



BOARD OF DIRECTORS REGULAR MEETING
March 29, 2017 – 11:00 AM
INNEC CONFERENCE ROOM
Newhalen, Alaska

1. Call to Order and Roll Call

Bob Tracey called the regular meeting of the Board of Directors of INN Electric Cooperative, Inc. to order at 11:00 AM. The meeting was held in the INN Electric Cooperative conference room in Newhalen Alaska.

Board Members Present: Bob Tracey, Evelyn Trefon, and John Baechler. Also present: George Hornberger (INN General Manager). And via teleconference: Terri Earl (Financial Manager), and Garrett Dibble (Financial Assistant).

2. Approval of Agenda

John Baechler MOVED to approve the agenda as presented. Evelyn Trefon SECOND. ALL IN FAVOR. MOTION CARRIED. Agenda is approved

Joy Merriner from BDO joined via teleconference to discuss recent 2016 Audit wrap up and financial statements

- a. Discussed December accrued expenses being paid in January.
- b. No significant deficiencies or points of weakness.
- c. Recommend someone calculate CFC Debt Covenant on a more regular basis to monitor average debt service coverage ratio.

3. Consent Items

a. Minutes of February 14, 2017 Regular Meeting

The minutes were presented to the Board.

John Baechler MOVED to approve the minutes as presented. Evelyn Trefon SECOND. ALL IN FAVOR, MOTION CARRIED. Minutes were signed.

b. Minutes of April 9, 2016 (Housekeeping Item)

The minutes were presented to the Board.

John Baechler MOVED to approve the minutes as presented. Evelyn Trefon SECOND. ALL IN FAVOR, MOTION CARRIED. Minutes were signed.

c. Memberships, Conversions & Cancellations

None to present.

4. Checks Written, Revenue Report & Financial Statements

Presented and discussed.

Lack of selling interruptible power due to low water.

King Cove has approached us looking for help with administrative and accounting review.

5. Manager's Report

Discussed bill that was presented by Don Henry.

George will be gone 4/12 – 5/7 for vacation.

6. Operators Report

James Wassillie has been hired to fill plant operator position.

7. Unfinished Business

a. **Distribution Update** – Good, no problems.

b. **Hydro Update** – Good, low water.

c. **Diesel Plant Update** – Good, no problems.

d. **Tazimina Upgrade Study** – Discussed the survey work that was done on river bottom for Obermeyer Dam placement.

e. **3rd reading of Resolution 17-02 (Final Approval April 8, 2017 meeting)**

8. New Business

a. Audit Approval

John Baechler MOVED to approve the audit as presented. Evelyn Trefon SECOND. ALL IN FAVOR, MOTION CARRIED.

b. New Vehicle (truck) Discussion

Presented and discussed the need for a new truck for coop. Board has agreed that we can start looking at options and send out RFP.

c. Contract Approval HDR Task Order 2 (Action Item)

Task Order presented from HDR to provide engineering, regulatory (permits), and grant application expertise in support of the Tazimina Hydroelectric Project capacity increase.

Evelyn Trefon MOVED to approve the task order and that it would be paid with Anglo Funds. John Baechler SECOND. ROLL CALL VOTE: Evelyn Trefon YES. John Baechler YES. Bob Tracey YES. MOTION CARRIED. TASK ORDER APPROVED.

d. Contract Approval Eshco Construction (Action Item)

Presented and discussed contract from Eshco Construction. Casey (from Eshco) joined via teleconference to answer questions referring to "major unforeseen events"

Evelynn Trefon MOVED to approve the contract and that it would be paid with Anglo funds. John Baechler SECOND. ROLL CALL VOTE. Evelynn Trefon YES. John Baechler YES. Bob Tracey YES. MOTION CARRIED. CONTRACT APPROVED.

e. Board Stipend discussion

Evelynn requested that the board members meeting stipend be reduced from \$250 to \$200. George asks for full board participation before further discussion of stipend reduction. (TABLED)

f. KDLG Repeater

Evelynn requested that INN install a KDLG Repeater on building, at no charge and for no profit. George questions of size of unit and power consumption. Also on amount of interference to INN's work radio signal. It was requested that Evelynn bring back more information about KDLG Repeater to next Board Meeting.

g. Scholarship Donation

Evelynn requested that INN donate \$1000 to a scholarship fund. George says NO cash donations.

h. 2017 NRUCFC Forum.

George wants to send Evelynn to CFC Forum in San Antonio TX, June 11 to 14, 2017. Board agrees.

9. **Membership Participation** – No members present.

10. **Miscellaneous/Board Comments**

a. **Next meeting dates: April 8, 2017 immediately after Annual Meeting
May 31, 2017 at 11:00am**

b. CONTINUED DISCUSSION ON ESHCO CONTRACT:

Board discussed in further detail the Eshco contract. After further deliberation, Terri Earl recommends rescinding motion as voted on. Evelynn Trefon MOVED to rescind motion. John Baechler SECOND. ALL IN FAVOR, MOTION PASSED. CONTRACT RESCINDED.

Board further discussed "unforeseen events and exclusions" section of contract and performance bonds for this contract and upcoming contracts. Board asks George to contact Eshco and further discuss and rewrite contract to be more specific as to what "unforeseen events" INN would be responsible for. Further discussion on contract with Eshco to resume at April 8th Board meeting.

c. NIKKI AND RAMONA SUGGEST A KIDS COLORING CONTEST:

Talk of handing out coloring pages at the schools. Offering an electricity gift certificate for the winners of each age group (3 age groups). Board agrees that they would be the judges of the coloring contest.

11. Adjournment – 1:12 PM

John Baechler MOVED to adjourn the meeting. Evelyn Trefon SECOND. ALL IN FAVOR,
MOTION CARRIED.



President

Attest 

Secretary/Treasurer