions relative to the Pentex Purchase to IGU GM, Directors &/or Board

Brena Law Office

- Acting as coordinating lead for review of disclosure schedules relative to PSA/FA
- Gas Supply
 - Assisting in discussions with ANG
 - Preparing for renewed discussions with State regarding RIK/Royalty pending PSA/FA resolution

Chris Wilde

- Gas Supply
 - Has completed negotiations with ANG for items identified by Board December 19th and other items. Holding on further actions pending IGU Board discussion and action.

Admin/Ops/Cap

Stantec:

- Storage
 - Mr. Prusak continuing to serve as Project Manager for Pentex in development of the new Tria Road Storage facility.
 - In consultation with the GM, IGU attorney and Pentex, have drafted an MOU to regularize the relationship. Internal drafting and discussions completed and draft MOU awaiting consideration and action by Mr. Britton. MOU synopsis:
 - IGU/Stantec contract to be contract-in-force, its terms for tasks and cost commanding
 - Stantec storage work, though operating under and impacting contract budget, to be tracked and invoiced separately.
 - Billable invoice to be sent to and paid by Pentex, with copy simultaneously sent to IGU for record-keeping and account-tracking purposes.
 - Continuing discussions with GVEA regarding shared-land usage for NP system.
 - Updating construction scope, schedule & budget for NP storage for project completion in the winter 2019 timeframe.
- Expenses
 - Continued to assist extensively in the compilation and provision of information relative to Pentex Acquisition expenses. In consultation with GM and AIDEA, revised the accounting and report submission forms for the IGU SETS loan, and is working with AIDEA staff towards its finalization.
- PSA/FA
 - Reviewing disclosure schedules relative to PSA/FA
- Conversions
 - Report and recommendation completed. Scheduled for Board presentation February 20.
- Utility Integration Plan
 - Report and recommendation completed. Scheduled for Board presentation in March.
- Contract Amendment - Extension
 - Amendment 4 in process.

AIDEA:

- PSA/FA Negotiations
 - Assisting Interior Delegation with advancement of IEP AIDEA Bond Authorization 5-year Extension
 - Senate Bill 125 – Sen. Kelly

- Advanced from Sen. CRA Committee January 30
- Awaiting scheduling in Sen. Finance Committee
- House Bill 261 – Rep. Thompson
 - Awaiting scheduling in House L&C Committee

Communications:

- Letter of Support – SB 125: 5-year Bond Extension
- Alaska State Legislature, House Energy Committee, January 30
 - Project Overview and Update
- Alaska State Legislature, Senate Community and Regional Affairs Committee, January 30
 - SB 125

1 STATE OF ALASKA

2 THE REGULATORY COMMISSION OF ALASKA

3
4 Before Commissioners:

Stephen McAlpine, Chairman
Rebecca L. Pauli
Robert M. Pickett
Norman Rokeberg
Janis W. Wilson

5
6
7 In the Matter of the Joint Application Filed by)
8 INTERIOR ALASKA NATURAL GAS UTILITY and)
9 ALASKA INDUSTRIAL DEVELOPMENT AND)
10 EXPORT AUTHORITY for Authority to Acquire a)
Controlling Interest in FAIRBANKS NATURAL)
GAS, LLC, Holder of Certificate of Public)
Convenience and Necessity No. 514)

U-18-001

ORDER NO. 1

11
12 ORDER ADDRESSING TIMELINE FOR DECISION,
13 DESIGNATING COMMISSION PANEL, AND
14 APPOINTING ADMINISTRATIVE LAW JUDGE

15 BY THE CHAIRMAN:

16 Fairbanks Natural Gas, LLC (FNG) provides natural gas utility service in
17 portions of the Fairbanks North Star Borough under Certificate of Public Convenience
18 and Necessity (Certificate) No. 514. FNG is a wholly owned subsidiary of Pentex Alaska
19 Natural Gas Company, LLC (Pentex), which is wholly owned by Alaska Industrial
20 Development and Export Authority (AIDEA).¹

21 Interior Alaska Natural Gas Utility (IANGU) is a public corporation owned by
22 the Fairbanks North Star Borough and authorized to provide natural gas utility service in
23

24 ¹Order U-15-090(2), *Order Granting Expedited Consideration; Granting*
25 *Application for Authority to Acquire Controlling Interest in Fairbanks Natural Gas, LLC;*
26 *and Requiring Filing*, dated August 13, 2015.

