



Interior Gas Utility

Board of Directors Board Meeting

October 6, 2015

4:00PM

100 Cushman Street, Ste. 501, Fairbanks, Alaska

Minutes

A Meeting of the Board of Directors of the Interior Gas Utility was held Tuesday October 6, 2015 at the IGU, Fairbanks, Alaska. IGU Board Chairman, Mike Meeks, presiding, called the meeting to order at 4:01 pm.

Others in attendance were: Cynthia Klepaski (FNSB Attorney), Mindy O'Neill (MWH), David Prusak (MWH), David Carlisle (IGU VISTA), Steve Welch (RBC), Dan Cooke (RBC) Pamela Throop, Clark Milne, Monique Garbowicz (MWH -online)

I. Call to Order

- Roll call

Board Members Present:

Mike Meeks
Steve Haagenson
Aaron Lojewski
Jack Wilbur

Absent:

Nadine Winters
Bill Butler (excused)
Frank Abegg (excused)

With four members present, a quorum was established.

- Approval of Agenda

Director Haagenson moved to approve the agenda. Director Lojewski seconded and the meeting agenda was approved.

- Approval of August/September Minutes

Director Wilbur moved to approve the minutes from the 8/4, 8/17, 8/18, 8/19, 8/26, 9/15 meetings. The motion was seconded by Director Lojewski. No amendments were offered and the minutes were approved.

- Public Comment

Steve Welch, Zone C, Robinson Brothers, thanked the IGU Board for the opportunity to work on Phase 1 in North Pole and any future opportunities.

II. Reports

- Approval of July Financial Reports

Director Wilbur moved to approve the July Financial reports. Director Lojewski seconded the motion, and the July financial reports were approved.

- General Manager

Steve Haagenson provided an update to the board on general activities of the IGU.

Mr. Haagenson provided a handout (attached) reviewing the current workload for the IGU moving forward.

Mr. Haagenson noted that pressure monitoring is in planning and IGU is hiring an engineer for the telemetry to measure the pressure in the mains. IGU is working with public business, churches, and local customers to install service lines where equipment can be placed to measure and monitor the pressure of the system.

- MWH

David Prusak provided an update on the progress of the MWH activities.

Finishing work in the ROW is continuing.

Draw request #7 for \$4 million to AIDEA was submitted at the end of September. This includes work on Phase II and III, as well as contracts in Phase I through the end of December.

Auditor expects to have a report to IGU next week (week of Oct. 12) from RJG.

Reminder: KUAC phone bank is Oct. 17 from 11 – 1. Mike Meeks, Aaron Lojewski and Nadine Winters have committed to participating.

- Monthly Status Reports

Prusak reviewed the monthly status reports from MWH, PDC and MBJ.

Prusak will follow up with Eielson Air force Base for future connections considering the expectation of F35's and a new housing development.

- Conversions

Prusak provided an overview of the Conversions Steering Group meetings. Monique Garbowicz reviewed the conversions report provided in the board packet.

Garbowicz commented on the positive engagement of the community stakeholders in the steering group.

Highlights of her review stated that IGU would require a commitment to purchase natural gas before the service lines are installed.

Renters are typically paying utility bills, however the type of heating system is usually the responsibility of the homeowner. The team intends to examine the strategy of facilitating conversions with renters.

Mitigation plans are being reviewed by the conversions steering committee.

Federal funding options have been explored, and will be further explored.

The RFI to financial institutions is not scheduled at this time.

Wilbur complimented the work of the group, requested monthly updates and made comments about the report suggested adding businesses to the core values, in addition to residential. He suggested the availability of labor, inventory or equipment should be left up to the private sector.

- Temporary Committees
 - GM Hiring CommitteeHaagenson reported that the hiring committee consisting of Frank Abegg, Mark Premo and himself met with Doug Smith and discussed specific terms of the hiring package. The next meeting is Oct. 16. Mr. Smith has not accepted the position, though negotiations are continuing.

III. Unfinished Business

- IGU Bylaws
- Haagenson moved to accept the Proposed Amended Bylaws as attached to the board packet. Wilbur seconded the motion.

Discussion

Director Haagenson questioned the 2d under vacancy.

Director Haagenson made an amendment under Article VII, Sec.5, item 7. Lojewski seconded the motion.

Written minutes shall be taken at all publically noticed meetings and approved at the next regular meeting.

Discussion

Cynthia Klepaski recommended recording meetings, but did not believe that this was a requirement of the State of Alaska or FNSB committee meetings, as IGU does not fall under the FNSB purview for committee meetings.

The amendment was withdrawn by Haagenson.

Wilbur moved Amendment #2. The motion was seconded by Lojewski.

Written record should be made of the meeting and approved at the next regular meeting.

There was no discussion and the amendment was unanimously passed.

The proposed amended bylaws as amended were unanimously approved.

MWH staff will work with the FNSB administration on getting the new proposed bylaws on the FSNB agenda. Wilbur will send the final documentation to Mindy O'Neill to coordinate with the FNSB.

- **IEP Update**

November 4 is a scheduled public forum in Fairbanks for the five finalists to present their proposals to the community. FEDC is coordinating the event. This information will be given to the evaluation team and the recommendation will be made to the AIDEA board in December, with the anticipation of a final authorization later in the month.

- **FNG Acquisition and Integration**

Haagenson is working on access for the data warehouse that includes FNG's information now that it is the property of AIDEA. Additional resources are expected to understand how to finance the integration of the two utilities. Timeline expected is at least 18 months.

Wilber noted MWH's current contract appeared to have funds available for additional tasks and suggested MWH might be able to assist with FNG acquisition and integration tasks. He cautioned using MWH for those tasks unless they clearly fell within the scope of tasks called for in the RFP used to solicit MWH's services otherwise a new RFP to solicit those services would have to be issued.

Meeks stated he was concerned for FNG employees and their comfort level in staying with the established utility during the transition and expressed the need for them to continue to work for FNG/AIDEA.

IV. New Business

No new business

V. Adjournment

- **Next Agenda (Work Session)**
 - Board Training
 - Audit
 - Sunset review
 - August financials and minutes
 - Temp committee: GM
 - Schedule update
 - FNG acquisition and integration
 - Conversions (November work session)

- **Director Comments**

Wilbur requested minutes be issued as soon as possible before the next meeting.

Meeks does not have internet access or a landline at his home. Please call him on his cell phone. He has received positive comments and feedback from the utility construction this summer.

- Adjourn

Haagenson moved to adjourn the meeting at 6:04, and Lojewski seconded. With no further business to discuss, the meeting was adjourned.