



Interior Gas Utility

Board of Directors Board Meeting

September 8, 2016

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 August Minutes* – 8/2, 8/16
- Public Comment – *limited to three minutes*

II. Reports

- Approval of July Financial Report* Pg. 9
- General Manager* Pg. 19
- MWH* Pg. 22
- Monthly Status Reports* Pg. 26

III. Unfinished Business

- Interior Energy Plan Update
Move to go into executive session to discuss matters that if discussed in public would violate IGU's non-disclosure agreements and/or matters involving ongoing negotiations which if immediately known would clearly have an adverse effect on IGU finances. This includes negotiation of contracts for natural gas supply, LNG production, transportation, delivery, storage of LNG, gas operator, transfer of control of FNG/Pentex assets from AIDEA, gas sales, and modeling, financing and other negotiations related to the Interior Energy Project.

IV. New Business

V. Other Business

- Next Agenda

VI. Director Comments

VII. Adjournment



Interior Gas Utility

Board of Directors Board Meeting

August 2, 2016

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, August 2, 2016, at the IGU, Fairbanks, Alaska. IGU Director acting as Board Chairman, Steve Haagenson, presiding.

Others in attendance were: Jomo Stewart (IGU General Manager), Jill Dolan (FNSB Deputy Attorney), Jeff Stepp (FNSB Special Assistant), David Prusak (MWH) and Kimberly Templeton (MWH.) Telephonically present: Robin Brena (Attorney), and Bruce Robson (MWH).

I. Call to Order

- Roll call

Board Members Present:

Mike Meeks - Telephonic

Jack Wilbur - Excused

Frank Abegg

Bill Butler - 4:01

Steve Haagenson

Aaron Lojewski

Pamela Throop – 4:32 Telephonic

- Approval of Agenda and Consent Agenda

Director Lojewski moved to adopt the Agenda and the Consent Agenda items, Director Abegg seconded. The Agenda and the Consent Agenda items were adopted.

- Public Comment – *limited to three minutes*
 - No Comments.

II. Reports

- General Manager

Mr. Stewart has meet with Cook & Haugeberg, Auditor. The Audit process is ongoing and requested information has been provided.

Mt. McKinley Bank Statement for the month of June were received and reviewed by Mr. Stewart. Mr. Stewart made a transfer from Savings to Checking.

There has been a Legal Counsel transition from Rene Broker to Jill Dolan, as Borough Attorney. Like Messars, Brena and Wilde, it is in the interest of IGU to retain Rene Broker as additional contract specialized counsel and retention of her services by Attorney Dolan has been authorized.

A review of the June Financials was conducted on Tuesday, July 26th, 2016, at the Finance Committee Meeting and forwarded for consideration by the Board with the Finance Committee's recommendation for approval.

Regarding the Interior Energy Project, the discussions and negotiations are ongoing. Mr. Stewart has been in attendance to the weekly IEP Upstream Meetings held on Tuesday mornings, and weekly LCE Utility Integration Meetings held on Friday mornings. Mr. Stewart met with Salix for face to face discussion in Seattle on July 14, 2016 and on July 15, 2016 with regards to FEED-related Early Works Agreement and Scope of Work. In follow-up, AIDEA has requested use of IGU consultants, Mr. Thornton and Mr. Wilde, as third-party reviewers of comparative analyses related to LNG facility development.

Mr. Stewart has met with Mayor Kassel and Presiding Officer Davies with regards to continuation of FNSB staffing assistance. As part of that discussion, Mayor Kassel has offered and, on behalf of the IGU, Mr. Stewart has accepted the assistance of Jeff Stepp, Special Assistance to the Mayor.

Mr. Stewart requested to allow Jeff Stepp, Special Assistant to the Mayor, be allowed to participate in the IGU Executive Session. Attorney, Jill Dolan, declined the request at this time and Mr. Stepp was not invited to participate in the Executive Session.

- MWH

Winscott/Rublee ROW easement issue along Nelson road is scheduled for mediation proceeding on August 12th, 2016, legal representation is being paid for through the contractor's insurance company.

Mr. Prusak has receiving several Plat Reviews, mostly replats aligning of new lots that he has responded to. This review includes trying to have the Plats allow for utility service. Paying specific attention to how access points such as driveways are incorporated, flag lots and more, to insure that all residents have access to the Natural Gas. Should a lot not allow access, Mr. Prusak has the ability make any necessary comments to the Fairbanks North Star Borough Dept. of Community Planning.

Requested information has been sent to Cook & Haugeberg for the FY 2016 Audit and is ongoing.

- Monthly Status Reports

There have been funds retained from the contractors, predominantly for the purpose of permit close-out. Due to the SWPPP issues, IGU would like to insure satisfactory completion of tasks prior to releasing retainage. Mr. Prusak anticipates construction completion by the end of August.

III. Unfinished Business

- Strategic Business Plan

No current update.

- Project Schedule Update

As an efficiency measure, and working towards a satisfactory project schedule to meet the needs of the Board, the project schedule and the MWH schedule have been combined. Director Abegg requested the expressed six-year timeframe be limited to two years, the milestones be very clearly represented and or the project schedules be made available online exclusively for the Board-member viewing and interaction. The Board may then have the ability to collapse and/or expand items to meet the needs of each Director. Mr. Prusak requested comments be submitted to him, as well as to have further discussion of the subject during the upcoming Work Session. The Board expressed a desire to have a "Board Only" information tab on the IGU web site and that schedules be placed there. Staff will be investigate.

- Interior Energy Plan Update

Staff is trying to ascertain an IEP schedule for the planning purposes of IGU. A first draft of the Sales Agreement regarding source gas has been worked on mutually with the Seller. A return draft is anticipated from Seller Friday, August 5, 2016, for IGU consideration.

A team from AIDEA will be speaking to Salix on Wednesday, August 3, 2016 about the SOW and schedule moving forward.

Director Butler moved to enter into Executive Session. Director Lojewski seconded and without objection the Board moved into Executive Session at 4:30 PM.

Move to go into executive session to discuss matters that if discussed in public would violate IGU's non-disclosure agreements and/or matters involving ongoing negotiations which if immediately known would clearly have an adverse effect on IGU finances. This includes negotiation of contracts for natural gas supply, LNG production, transportation, delivery, storage of LNG, gas operator, transfer of control of FNG/Pentex assets from AIDEA, gas sales, and modeling, financing and other negotiations related to the Interior Energy Project.