1 portions of the Fairbanks North Star Borough under Certificate No. 753.² IANGU is
2 exempt from economic regulation under AS 42.05.711(b).³

3 AIDEA has agreed to sell Pentex to IANGU. To implement this sale, AIDEA
4 and IANGU jointly filed an application for IANGU to acquire a controlling interest in FNG.⁴
5 AIDEA and IANGU have also requested expedited consideration of the Application.⁵ We
6 issued public notice of the Application with comments due by February 2, 2018.

7 Decision Timeline

8 The commission is required by AS 42.05.175(a)(4) to issue a final decision
9 not later than 180 days after a complete application is filed for authorization to acquire a
10 controlling interest in a certificated public utility. An entity seeking transfer of a controlling
11 interest in a public utility is generally required to include as part of its application a notice
12 that it is adopting the tariff of the predecessor public utility.⁶ AIDEA is exempt from
13 economic regulation under AS 42.05.711(b) and not required to maintain a tariff on file
14
15
16
17

18 ²Order U-13-083(19)/U-13-103(19), *Order Denying Application of Fairbanks*
19 *Natural Gas, LLC to Amend Certificate of Public Convenience and Necessity and*
20 *Granting, with Condition, Application of Interior Alaska Natural Gas Utility for Certificate*
of Public Convenience and Necessity, dated December 20, 2013 (Order U-13-083(19)).

21 ³Order U-13-083(19) at 28.

22 ⁴*Joint Application of Interior Alaska Natural Gas Utility and Alaska Industrial*
Development and Export Authority for Approval of Transfer of Controlling Interest in
23 *Fairbanks Natural Gas, LLC*, filed January 5, 2018 (Application).

24 ⁵*Motion for Expedited Consideration of Joint Application of Interior Alaska Natural*
Gas Utility and Alaska Industrial Development and Export Authority for Approval of
25 *Transfer of Controlling Interest in Fairbanks Natural Gas, LLC*, filed January 5, 2018.

26 ⁶3 AAC 48.400(a).

1 with us.⁷ We cancelled FNG's tariff once AIDEA closed its acquisition of Pentex,⁸ and
2 thus there is no tariff for IANGU to adopt in this instance. The Application was complete
3 as filed. Therefore, the commission will issue a final order in this proceeding no later than
4 July 4, 2018.⁹

5 Commission Panel

6 I designate Commissioners Robert M. Pickett and Janis W. Wilson and
7 myself as the commission panel¹⁰ and further designate Commissioner Pickett as the
8 commission docket manager for this docket.

9 Administrative Law Judge

10 Under AS 42.04.070(b), I appoint Administrative Law Judge James L.
11 Walker to facilitate conduct of this docket. The administrative law judge will issue
12 procedural orders in this docket, unless the commission docket manager determines that
13 a particular procedural order should be issued by the commission panel.¹¹ Orders issued
14 by the administrative law judge will be considered orders of the commission for purposes
15 of petitions for reconsideration under AS 42.05.171.

18 ⁷Order U-15-090(2), *Order Granting Expedited Consideration; Granting*
19 *Application for Authority to Acquire Controlling Interest in Fairbanks Natural Gas, LLC;*
20 *and Requiring Filing*, dated August 13, 2015, at 20.

21 ⁸Order U-15-090(3), *Order Cancelling Fairbanks Natural Gas, LLC's Tariff and*
22 *Closing Docket*, dated October 20, 2015.

23 ⁹July 4, 2018, is a state holiday; therefore, the commission will issue a final order
24 by Tuesday, July 3, 2018.

25 ¹⁰Under AS 42.04.080(a), the chairman designates a commission panel to hear,
26 or, if a hearing is not required, to otherwise consider and decide docketed matters.

¹¹The commission docket manager, after consultation with other members of the
panel, may delegate to the administrative law judge whatever authority to issue
procedural orders he or she considers necessary or advisable in these dockets. See
3 AAC 48.165(b).

