

IDITAROD TRAIL COMMITTEE, INC.
BOARD OF DIRECTORS MEETING
Millennium Alaska Hotel
December 2, 2011

CALL TO ORDER

The meeting was not called to order because a quorum was not present.

ROLL CALL

Members present: Andy Baker, Aaron Burmeister, Mike Jonrowe, Danny Seybert and Rick Swenson (via phone.)

Members not present: Mark Moderow (on his way), Aliy Zirkle (on her way), John Handeland, Mike Owens (calling in) and Joe Redington Sr.

Others present: Stan Hooley, Executive Director; Mark Nordman, Race Director Logistics & Competition; Don Patterson, Finance Director; Greg Bill, Development Director; Andy Willis, Logistics Coordinator; Stuart Nelson, Jr., DVM, Chief Veterinarian; Will Peterson; Dale Meyers; Jeff Schultz; Judy Bittner; Cathy & Linwood Fiedler; Dave McLoughlin and Greg Heister

Hooley noted that Owens is in Florida with family issues.

The President noted that Redington's absence is excused. He is on the trail.

The meeting proceeded with non-voting matters while the board waited on a quorum.

CHRIS GILL – GCI

The President introduced Chris Gill, Director of Project Management for GCI.

Gill noted that he was there to tell the Board a little about the Terra NW Project. They want to put a cell tower near Golovin which will be visible from the Iditarod Trail. This would remove the limitations that the people in those villages have with satellite communications and would be a plus for schools and hospitals for video conferencing and sending huge files of material. This will give rural Alaska better means to communicate quickly. There is huge support in the communities. It is also a safety issue. He explained that they were currently going through the environmental study process with the BLM. He asked for a Letter of Support for the project from the Iditarod Trail Committee to the BLM.

Mark Moderow arrived and a quorum was present.

The meeting was officially called to order.

LINWOOD & CATHY FIEDLER – ARCTIC PAWS FOR SERVICE

The President noted that Linwood and Cathy Fiedler were at the Board meeting to talk about their service dog project and introduced them.

Linwood Fiedler explained that he and Cathy had been active in raising funds for the service dog to go to Unalakleet and in the process they learned a lot about resources in Alaska. They discovered that there was a real need for a non-profit organization to train service dogs in this State. They have received their non-profit status. They proposed a long term symbiotic relationship between their organizations, Arctic Paws for Service and the Iditarod Trail Committee. Fiedler noted that that would help raise funds as well as awareness for what they are doing.

He suggested it would be a win win situation for both organizations and suggested fund raising at the Iditarod banquet, as they did last year for the Erickson boy's dog, as well as links from the ITC web page to their web page.

He noted that they had patterned after Pathways to Hope run by Sister Pauline. He explained that they would work with the Department of Corrections to have inmates do the first year of training with the dogs.

Fiedler explained that they had applied for a grant from the Mat-Su Health Foundation and any funds received from them would have to be used in the Mat-Su Borough but ultimately, they would like to be able to spread out all over the State and work with village kids and their parents. It was also pointed out that they were going to do this on a sliding scale so as not to make it so expensive for people.

He asked the Iditarod for a letter of support that they could use when applying for grants.

JUDY BITTNER -- IHTA

Judy Bittner noted that the IHTA had supported Dan Seavey's run in the 2012 Iditarod to highlight the last year of the centennial celebration of the Iditarod Trail. She asked if the Iditarod would consider incorporating "40th race in the 100th year of the trail" in some of their publicity. She explained that they plan to have something special happen in every checkpoint to celebrate the history of the trail.

She further suggested that they would like for Seavey to be able to wear bib #100.

She noted that they would be working with the Iditarod Board and staff to get the word out and to promote the 40th Race and the 100th year of the trail at various events.

She explained that that is the second year of their iTREC! Program, teaching teachers in Alaska how to develop their own curriculum that would increase student literacy skills and foster student understanding of and appreciation for the public lands and resources connected by over 2400 miles of the Iditarod National Historic Trail. She noted that this program is very compatible with the Iditarod's Target Teacher on the Trail program.

Dale Meyers, a member of the IHTA Board, asked about writing something into the script at the race start about what Dan Seavey is doing and why. Bittner agreed to do that and provide it to the ITC.