Director Butler moved to leave the Executive Session and continue the Board meeting, Director Lojewski seconded at 5:43 PM. Without objection, the board so moved.

IV. New Business

No new business.

VI. Adjournment

- Next Agenda
 - Similar agenda to this week without Monthly report.

VII. Director Comments

No comment.

VIII. Adjourn

Director Lojewski moved to adjourn at 5:45PM. This was seconded by Director Butler and without objection, the meeting Adjourned.



Interior Gas Utility

Board of Directors Work Session

August 16, 2016

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, August 16, 2016, at the IGU, Fairbanks, Alaska. IGU Board Chairman, Mike Meeks, presiding.

Others in attendance were: Jomo Stewart (IGU General Manager), Jill Dolan (FNSB Attorney), David Prusak (MWH) and Kimberly Templeton (MWH), Ted Johnson (public)

I. Call to Order

- Roll call

Board Members Present:

Mike Meeks

Jack Wilbur – 4:01

Frank Abegg

Bill Butler - 4:01

Steve Haagenon

Aaron Lojewski

Pamela Throop

- Approval of Agenda

Chairman Meeks advised the Board that, contrary to the published notice, consideration of a Resolution had been removed for the finalized agenda and asked for adoption of the meeting agenda so finalized. Director Lojewski moved to adopt the agenda. Director Haagenon seconded and the meeting agenda was adopted.

- Public Comment- *limited to three minutes*
 - No Comment

II. Reports

- General Manager

Discussions on Gas Supply and the Gas Supply Agreement are ongoing. IGU anticipates an acceleration in the near future. It was Mr. Stewart's understanding that the latest version

of the Gas Supply Agreement from the seller would be provided to IGU by August 17th, 2016.

Liquefaction discussions with Salix are also on going regarding the LNG Facility.

With regards to Integration, there have been ongoing discussions between AIDEA and IGU pursuant to the Resolution 2016-05, passed by the Board on July 26th, 2016. Additionally, there have been continued interaction between IGU and Pentex, specifically regarding due diligence and reception of the due diligence information related to possible purchase of Pentex assets.

Regarding conversations, Monique Garbowicz (MWH) has had communications with a nonprofit organization, Environmental & Energy Studies Institute (EESI), which provides assistance to public utilities and co-ops on a free of charge basis. One of their programs of interest relates to on-bill financing. There will be an introductory conversation with them on Thursday, August 18th, 2016, to see if there is valuable assistance that they can provide and under what system they may be able to assist the Interior Gas Utility.

- MWH America, Inc.
Predominantly working in support of the General Managers.

On Monday, August 15, 2016, there was progress with regards to Due Diligence after having a call with the AIDEA staff that is responsible for providing information pertaining to the Pentex assets. Previously, AIDEA provided information related to the Pentex Corporation but not the assets themselves. IGU is most interested in the Pentex Assets. It has been brought to our attention that there are two Data Banks listing the Pentex Assets, one of which is maintained by AIDEA and the other by Pentex. Mr. Prusak has been granted access to one of the two Data Banks on Wednesday, August 16th, 2016, and has not yet had the chance to review the contents. The assessment of the Pentex assets will be moving forward.

In the Phase 1 construction areas, two of the three contractors have been out checking mechanical fittings in the areas where some pressure losses have been identified. The current lose is approximately 1/10th of a pound per week and the primary cause of the loss is due to the end caps and mechanical fittings. Therefore, these efforts will continue.

III. Committee of the Whole

- Interior Energy Project Update
AIDEA held a Board meeting and received an IEP update. The update was essentially the same as a previous presentation given by Gene Therriault before the Borough Assembly, which was based upon the AIDEA IEP Quarterly Report to the Alaska State Legislature dated July 5, 2016. During their Board meeting, AIDEA touched on supply, integration, conversions and gave updates on those items.

Director Throop moved to enter into Executive Session. Director Butler seconded and without objection the Board moved into Executive Session at 4:12 PM.

Move to go into executive session to discuss matters that if discussed in public would violate IGU's non-disclosure agreements and/or matters involving ongoing negotiations which if immediately known would clearly have an adverse effect on IGU finances. This includes consideration and action on the Interior Energy and Utility Integration Plans including adoption of Board strategies and goals for negotiating the purchase of FNG/Pentex assets from AIDEA, negotiating of contracts for natural gas supply, LNG production, transportation, delivery, storage of LNG, gas operator, transfer of control of FNG/Pentex from AIDEA, gas sales, and modeling, financing and other negotiations related to the Interior Energy Project..

Director Wilbur moved to leave the Executive Session and continue the Board meeting, Director Butler seconded at 6:22 PM. Without objection, the board so moved.

IV. Other Business

- Next Agenda
 - Results of the AIDEA meeting on Thursday, August 25, 2016.
 - Executive Session
 - Reports
 - Monthly Status Report

V. Director Comments

Director Butler suggested that Reports that are provided during the Monthly Board meetings be presented during the Work Sessions.

VI. Adjournment

Director Wilbur moved to adjourn at 6:25 PM. This was seconded by Director Butler and without objection, the meeting Adjourned.