ORDER

THE CHAIRMAN FURTHER ORDERS:

1. Commissioners Stephen McAlpine, Robert M. Pickett, and Janis W. Wilson are designated as the commission panel.

2. Commissioner Robert M. Pickett is designated as the commission docket manager.

3. James L. Walker is appointed as the administrative law judge.

DATED AND EFFECTIVE at Anchorage, Alaska, this 29th day of January, 2018.


Stephen McAlpine, Chairman



Stantec Monthly Report

This report generally covers the period January 1, 2018 – January 31, 2018

ACCOMPLISHMENTS

1. Task 1– IGU Support

- a. Provided support to the IGU Board, and publically noticed upcoming meetings.
- b. Attended and supported the IGU Board Meeting and Work Session on January 16th.
- c. Supported and attended the IGU Finance Committee meeting held on January 23th.
- d. Prepared IGU Board Meeting and Work Session agenda and the IGU Finance Committee agenda, supporting documents and meeting notes; distributed and posted meeting notes online.
- e. Processed billings and accounts receivables; coordinated with RJG Certified Public Accountants when necessary.
- f. Prepared and submitted Stantec monthly status report.
- g. Responded to public inquiries and requests. Monitored news/activities related to IGU and the Interior Energy Project.
- h. Attended telephonically AIDEA January 11th meeting to discuss the Storage project.
- i. Provided miscellaneous administrative and office support to IGU General Manager.

2. Task 2 - Program/Project Management

- a. Monitored and managed contract budget/financials for review with General Manager and to provide update with monthly status report. Reviewed and increased contract task order funding to be consistent with time extension under Amendment 003.
- b. Facilitated weekly team coordination conference calls.
- c. Prepared and executed Stantec Amendment 004 of the contract

3. Task 4 – Financial Planning, Project Financing and Cash Flow for Loans

- a. Assisted IGU General Manager with operating budget projections after AIDEA released authorized funds for the IGU/Pentex Integration work efforts and for those associated with the 12 month operating budget
- b. Monthly monitoring and adjusting budget spreadsheets for financial planning, project financing and project loans.
- c. Reviewed modeling to capture short term capital costs based on the asset due diligence work.

- d. Met with AIDEA to discuss the Q3 Submittal for the Line of Credit, revised and resubmitted report with requested modifications.
- 4. Task 7 – LNG Storage, Regasification, and Transportation Optimization
 - a. Reviewing and updating strategy for LNG storage in the North Pole area.
- 5. Task 9 –Construction Management and Distribution Systems Support
 - a. Phase I Distribution System
 - i. Work with telemetry monitory software contractor on revised monitoring needs.
 - ii. Continued monitoring of pressures in the Phase 1 nitrogen charged NG distribution mains.
 - iii. Work on close out of PDC Contract
 - iv. Monitored and managed responses to the 811 Alaska Digline locate requests for the Phase 1 NG Distribution System.
 - b. 5.2 MG LNG Storage Tank
 - i. Reviewed and assisted Pentex with contract submittals from the EPC Contractor.
 - ii. Obtain FAA permits for LNG Storage Tank and Storage Tank crane.
 - iii. Present to the FNSB Planning Commission regarding an amendment to the existing Conditional Use Permit and Flood Control Permit and successfully obtain them.
 - iv. Met with the Metro Field Airport General Manager on PHMSA waiver.
 - v. Coordinated with LNG Tank Engineer of Record (CHI Engineering) on permitting requirements and documents.
 - vi. Coordinate with LNG Storage Balance of Plant Engineer (Design Alaska) on permitting with the Alaska State Fire Marshall.
 - vii. Coordinate with Tank EPC Contractor (Preload Cryogenics) and their subcontractors on design and construction issues, primarily related to the foundations.
 - viii. Hold weekly progress meetings with Tank Contractor.
 - ix. Set up initial third party testing for tank with DOWL.
 - x. Prepared and presented Memorandum of Understanding between IGU and FNG for Stantec invoicing directly to FNG for project management work on storage at Tria Road.
- 6. Task 10 – Public Outreach
 - a. Updated and monitored IGU's website and online internet presence.