Heister also noted that there was a lot the Iditarod Insider could do to help promote this, too.

JEFF SCHULTZ – OFFICIAL IDITAROD PHOTOGRAPHER

Schultz showed his 40th Anniversary signed and numbered limited edition print that he has produced and presented the board members and staff with a print. He said they'd be selling for \$22.95 and there were only 1049.

TRAIL ROUTE CHOICES

Hooley explained that some work has been done by Cruz Construction to establish a winter road in the area of our trail. This has provided us with choices and opportunities.

Nordman explained that the winter access road is to the Kiska Metal mining site. He said it will not be put in place this year. But the work that was done last year may allow us to bypass the Steps. The Steps have been a historical part of the trail and some think we should continue to go that way, but Nordman feels we should use the safest way possible.

He explained that Cruz is very supportive of the Iditarod. He said no one has really used this trail yet. It picks up about 2 miles prior to where we would start down the Steps and crosses the Happy River and then gets back into the usual trail. He said it is a couple of miles of trail.

Nordman explained that the trail crew will make sure both options are ready to use . We will use this new way if we can, but if we can't we can still use the Steps.

APPROVAL OF AGENDA

Seybert/Jonrowe moved to approve the agenda as presented. Motion passed unanimously.

ADOPTION OF MINUTES

Moderow/Seybert moved to adopt the minutes of the October 1, 2011 meeting.

Hooley noted that between the October 1 meeting and this meeting, actions of the Rules Committee had been approved by the Executive Committee. Moderow noted that minutes should be taken of Executive Committee meetings when action is taken.

Moderow/Seybert motion passed unanimously.

PRESIDENT'S REPORT – ANDY BAKER

Baker reported that there hasn't really been anything new. He said he is really happy with the Executive Committee and urged all Board members to participate. He noted that Hooley had done a good job with his reports and keeping everyone up to date.

EXECUTIVE DIRECTOR'S REPORT – STAN HOOLEY

Hooley submitted a written report.

Hooley noted that we have 66 teams entered and four or five others at various states of the entry process. He said he expects to see 65 plus teams at the race start.

He reviewed the financial information as printed in his report.

The operating budget called for \$4,087,283 in revenues, an increase of \$141K over FY11, \$3,684,266 in expenses, an increase of \$126K over FY11 and net revenues of \$403K, \$138K of which is to be used to retire long term debt.

The current projection is \$3,977,655, in revenues, a decrease of \$110K under budget, expenses of \$3,728,927, an increase of \$45K over budget and thus net revenues of \$249K, a decrease of \$154K under budget.

Hooley pointed out that the footage licensing revenue forecast had been reduced by \$100K because a project that was to have taken place this year was put on hold. The Idita-Rider Musher Auction forecast was reduced by \$25K based on what is happening with the Idita-Rider Auction at this time. Contributions revenue was increased by \$11K due to a donation by a raffle truck winner who chose to take the cash rather than the truck and donated part back to the ITC.

For expense projections, the expense for Iridium short burst data time and satellite telephone airtime has been increased by \$30K because of changes in Iridium's policies. And because of a recent vote of the Board of Directors, the projected increase in expense for board travel is \$15K.

He also explained that we experience 24% of Iditarod's income in July, August, September and October and November, 7% in April, May and June and 69% in December, January, February and March. He pointed out that Iditarod must experience projected success in sponsorship sales, raffle ticket sales, the Idita-Rider Musher Auction, the Iditarod Insider VOD and GPS Tracker subscriptions, merchandising, banquet ticket sales and membership to meet this projection. He said that we believe we are in a position to achieve the revised revenue projections, which include \$77K in new sponsorship revenue.

Hooley noted that the financial detail is included in the Board packet.

Moderow noted that getting the Accounts Payable down by this time is impressive and also that we're halfway there in raising new sponsorship revenue.

Seybert asked about the increase in PR expenses and Hooley explained that that was the production of the new documentary.

RACE DIRECTOR COMPETITION AND LOGISTICS – MARK NORDMAN

Nordman submitted a written report.