Interior Gas Utility

Finance Committee Meeting

August 23, 2016

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

**July 31, 2016
and Supplemental Schedules**

Interior Alaska Natural Gas Utility
Statement of Net Position
July 31, 2016

	Capital	Operating	Total
ASSETS			
Current Assets			
Checking/Savings			
13100 · Mt. McKinley	198,421.50	290,838.14	489,259.64
13103 · Mt. McKinley - AIDEA Reserve	3,330,699.85	0.00	3,330,699.85
13104 · Mt. McKinley - FNSB Reserve	500,658.24	0.00	500,658.24
Total Checking/Savings	4,029,779.59	290,838.14	4,320,617.73
Accounts Receivable			
14600 · Accounts Receivable	0.00	22,891.14	22,891.14
Total Accounts Receivable	0.00	22,891.14	22,891.14
Total Current Assets	4,029,779.59	313,729.28	4,343,508.87
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	729,676.00	21,598.37	751,274.37
10700 · Construction Work In Progress			
18330 · Phase 1	25,585,485.37	0.00	25,585,485.37
18340 · Phase 2	737,857.88	0.00	737,857.88
Total 10700 · Construction Work In Progress	26,323,343.25	0.00	26,323,343.25
10800 · Accumulated Provision for Depn	0.00	-5,623.74	-5,623.74
16600 · Prepayments	0.00	15,644.08	15,644.08
Total Other Assets	27,053,019.25	31,618.71	27,084,637.96
TOTAL ASSETS	31,082,798.84	345,347.99	31,428,146.83
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
23200 · Accounts Payable	162,816.73	3,855.62	166,672.35
Total Accounts Payable	162,816.73	3,855.62	166,672.35
Other Current Liabilities			
23700 · Interest Accrued	830.20	0.00	830.20
24000 · Payroll Liabilities	0.00	5,143.29	5,143.29
Total Other Current Liabilities	830.20	5,143.29	5,973.49
Total Current Liabilities	163,646.93	8,998.91	172,645.84
Long Term Liabilities			
22400 · Other Long-Term Debt			
22401 · LOC - AIDEA	29,689,475.91	0.00	29,689,475.91
22402 · LOC - FNSB	500,000.00	0.00	500,000.00
Total 22400 · Other Long-Term Debt	30,189,475.91	0.00	30,189,475.91
Total Long Term Liabilities	30,189,475.91	0.00	30,189,475.91
Total Liabilities	30,353,122.84	8,998.91	30,362,121.75
Equity			
21600 · Unrestricted Net Position	0.00	332,777.80	332,777.80
21610 · Net Investment in Capital Asset	729,676.00	0.00	729,676.00
Changes in Net Position	0.00	3,571.28	3,571.28
Total Equity	729,676.00	336,349.08	1,066,025.08
TOTAL LIABILITIES & EQUITY	31,082,798.84	345,347.99	31,428,146.83

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
Month Ended July 31, 2016 and 2015

	<u>July 2016</u>	<u>July 2015</u>
Income		
42110 · Misc Nonoperating Income		
42111 · FNSB Contract	22,891.14	8,176.99
Total 42110 · Misc Nonoperating Income	<u>22,891.14</u>	<u>8,176.99</u>
Total Income	22,891.14	8,176.99
Expense		
42120 · Misc Nonoperating Expense		
42130 · Contractual Services		
42131 · Advertising	237.91	0.00
42134 · Office Services	62.50	100.50
42136 · Rent	4,130.00	4,130.00
42137 · Insurance	1,205.86	0.00
42138 · Financial Services	2,730.00	398.94
42139 · Communications	414.03	150.00
42140 · Membership - Fees	200.00	510.00
Total 42130 · Contractual Services	<u>8,980.30</u>	<u>5,289.44</u>
42160 · Materials Expenses		
42161 · Office Supplies	461.18	403.93
42164 · Depreciation Expense	300.40	265.82
42165 · Interest Expense	-77.37	104.17
Total 42160 · Materials Expenses	<u>684.21</u>	<u>773.92</u>
42170 · Payroll Expenses		
42171 · Salary Expenses	8,440.38	0.00
42172 · Employee Benefits	422.02	0.00
42173 · Payroll Tax Expenses	792.95	0.00
Total 42170 · Payroll Expenses	<u>9,655.35</u>	<u>0.00</u>
Total 42120 · Misc Nonoperating Expense	<u>19,319.86</u>	<u>6,063.36</u>
Total Expense	<u>19,319.86</u>	<u>6,063.36</u>
Changes in Net Position	<u><u>3,571.28</u></u>	<u><u>2,113.63</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
Month Ended July 31, 2016

	Actual July 2016	Budget July 2016	Variance July 2016	Annual Budget
Income				
42110 · Misc Nonoperating Income				
42111 · FNSB Contract	22,891.14	52,085.00	-29,193.86	716,620.00
42114 · Interest	0.00	0.00	0.00	3,600.00
Total 42110 · Misc Nonoperating Income	<u>22,891.14</u>	<u>52,085.00</u>	<u>-29,193.86</u>	<u>720,220.00</u>
Total Income	<u>22,891.14</u>	<u>52,085.00</u>	<u>-29,193.86</u>	<u>720,220.00</u>
Expense				
42120 · Misc Nonoperating Expense				
42130 · Contractual Services				
42131 · Advertising	237.91	1,250.00	1,012.09	15,000.00
42133 · Legal Fees	0.00	21,000.00	21,000.00	252,000.00
42134 · Office Services	62.50	100.00	37.50	1,200.00
42135 · Travel Expenses	0.00	1,500.00	1,500.00	9,000.00
42136 · Rent	4,130.00	4,200.00	70.00	50,400.00
42137 · Insurance	1,205.86	500.00	-705.86	14,700.00
42138 · Financial Services	2,730.00	5,000.00	2,270.00	60,000.00
42139 · Communications	414.03	370.00	-44.03	4,440.00
42140 · Membership - Fees	200.00	175.00	-25.00	2,100.00
Total 42130 · Contractual Services	<u>8,980.30</u>	<u>34,095.00</u>	<u>25,114.70</u>	<u>408,840.00</u>
42160 · Materials Expenses				
42161 · Office Supplies	461.18	600.00	138.82	7,200.00
42162 · Information Technology	0.00	2,500.00	2,500.00	30,000.00
42163 · Miscellaneous	0.00	500.00	500.00	6,000.00
42164 · Depreciation Expense	300.40	350.00	49.60	4,200.00
42165 · Interest Expense	-77.37	150.00	227.37	1,800.00
Total 42160 · Materials Expenses	<u>684.21</u>	<u>4,100.00</u>	<u>3,415.79</u>	<u>49,200.00</u>
42170 · Payroll Expenses				
42171 · Salary Expenses	8,440.38	8,600.00	159.62	153,200.00
42172 · Employee Benefits	422.02	2,500.00	2,077.98	64,400.00
42173 · Payroll Tax Expenses	792.95	1,290.00	497.05	22,980.00
Total 42170 · Payroll Expenses	<u>9,655.35</u>	<u>12,390.00</u>	<u>2,734.65</u>	<u>240,580.00</u>
42190 · Budget Reserve				
42191 · AIDEA Hold-back	0.00	1,000.00	1,000.00	12,000.00
42192 · Contingency	0.00	1,000.00	1,000.00	12,000.00
Total 42190 · Budget Reserve	<u>0.00</u>	<u>2,000.00</u>	<u>2,000.00</u>	<u>24,000.00</u>
Total 42120 · Misc Nonoperating Expense	<u>19,319.86</u>	<u>52,585.00</u>	<u>33,265.14</u>	<u>722,620.00</u>
Total Expense	<u>19,319.86</u>	<u>52,585.00</u>	<u>33,265.14</u>	<u>722,620.00</u>
Changes in Net Position	<u>3,571.28</u>	<u>-500.00</u>	<u>4,071.28</u>	<u>-2,400.00</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 by Month
August 2015 through July 2016

