

Regular Scheduled Board of Directors Meeting

Tuesday, April 19, 2011

Nushagak Cooperative Board Room, 7:00 p.m.

MINUTES

Call to Order: Board President Pete Andrew called the Regular Scheduled Board of Directors Meeting to order on Tuesday, April 19, 2011 in the Nushagak Cooperative Board Room. The time was 7:05 p.m.

Directors Present: Pete Andrew, President
Henry Strub, Vice President
Rae Belle Whitcomb, Secretary
Fritz Johnson, Director
Todd Radenbaugh, Director (Telephone)

(Quorum Established)
Steve Foy, Director
Steve Noonkesser
Chris Napoli, Director

Directors Absent: Doug Calaway, Director

Staff Present: Mike Megli, CEO/GM
Nancy Favors, Customer Service Manager
Michael Favors, Telecom Operations Manager
Bernie Venua, Power Plant Technician

Guests Present: Mike Mason, KDLG
William Williams – Gave a presentation on the USDA Community Loan project.
Petla Noden – Gave a brief presentation on an idea for a wind project in the Bristol Bay area. It was directed by the Board of Directors for the Wind Committee Chair to get in touch with Mr. Noden to get a more in depth explanation of this wind project idea.

Approval of Agenda:

Chris Napoli motioned and Henry Strub seconded the motion to approve the April 19, 2011 regular Scheduled Board Meeting Agenda. The motion carried 6-0.

Approval of Minutes:

Steve Foy motioned and Henry Strub seconded the motion to approve the March 15, 2011 Regular Scheduled Board Meeting Minutes to reflect in the minutes what stage the Hydro Kinetic project is in and the in-kind contributions the cooperative will donate upon the implementation stage of the project, to finish the sentence under General CEO Discussion section and to change the date under the GCI cell phone motion. The motion carried 8-0.

Reports:

- A. Mike Megli – Submitted a written report.
- B. Nancy Favors – Submitted a written report.
- C. James Thames – Submitted a written report.
- E. Financial Report – A written report was submitted

Discussion/Review Items:

Election of Officers – The officers for the 2011 year is as follows: President – Pete Andrew, Vice-President – Henry Strub, Secretary – Rae Belle Whitcomb and Treasurer – Steve Foy.

AMERESCO – Mike Megli shared the price difference of actual avoided fuel cost versus the \$0.34 that AMERESCO used in their proposal.

Ed Rinn shared the difference in projected cost estimates.

Gary Gagnon gave an update with why the cost estimate increase was due to concrete foundations and lack of Crane, etc.

Ed Rinn gave an overview of CREBs project and cost as well as extra costs associated with the CREBs funding.

Discussion in reference to Kilowatt rate associated in spread sheets. Steve Noonkesser wanted to know why the payoff was 8 years versus 26 years and 27.59 years.

After a tremendous amount of discussion it was agreed that the next step for this project was to get formal permission from Choggiung Ltd. to use the land for this project.

The wind project will be put on May's agenda to be discussed further with some bank proposals for loans and to see if Nushagak is any closer to Choggiung's permission for the use of the land.

Break: President Pete Andrew called for a brief recess. The time was 8:20

Call to order: The meeting was called back to order by President Pete Andrew. The time was 8:27

USDA Community Loan – William Williams handed out some information about the USDA Community Loan and gave a brief presentation and answered some questions that the board had concerning how this loan worked. William Williams gave the loan packet to Ed Rinn if in the future the Board of Directors wanted to pursue this type of loan for the community. There was no action taken at this time.

General Board Discussion – Pete Andrew informed the Board of Directors that Doug Calaway moved to Anchorage, therefore forfeiting his board seat. Under the new bylaw that was passed at the 2011 annual meeting, the vacancy has to be advertised for 30 days in order for the member/owners who are interested to submit a letter to be considered to fill the vacant seat.

The Board of Directors directed staff to bring this bylaw back to Kempell, Huffman and Ellis to clarify the wording to make the bylaw reflect directors that stepped down from the board.

Motion: Rae Belle Whitcomb motioned and Chris Napoli seconded the motion to announce the board vacancy as of Wednesday, April 20, 2011. The motion carried 8-0.

The Board of Directors also directed the board to post the Agenda and Approved Board Minutes on the Nushagak website for the member/owners.

The GCI proposal was reviewed and discussed. This is the first draft and was just received a few days prior. The Board of Directors directed Mike Megli to continue negotiations with GCI to get something more concrete. Mike Megli will bring the negotiated proposal back to the board for more discussion. There was no action taken at this time.

General CEO Discussion – Nothing at this time.

Action Items

Resolution 2011-14 –Retirement of Capital Credits, Fritz Johnson motioned and Chris Napoli seconded the motion to approve Resolutions 2011-14. The motion carried 8-0

Fuel Contract – Steve Foy motioned and Henry Strub seconded the motion to approve the fuel contract that was reviewed by Kempell, Huffman and Ellis. The price is \$2.97per gallon; once the fuel lifts there is a window of 15 days before and 15 days after. If the price goes up we pay the difference. It is a floating price, not a fixed price. The motion carried. 8-0.

The Board of Directors directed Nancy Favors to go ahead with the New Wells Fargo Credit Cards due to the old ones being discontinued at the end of June.

Director Items

Future Board Items/New Business

Unfinished Business.

Strategic Planning – Pete Andrew will get with Mike Megli to schedule a meeting.
Energy Conservation Committee – Need to schedule a meeting.

Future Meetings & Conference Dates:

2011 ATA Annual Meeting, Valdez, AK, May 23-25
Southeast Conference Annual Meeting September 13-15, 2011 Juneau, AK
Alaska Rural Energy Conference September 27-29, 2011 Juneau, AK
NRECA Regions VII & IX Meeting October 11-13, 2011 Denver, CO
APA-NWPPA Alaska Utility Conference November 2-4, 2011 Anchorage, AK

Adjournment- With no further business to come before the Board, Steve Noonkesser motioned and Henry Strub seconded the motion to adjourn the April 19, 2011 Regular Scheduled Board Meeting. The time was 9:47 p.m. The motion carried 8-0.

Respectfully Submitted By:

Angela Thames, Executive Secretary/Recorder 04/19/2011
Date

Approved By:

Rae Belle S. Whitcomb, Secretary Date