- b. Placed Board documents and presentation materials on the IGU website.
 - c. Attended weekly Energy for All Alaska Taskforce meetings at FEDC.
 - d. Attended the Chamber of Commerce Energy meeting.
7. Task 11 – Conversions
- a. Participated in team coordination calls.
 - b. Continued coordination with EESI representatives.
 - c. Initiated development of presentation for IGU Board.
8. Task 12 – Integration
- a. Continued with revisions and updates to the draft integration plan for the integration of IGU and Pentex assets and operations and coordinated with Pentex for comment.

February 2018 - What's coming up next?

1. Finalize the review comments received for the draft Procurement Manual from the Board and prepare to present this at the February 20th IGU Board Work Session.
2. Continue coordination with GVEA regarding the North Pole LNG storage site, gas supply and discussions concerning the development of an MOU for joint occupancy of the GVEA North Pole property. This is in conjunction with the continued development of LNG storage options in the North Pole area to service the IGU Phase 1 natural gas distribution system.
3. Monitor invoices and cash flows against the AIDEA Line of Credit.
4. Continue to support the IGU Board of Directors and Finance Committee.
5. Support and update IGU web site and support responses to any inquiries of the public.
6. Assist in preparation of presentation to the FNSB Assembly, North Pole Councils, FEDC, Chamber Energy Committee and other organizations.
7. Continue PM support for the 5.2 MG LNG storage facility on Tria Road related to permitting, design and construction activities.
8. Updating draft IGU/Pentex Integration Plan in preparation for IGU Board presentation on March 6th.
9. With regards to the Conversions Program:
 - a. Schedule and prepare an update to IGU Board of Directors at February 20th IGU Board Work Session.
 - b. Restart development of new customer on-boarding strategy.

Initiate internal coordination relative to administration and operational with IGU-Pentex integration planning efforts; and resume coordination with EESI.

Stantec Amendment 003 Contract Financial Status Forecast Estimated thru 1/31/2018

(Contract term June 4, 2016 to January 17, 2019)

Project No. 185750706 January 2018 Estd Expenditures

Interior Gas Utility Stantec Management Services Contract

Interior Gas Utility 2016-18		2016-17 Contract (1)	Task Order Authorized (1)	Monthly Expenditure	Expenditure to Date	% of Authorized Task Order Expended	Physical % Complete	Notes
Task 1	IGU Support	\$ 555,610	\$ 650,000	\$ 18,516	\$ 595,744	92%	98%	
Task 2	Program/Proj Mgt	\$ 250,000	\$ 125,000	\$ 13,878	\$ 126,995	102%	100%	
Task 3	Business Plan	\$ 80,000	\$ 40,000	\$ -	\$ 6,687	17%	22%	Work currently on hold
Task 4	Financial Planning	\$ 60,000	\$ 100,000	\$ 4,664	\$ 99,280	99%	98%	
Task 5	Gas Operator	\$ 5,000	\$ 556	\$ -	\$ 556	100%	100%	Task Cancelled
Task 6	Gas Supply-Trans-Del	\$ 80,000	\$ 70,764	\$ -	\$ 71,385	101%	100%	Work currently on hold
Task 7	LNG-Store-TruckUnload-Regas	\$ 66,464	\$ 75,000	\$ 376	\$ 36,152	48%	56%	
Task 8	Design Ph II-III-Transmission	\$ 70,000	\$ -	\$ -	\$ -	0%	0%	Work currently deferred
Task 9	Construction Mgt	\$ 100,000	\$ 100,000	\$ 13,630	\$ 65,263	65%	85%	LNG Tank Construction
Task 10	Public Outreach	\$ 80,000	\$ 40,000	\$ 225	\$ 17,576	44%	97%	
Task 11	NG Conversions	\$ 300,000	\$ 175,000	\$ 2,321	\$ 171,420	98%	98%	
Task 12	FNG Integrations	\$ 350,000	\$ 400,000	\$ 4,754	\$ 349,453	87%	90%	
Totals		\$ 1,997,074	\$ 1,776,320	\$ 58,364	\$ 1,540,510	87%	86%	

(1) Budgets reallocated as of 9/21/2017

(2) Contract Amend 004 Extended to 1/17/2019