	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	TOTAL
Income													
42110 · Misc Nonoperating Income													
42111 · FNSB Contract	7,529 51	10,140 76	5,403 61	10,523 07	8,090 74	6,979 58	5,526 81	15,834 49	13,583 80	20,416 17	18,368 84	22,891 14	145,288 52
42114 · Interest	0 00	1,531 33	0 00	0 00	990 84	0 00	0 00	1,088 41	0 00	0 00	810 50	0 00	4,421 08
Total 42110 · Misc Nonoperating Income	7,529 51	11,672 09	5,403 61	10,523 07	9,081 58	6,979 58	5,526 81	16,922 90	13,583 80	20,416 17	19,179 34	22,891 14	149,709 60
Total Income	7,529 51	11,672 09	5,403 61	10,523 07	9,081 58	6,979 58	5,526 81	16,922 90	13,583 80	20,416 17	19,179 34	22,891 14	149,709 60
Expense													
42120 · Misc Nonoperating Expense													
42130 · Contractual Services													
42131 · Advertising	0 00	78 42	13 80	313 68	130 70	0 00	130 70	156 84	169 91	163 38	405 19	237 91	1,800 53
42133 · Legal Fees	0 00	0 00	0 00	0 00	0 00	721 00	0 00	0 00	0 00	0 00	0 00	0 00	721 00
42134 · Office Services	91 50	36 00	75 00	124 50	80 00	88 50	0 00	319 93	126 00	76 50	134 50	62 50	1,214 93
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	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	311 19	1,166 97	1,205 86	2,684 02
42138 · Financial Services	2,550 00	5,100 00	131 60	5,600 00	2,800 00	0 00	0 00	9,908 00	3,729 50	3,482 50	3,109 50	2,730 00	39,141 10
42139 · Communications	293 01	235 86	245 82	297 39	306 54	234 60	385 23	304 20	656 57	50 00	706 16	414 03	4,129 41
42140 · Membership - Fees	0 00	100 00	740 00	100 00	70 00	0 00	280 00	475 00	42 00	200 00	0 00	200 00	2,207 00
Total 42130 · Contractual Services	7,064 51	9,680 26	5,336 22	10,565 57	7,517 24	5,174 10	4,925 93	15,293 97	8,853 98	8,413 57	9,652 32	8,980 30	101,457 99
42160 · Materials Expenses													
42161 · Office Supplies	465 00	460 48	67 39	0 00	616 00	398 00	600 88	540 52	457 90	565 05	577 22	461 18	5,209 62
42162 · Information Technology	0 00	0 00	0 00	0 00	0 00	1,407 48	0 00	0 00	0 00	0 00	0 00	0 00	1,407 48
42164 · Depreciation Expense	265 82	265 82	265 82	265 82	265 82	265 82	265 82	265 82	265 82	265 82	300 45	300 40	3,259 05
42165 · Interest Expense	104 17	104 17	104 17	104 17	104 17	104 17	104 17	104 17	104 17	104 17	104 17	-77 37	1,068 50
Total 42160 · Materials Expenses	834 99	830 47	437 38	369 99	985 99	2,175 47	970 87	910 51	827 89	935 04	981 84	684 21	10,944 65
42170 · Payroll Expenses													
42171 · Salary Expenses	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	3,701 92	8,181 24	7,959 13	8,440 38	28,282 67
42172 · Employee Benefits	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	185 10	409 07	397 97	422 02	1,414 16
42173 · Payroll Tax Expenses	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	384 90	772 61	748 51	792 95	2,696 97
Total 42170 · Payroll Expenses	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	4,271 92	9,362 92	9,103 61	9,655 35	32,393 80
Total 42120 · Misc Nonoperating Expense	7,899 50	10,510 75	5,773 60	10,935 56	8,503 23	7,349 57	5,896 80	16,204 48	13,953 79	18,711 53	19,737 77	19,319 86	144,796 44
Total Expense	7,899 50	10,510 75	5,773 60	10,935 56	8,503 23	7,349 57	5,896 80	16,204 48	13,953 79	18,711 53	19,737 77	19,319 86	144,796 44
Changes in Net Position	-369 99	1,161 34	-369 99	-412 49	578 35	-369 99	-369 99	718 42	-369 99	1,704 64	-568 43	3,571 28	4,913 16

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
July 31, 2016

	<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*	22,891.14	0.00	0.00	0.00	0.00	22,891.14
TOTAL	<u>22,891.14</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22,891.14</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
A/P Aging Summary
July 31, 2016

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Boynton Office Systems	461.18	0.00	0.00	0.00	0.00	461.18
Brena, Bell & Clarkson, P.C.	0.00	16,977.52	0.00	0.00	0.00	16,977.52
Central Environmental, Inc.	97,439.69	0.00	0.00	0.00	0.00	97,439.69
Cook & Haugeberg	1,995.18	0.00	0.00	0.00	0.00	1,995.18
Fairbanks Daily News-Miner	237.91	0.00	0.00	0.00	0.00	237.91
GCI	364.03	0.00	0.00	0.00	0.00	364.03
Industrial Engineering LLC	256.00	0.00	0.00	0.00	0.00	256.00
Jomo Stewart	67.56	947.37	0.00	0.00	0.00	1,014.93
Optimized Production Specialists	17,537.02	0.00	0.00	0.00	0.00	17,537.02
PDC Inc. Engineers	0.00	26,560.89	0.00	0.00	0.00	26,560.89
RJG, A Professional Corporation	3,765.50	0.00	0.00	0.00	0.00	3,765.50
Spring Alaska	25.00	0.00	0.00	0.00	0.00	25.00
Superior Coffee of Alaska	37.50	0.00	0.00	0.00	0.00	37.50
TOTAL	<u><u>122,186.57</u></u>	<u><u>44,485.78</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>166,672.35</u></u>

Plant

Brena, Bell & Clarkson, P.C.	16,977.52
Central Environmental, Inc.	97,439.69
Cook & Haugeberg	1,995.18
Industrial Engineering LLC	256.00
Jomo Stewart	1,014.93
Optimized Production Specialists	17,537.02
PDC Inc. Engineers	26,560.89
RJG, A Professional Corporation	1,035.50
Subtotal Plant	<u><u>162,816.73</u></u>

Operating

Boynton Office Systems	461.18
Fairbanks Daily News-Miner	237.91
GCI	364.03
RJG, A Professional Corporation	2,730.00
Spring Alaska	25.00
Superior Coffee of Alaska	37.50
Subtotal Operating	<u><u>3,855.62</u></u>

Total Accounts Payable	<u><u>166,672.35</u></u>
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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

August 23, 2016

12 PM

100 Cushman, Suite 501, Fairbanks, Alaska

MINUTES JULY FINANCIALS REVIEWED

I. Roll Call

- a. Mike Meeks, Aaron Lojewski, Dave Durham
 - i. Absent: Doug Bishop.
- b. Others: Jomo Stewart, Sam Trotzke, Pam Throop, David Prusak.

The meeting was called to order at 12:01 pm

II. Monthly Financials

- a. Profit & Loss
 - i. May need to transfer funds to cover invoices for August
 - ii. No changes in the LOC (lines of credit)
 - iii. All the accounts have been reconciled for July 2016
- b. Budget to Actuals
 - i. Will be seeing invoices for legal fees going against this for ongoing work which will be charged to operations.
- c. Aging Summary
 - i. FNSB invoice has been received in mid-July.
- d. Bank Statements
 - i. No comment.

III. External Financial Reports (as needed)

- a. No Comment.

IV. Closing Comments – Meeting Adjourned at 12:25 pm

- a. The Finance Committee recommended that the IGU Board accept the Jul Financial Report as presented at their meeting.
- b. Next meeting will be September 27, 2016.

General Manager Report

General Manager Board Report

September 2, 2016

Financial:

C&H

- Audit process is continuing.
- Requested information is being provided.

Mt. McKinley Bank

- GM received and reviewed July Bank Statement.

Finance Committee

- Met Tuesday, August 23rd.
- Reviewed July Financials
- July Financials forwarded for Consideration, recommended for approval.

Legal:

Retention of Specialized Council

- Rene Broker has been retained as additional contract Specialized Council.
- Legal Team:
 - Review of draft agreements and participation in discussions with gas Seller.
 - Review of draft agreements for gas purchase.

IEP/AIDEA:

Discussions and Negotiations ongoing

- Weekly IEP Upstream Meetings (Tuesday mornings) continuing
- Weekly LCE Utility Integration Meetings (Friday mornings) continuing.
- Helped coordinate and draft Chairman-to-Chairman Initial Letter Offer for the purchase of Pentex assets to AIDEA.
- In follow-up to Letter Offer, initiated drafting of Unsolicited Proposal for the Acquisition of Pentex Assets.
- In follow-up to Letter Offer, attended meeting in Anchorage, August 25, with AIDEA and Pentex representatives to discuss IEP development team integration and project advancement, and initiate in earnest negotiations toward acquisition of Pentex assets.

Communications:

Policy-Makers

- In early August, met separately with Mayors Eberhart (with Fairbanks City appointee Abegg) and Kassel (with FNSB appointee Haagenson) to update them on the status of the IEP and alert them to IGU's letter-offer to AIDEA regarding Pentex.

- Subsequently, August 22, the GM accompanied Chairman Meeks to a meeting of Mayors Kassel, Eberhart and Ward. The purpose of this meeting, called by Mayor Ward, organized by Mayor Kassel and held at the FNSB, was also to update the Mayors on the status of the IEP but also to: inform them of the status of IGU's letter-offer to AIDEA regarding Pentex; brief them as to response; inform them of pending activities; and seek their guidance on IEP next-steps.
- Scheduled next IGU Quarterly Update to the FNSB Assembly for Thursday, October 6. Per Presiding Officer request, have informed AIDEA their presence, at minimum to be available to answer questions, is also requested.

Intra-Team:

Project Advancement Planning and Execution

- In follow-up to Letter Offer, initiated drafting of Unsolicited Proposal for the Acquisition of Pentex Assets.
- Initiated process for definition and execution of expedited work related to IGU acquisition of Pentex assets.
- Taken steps to on-board specialized assistance to Pentex Asset Acquisition Negotiating Team.
- Initiated effort to define short-term (4 month) course of work for IEP-related critical path items.

MWH Monthly Report

Interior Gas Utility

MWH Monthly Status Report

Date: August 31, 2016

This report is for the period July 30, 2016 – August 31, 2016

ACCOMPLISHMENTS

1. Task 1– IGU Support

- a. Responded to public inquiries and requests. Monitored news/activities related to IGU.
- b. Provided support to the IGU Board, and publically noticed upcoming meetings.
- c. Attended and supported the Board Meeting on August 2nd.
- d. Attended and supported the Board Work Session on August 16th.
- e. Attended and supported the IGU Finance Committee meeting on August 23rd.
- f. Prepared Board Meeting and Finance Committee agendas, supporting documents and meeting notes; distributed and posted notes online.
- g. Prepared IGU monthly status report and submitted to the FNSB.
- h. Processed billings and accounts receivables; coordinated with RJG Certified Public Accountants (RJG) when necessary.
- i. Worked on various FNG integration issues and proposal development.
- j. Begin modification to current procurement policies and procedures for future consideration.

2. Task 2 - Program/Project Management

- a. See Task 6 / 7 for AIDEA coordination.
- b. Updated Draft LNG to NG first gas and services schedule.
- c. Monitored and managed contract budget/financials.

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

- a. Monthly monitoring and adjusting budget spreadsheets for financial planning, project financing and project loans.
- b. Modeled modified gas conversion rates; financial variability and funding options for a combined gas utility; presented findings to the Board.
- c. Submit financial report to AIDEA on the current Line of Credit for the second quarter of 2016.
- d. Provided an opportunity for IGU Directors to operate hands on with the financial model under the online guidance of NewGen.

4. Task 6 – AIDEA Gas Supply, Transport and Delivery to FNSB

- a. Coordinated and supported the continued discussions on Gas Supply term sheets with IGU and AIDEA.

5. Task 7 – LNG Storage, Regasification, and Transportation Optimization

- a. Continued to support the analysis of various alternatives for optimizing the current system for IGU and FNG customers to hone in on LNG production plant optimization.
- b. Continued modeling and discussions for optimization of storage options for IGU's needs and verification of optimized LNG storage requirements for FNG.
- c. Continued interfacing with AIDEA/FNG regarding near future LNG transport options/plans.

6. Task 9 – Phase I Construction

- a. Supported Attorney (working on behalf of IGU) for the Nelson Road / Bumpy Road Easement claim; completed mediation.
- b. Continued work on back checking and finalizing Record Drawings and project records for final closeout.
- c. Continued coordination with ROW stakeholders, ADOT&PF, ARRC, FNSB and CONP, as well as with other construction contractors within the Phase 1 NG Distribution System project areas.
- d. Continued the closeout process for various project permits.
- e. Monitored and managed responses to the 811 Alaska Digline locate requests.
- f. Continued monitoring of pressures in the Phase 1 nitrogen charged NG distribution mains. Continued work with contractors to review pressure loss issues.
- g. Work with Engineer on potential trespass issues related to the North Pole Gavora Mall area.

7. Task 10 – Public Outreach

- a. Updated and monitored IGU's online presence.
- b. Completed website upgrades and redesign and migration to AlasConnect platform.
- c. Responded to local media representatives on stories regarding the IGU.
- d. Attended weekly Energy for All Alaska Taskforce meetings at FEDC.

8. Task 11 – Conversions

- a. Continued research regarding attributes of and lessons learned from existing financing and incentive offerings by utilities for energy efficiency (EE) upgrades.
- b. Identified the Environmental and Energy Study Institute (EESI) as a potential resource (free to IGU) for guidance and information regarding financing/incentive program design. Funded through June 2017, EESI is a non-profit entity, initially created by congress dedicated to promoting environmental sustainability. One area of services offered includes the spearheading a national on-bill financing initiative to help improve energy efficiency of homes served by public utilities. Currently involved with utilities in the mid-west and South Carolina.

- c. Initiated and continued conversations with EESI program director to coordinate availability to provide financing/incentive program design support to IGU.
 - d. Screened available data from Energy Efficiency stimulus funding (\$831B American Recovery and Reinvestment Act) for insights regarding availability of loans and grants, and effectiveness of funding availability on home owner decisions regarding energy efficiency improvements.
 - e. Identified additional considerations for attributes of high-impact, low-cost financing and incentivizing programs, they include:
 - i. Limited secondary markets for energy efficiency loans.
 - ii. In general, consumers have adequate access to funds for home improvements via savings, mortgage refinancing, Home Equity Line of Credit, and credit cards. The challenge is in enticing them to spend on energy efficiency improvements, which are not typically considered as value-added improvements for real estate pricing.
 - iii. Financing programs, even with low to no interest rates, do not necessarily result in high numbers of new customers.
 - iv. Rebates, ease of participation, and quality programs appeal to a higher percentage of potential customers than loan programs.
9. 10. Task DD – Due Diligence
- a. Continue review of AIDEA provided documents regarding the acquisition of Pentex.
 - b. Gained access to additional information through a virtual data vault, and currently reviewing.
 - c. Initiating process to conduct a site review of the Pentex Pt. McKenzie LNG facility.

September - What's coming up next?

- 1. Continued Due Diligence activities regarding the assessment of the proposed FNG (Pentex) asset acquisition.
- 2. Modeling/assessing the NG system integration scenarios for the potential FNG system integration.
- 3. Continue the development/analysis of LNG storage options in the North Pole area for the benefit of the Phase 1 NG distribution system and potential GVEA service.
- 4. Coordinating and developing an agreement with GVEA regarding LNG storage in the North Pole area.
- 5. Continue supporting IGU with the term sheet analysis associated with the Gas Supply Agreement
- 6. Assisting IGU in the negotiations process for the purchase of Pentex.
- 7. Development of new utility standards for NG distribution main monitoring, and emergency repair and response.

8. Provide financial modeling and support for the NG supply contract, LNG supply contract and assist with the LNG storage optimization.
9. Initiate the updating of the IGU utility capital improvement planning.
10. Monitor invoices and cash flows against the AIDEA Line of Credit.
11. Work with the financial contractor for accounting and audit services.
12. Continue to support the IGU Board of Directors.
13. Continue to advance the IGU new website functional improvements.
14. Continue to support the final clean up and close out of the Phase 1 NG Distribution System gas mains' construction contracts and record drawings completion.
15. With regards to the Conversions Program:
 - a. Continue coordination with EESI regarding program design and scope of their assistance.
 - b. Query other EE program administrators regarding lessons learned and program attributes.
 - c. Initiate decision tree for financing/incentive program design.
 - d. Continue to draft summary of findings from research.
 - e. I
16. Continue to provide support with scheduling and advancing the strategies for receiving additional LNG for IGU and FNG benefit.

MWH Amendment 002 Contract Financial Status as of 8/26/16

Interior Gas Utility 2016-17		2016-17 Contract	Task Order Authorized	Monthly Expenditure	Expenditure to Date	% of Total Contract Expended	Physical % Complete	Notes
Task 1	IGU Support	\$ 552,918	\$ 552,918	\$ 46,798	\$ 108,529	20%	24%	Funded 100% of Contract
Task 2	Program/Proj Mgt	\$ 249,987	\$ 124,994	\$ 6,988	\$ 23,148	9%	24%	Funded 50% of Contract
Task 3	Business Plan	\$ 92,085	\$ 46,043	\$ -	\$ -	0%	0%	Funded 50% of Contract
Task 4	Financial Planning	\$ 65,216	\$ 32,608	\$ 10,472	\$ 14,614	22%	15%	Funded 50% of Contract
Task 5	Gas Operator	\$ 61,023	\$ 61,023	\$ 165	\$ 556	1%	1%	Further Work Deferred
Task 6	Gas Supply-Trans-Del	\$ 58,493	\$ 58,494	\$ 18,873	\$ 37,668	64%	17%	Funded 100% of Contract
Task 7	LNG-Store-TruckUnload-Regas	\$ 66,464	\$ 66,464	\$ 2,451	\$ 4,256	6%	5%	Funded 100% of Contract
Task 8	Design Ph II-III-Transmission	\$ 74,676	\$ 37,338	\$ -	\$ -	0%	0%	Funded 50% of Contract
Task 9	Construction Mgt	\$ 187,800	\$ 93,900	\$ 5,264	\$ 14,290	8%	11%	Funded 50% of Contract
Task 10	Public Outreach	\$ 162,873	\$ 81,436	\$ 2,351	\$ 13,159	8%	17%	Funded 50% of Contract
Task 11	NG Conversions	\$ 291,905	\$ 145,953	\$ 12,181	\$ 35,364	12%	15%	Funded 50% of Contract
Task 12	FNG Integrations	\$ 133,634	\$ -	\$ -	\$ -	0%		Currently Deferred
Totals		\$ 1,997,074	\$ 1,301,170	\$ 105,543	\$ 251,584	13%	20%	

PDC Monthly Report



PDC INC. ENGINEERS

MEMORANDUM

To	David Prusak	From	Keith Hanneman
Firm	Interior Gas Utility	Date	August 31, 2016
		PDC #	14081FB
		Project Name	IGU – Phase 1 Design and Construction
RE	August 2016 Status Update		

David – This month we continued working on the gas distribution construction closeout, provided construction observation of the SWPPP, punch list, warranty, and work regarding repair of leaks. We delivered the GIS system for housing the system data from Phase 1 with only minor additions anticipated.

Permitting:

- Received additional comments from ADOT on August 25th regarding reseeding and locate box relocation they desired before permit closeout.

Gas Distribution Construction:

- Continued working on project contract close-out and coordinating repairs corresponding to concerns raised by residents.
- Nash ROW easement along Nelson acquired, agreement signed, and 2/3rds of money delivered in July with final check from Gage's insurance in hand and waiting for pickup by Mrs. Nash (she will come in when she recovers from sickness)!
- Winscott/Rublee ROW easement issue along Nelson – all parties reached agreement during mediation proceeding on September 12th.
- Gavora and CEM Leasing easements – continued coordination with them to pursue easements for where CEI installed the line just over the ROW onto their property. Anticipate delivering the parcel plats of the field surveys this week so that exact location of gas line in relation to lot line and improvements can be understood. This work is being paid for by CEI.

Below is the bulleted summary, organized by major work discipline, of our activities this past month and the activities we anticipate for the next month.

Alignment/Pipe Design:

- 1) August Summary
 - a) Awaiting final IGU comments on draft as-builts. Anticipate receipt by early September.
- 2) September Forecast
 - a) Final revisions to as-builts based on IGU comments. After final as-builts are prepared will create additional GIS feature to link as-built to GIS.

1028 Aurora Drive, Fairbanks, Alaska 99709
T: 907.452.1414 ■ F: 907.456.2707

2700 Gambell Street, Suite 500, Anchorage, Alaska 99503
T: 907.743.3200 ■ F: 907.743.3295

ROW Permitting:

- 1) August Summary
 - a) ADOT sent list of additional punch list items on August 25th. These locations were reviewed in the field on August 30th and where required information was passed on to contractors for correction.
 - b) Coordinated with RBC and they ground stumps in Zone B as required by FNSB closeout review
 - c) Coordinated with CEI to patch pavement in Zone A as required by FNSB closeout review. Work will be performed in coordination with other paving in the area in September.
 - d) Easement status noted in summary at top of memo
- 2) September Forecast
 - a) Respond to information needs of the FNSB or insurance carriers.
 - b) Coordinate with FNSB and ADOT to demonstrate that punch list are complete and permits can be closed.

Environmental Permitting

- 1) August Summary
 - a) ADNR field survey performed this month.
 - b) Reviewed State of Alaska update to Stormwater Pollution Control General Permit
 - c) Zone A contractor submitted NOT to ADEC to close their SWPPP.
- 2) September Forecast
 - a) Work with contractors on SWPPP closeout requirements/review.
 - b) Work on ADNR plats

Cultural and Historical Resources

- 1) August Summary
 - a) No activity.
- 2) September Forecast
 - a) Prepare annual report.

Geotechnical

- 1) August Summary
 - a) No activity.
- 2) September Forecast
 - a) No activity

Survey

- 1) August Summary
 - a) Supported IGU's participation in the Dig Line program with 24 calls in the month.
 - b) Coordinated with property owners regarding obtaining easements for CEI to resolve 4 conflict areas with private property.
- 2) September Forecast
 - a) Support IGU's participation in the Dig Line program.
 - b) Work on ADNR plats
 - c) Perform survey of FNSB easements
 - d) Coordinated with property owners regarding obtaining easements for CEI to resolve 4 conflict areas with private property.

Clearing Construction

- 1) August Summary
 - a) No activity except coordination with FNSB regarding Gage Tree Service and Nelson Road issue.
- 2) September Forecast
 - a) No activity anticipated.

Gas Distribution Construction

- 1) August Summary
 - a) Coordinated with contractors from each zone to complete punchlist and SWPPP closeout.
 - b) Worked with Zone C contractor to repair only leak in this zone (tightened 2" purge cap).
 - c) Worked with Zone B contractor as they uncovered and inspected/tightened 2" purge caps and caps on 4x2 and 8x2 high volume tapping tees (1 tee cap and several purge caps tightened).
Appear to have 3 of 6 pressure monitoring areas stabilized.
- 2) September Forecast
 - a) Continue working with Zone B to identify leaks.
 - b) Conclude gas distribution project SWPPP closeout
 - c) Conclude gas distribution punch lists.

Pipe Fittings and Locate Materials

- 1) August Summary
 - a) No activity
- 2) September Forecast
 - a) Final inventory memorandum.

Operations Support

- 1) August Summary
 - a) GIS: Deliverd GIS to store IGU Phase 1 pipe construction records
- 2) September Forecast
 - a) Add as-built maps to GIS.
 - b) Deliver TecHub information the second week of September for migration to FNSB GIS site by the end of September.
 - c) FNG Storage Peer Review – Additional information for peer review of AIDEA due-diligence information for FNG storage, and operations standards needs to be obtained by IGU for review to be meaningful. .

IGU Phase 1 – PDC Team – August 2016 Update

August 31, 2016

Page 4

Vendor:	PDC Inc. Engineers									
Billing Period:	Aug-16									
Contract:	Phase 1 Distribution Amendment #5 - Budget Summary									
Contract	Contract	Billed Amount	Billed Amount	%	%					
Work Packet	Amount	This Period*	Total to date*	Billed**	Complete**	Budget Change to Redistribute Budget	Overrun (+) / Underrun (-)	Notes		
Preconstruction Services	\$ 84,948.03	\$ -	\$ 84,787.50	100%	100%	\$ (12,807.97)	\$ (160.53)	Excess budget was used to help cover extended construction phase services		
Project Coordination and Management	\$ 41,768.00	\$ -	\$ 57,000.00	136%	100%	\$ -	\$ 15,232.00	Overage due to more effort than expected to manage materials contract and tracking/ordering/managing distribution of materials.		
Implement Project Control Systems	\$ 42,392.53		\$ 27,000.00	64%	100%	\$ (6,751.47)	\$ (15,392.53)	Setup took less effort than anticipated		
Setup Field Office	\$ 787.50	\$ -	\$ 787.50	100%	100%	\$ (6,056.50)	\$ -	Setup took less effort than anticipated		
Construction Phase On-site Services	\$ 203,616.00	\$ 1,000.00	\$ 205,500.00	101%	98%	\$ 50,000.00	\$ 1,884.00	Budget increased to cover more effort to manage the contracts in the office, especially Zone A		
Project Coordination and Management	\$ 202,761.00	\$ 1,000.00	\$ 205,500.00	101%	98%	\$ 50,000.00	\$ 2,739.00	Performing Contract closeout and observation of telemetry.		
Project Field Office and Support Equipment	\$ 855.00	\$ -	\$ -	0%	100%		\$ (855.00)	Charges coded to Construction Administration		
Construction Phase Services	\$ 1,078,959.04	\$ 4,000.00	\$ 1,065,000.00	99%	99%	\$ (79,311.96)	\$ (13,959.04)	Budget reduced to cover increases in budget in other tasks		
Construction Administration and Observations	\$ 779,784.04	\$ 3,000.00	\$ 666,500.00	85%	98%	\$ (79,311.96)	\$ (113,284.04)	Continuing coordination and observation of punch list items, SWPPP closeout and monitoring pressure readings.		
Office Engineering & Project Controls	\$ 186,805.00	\$ 1,000.00	\$ 240,500.00	129%	98%	\$ -	\$ 53,695.00	More effort to handle the technical questions, submittals, pay applications, etc. for the two clearing and three distribution contracts in the office, especially Zone A&C (Gage) and Zone A (CEI). Still need to do final pay application and record information review		
Environmental Compliance	\$ 25,110.00	\$ -	\$ 13,500.00	54%	90%	\$ -	\$ (11,610.00)	Still need to do the SWPPP closeout this summer		
ROW Permit Compliance	\$ 66,053.00	\$ -	\$ 124,000.00	188%	95%	\$ -	\$ 57,947.00	Remaining work is to address any comments from final permit submittals		
Cultural Permit Compliance	\$ 21,207.00	\$ -	\$ 20,500.00	97%	95%	\$ -	\$ (707.00)	Remaining work is to complete an annual report		
Supplemental Services	\$ 265,398.00	\$ 20,000.00	\$ 244,500.00	92%	90%	\$ 16,052.00	\$ (20,898.00)	Budget increased to cover additional survey and community liaison activities and reduced due to no geotech or haz mat activities		
Geotechnical and Hazardous Material support	\$ -	\$ -	\$ -	0%	100%	\$ (47,454.00)	\$ -	The crossing agreement with Alyeska required the contractor to hire Shannon & Wilson directly so this cost was not seen on the engineering side. We did not encounter field conditions that warranted observation by geotechnical engineer or hazardous material expert. Budget shifted to Construction Phase		
Surveying Services	\$ 173,861.00	\$ 20,000.00	\$ 160,500.00	92%	90%	\$ 22,446.00	\$ (13,361.00)	Remaining work is to do ADNR surveys office work		
Support Community Liaison Activities	\$ 91,537.00	\$ -	\$ 84,000.00	92%	96%	\$ 41,060.00	\$ (7,537.00)	Remaining work is to handle any homeowner complaints this spring		
Project Closeout	\$ 66,998.00	\$ 7,000.00	\$ 59,000.00	88%	53%	\$ -	\$ (7,998.00)	Budget increased to include updating ROW/Gas alignment and moving data to FNSB GIS hosting.		
Project Permits	\$ 28,260.00	\$ 1,000.00	\$ 31,000.00	110%	95%	\$ -	\$ 2,740.00	Remaining work is to address any comments from final permit reviews by ADOT		
As-Builts	\$ 14,519.00	\$ -	\$ 11,000.00	76%	85%	\$ -	\$ (3,519.00)			
Update ROW/Gas Alignment	\$ 7,000.00	\$ -	\$ 7,000.00	100%	100%	\$ 29,865.00	\$ -	Redrawing pipe alignments based on construction survey and redlines changes from contractors - Budget reduced because most of effort combined with and charged under Build GIS task		
Archive Documents	\$ 6,098.00	\$ -	\$ 3,000.00	49%	50%	\$ -	\$ (3,098.00)			
Transition from TechHub to FNSB GIS hosting	\$ 11,121.00	\$ 6,000.00	\$ 7,000.00	63%	60%	\$ -	\$ (4,121.00)			
Operation Support	\$ 189,816.00	\$ 14,000.00	\$ 132,000.00	70%	70%	\$ -	\$ (57,816.00)			
Digline Locate Support	\$ 25,000.00	\$ 7,000.00	\$ 35,500.00	142%	142%			Currently using underrun in Build GIS to cover the overage. Will request amendment for the next 6 to 9 months of locate work.		
Build GIS	\$ 100,370.00	\$ 7,000.00	\$ 90,500.00	90%	90%	\$ 29,865.00		GIS system being created to store construction records and to allow easy access for future operation and PHMSA audits - Budget increased from Update ROW/Gas Alignment efforts combined with and charged under this task.		
Review of FNG tanks due diligence - Phase 1	\$ 16,880.00	\$ -	\$ 6,000.00	36%	25%					
Review of FNG tanks due diligence - Phase 2	\$ 23,868.00		\$ -	0%						
Additional Gas Standards	\$ 14,009.00		\$ -	0%						
Additional Engineering Support	\$ 9,689.00		\$ -	0%						
TOTALS	\$ 1,889,735.07	\$ 46,000.00	\$ 1,790,787.50	95%	95%					
	\$ 26,067.93	Transferred to Balance Design Phase Overages				\$ 26,067.93	\$ -	Transferred to Balance Design Phase Overages (completing ROW permits) that were charged after the construction amendment was approved and the previous overages were credited		
	\$ 1,915,803.00	Total Construction Phase Amendment				\$ (0.00)	\$ (98,947.57)			
						Check for no change in budget	Amount Remaining in Contract			
	\$ 1,590,257.00	Check								
*THESE TOTALS INCLUDE THE ESTIMATED HDR AND PDC BILLING THROUGH August 23rd.										
**% BILLED, AND % COMPLETE ARE ALL WITH CONSIDERATION OF BOTH THE CLEARING AND THE GAS DISTRIBUTION CONTRACTS.										