Nordman explained that he and Dr. Nelson had not made it to Shaktoolik for the planned vet clinic so had done an impromptu one in Unalakleet. He explained that they will send a vet to Shaktoolik ahead of the mushers to do vaccinations there.

He noted that the snow machines are in town and all are being prepped now for the Race.

He also reported that the race extending the Portage 200 to Nome is probably going to happen. He said Middy Johnson had entered into a contract to have that race and explained that planning for it had gotten slowed down by the unexpected recent death of Paul Johnson.

CHIEF VETERINARIAN'S REPORT – DR. STUART NELSON, JR.

Dr. Nelson submitted a written report.

He noted that there was a lot of positive feedback from their trip to Unalakleet. They vaccinated 50 dogs. They went to several homes to check dogs including Erickson's where he examined Logan's service dog.

He said this could be a huge program of outreach on the trail if the funding were available.

DEVELOPMENTAL DIRECTOR'S REPORT – GREG BILL

Greg Bill noted that last year NSED help us with the Nome banquet by donating 1000 lb. of seafood. They are checking to see about doing this again for the 2012 banquet in Nome. He said they had also talked to him about having a seafood chowder feed at White Mountain for every musher.

Baker suggested that we try and accommodate them in White Mountain. Nordman noted that anything we can do to boost the relationship between White Mountain and Iditarod would be great. Moderow suggested that rather than just a musher feed, it could be a community feed. Seybert suggested that we agree to this with the expectation that they become a sponsor next year. Zirkle noted that there would need to be a responsible liaison between NEDC and ITC.

With regard to the special award NEDC mentioned, Moderow noted that allowing them to do that would dilute Iditarod's brand and the ability to service the Iditarod sponsors. If we were to let them do something, he suggested that they not be listed as one of the special awards. Burmeister suggested that allowing this would help grow the relationship between NEDC and ITC.

Greg Bill noted that he had met with Marilyn Romano at Alaska Airlines with the goal of bring them on as a principal partner. He explained that she wanted to meet with Hooley prior to meeting with the sponsor group.

Bill also noted that Seybert had been a huge help in getting us talking to Petro Star. Mark John thought he could get \$20K for aviation fuel, but it got stuck when it got to the new president of ASRC. Bill asked for help from Baker to get to upper management at ASRC.

Moderow asked for an update from the sponsor group. Baker reported that they are supportive and want to get more involved. He said they are happy with how the Donlin money was spent. Within several weeks, they want to have a meeting and each will bring in several new players. Alaska Air is the hold up because Romano wants to meet with Hooley before meeting with the sponsor group.

IOFC – ALIY ZIRKLE

Zirkle had no report from the IOFC.

MUSHERS' REPRESENTATIVE – ALIY ZIRKLE

Zirkle reported that the mushers are reading the minutes. She noted that everyone is excited about the reduction in cost for food drops.

Baker commented that in the Five Year Plan we have planned for food drop assistance and we have to do it because we've said we would and it's in the Five Year Plan. Jonrowe read from the minutes of the last meeting : "Then there was discussion about rather than lowering the entry fee, the Iditarod pick up part of the food drop expenses. It was decided to put in for next year a budget expense of \$62,000 to cover the first \$1,000 of each musher's food drop costs. It was noted that this was a just a proposal."

Zirkle noted that there was concern about how Iditarod will verify documentation for vaccinations. Dr. Nelson noted that this has been on the honor system. There isn't any other way to do it.

The other concern of the mushers noted by Zirkle is that staff knows more than they should about the TUEs mushers get related to the drug testing rule. Nordman commented that there is a single point of contact at Beacon Worksafe and that is the only person who knows anything about the TUEs.

HONORARY MUSER COMMITTEE – AARON BURMEISTER

Aaron reported that the committee had selected Dave Olson as honorary musher for the 2012 Iditarod.

Seybert/Moderow moved to accept the nominating committee's recommendation. Motion passed unanimously.

It was agreed to try and reach Dave by phone at the end of the meeting.

RE-START FUTURE

Baker noted that Senator Murkowski had gotten all the players together and he and Hooley had met with them. It was noted that Iditarod wants to see all the past discussions gone and get forever permission to stay where we are currently having the re-start. The biggest problem is that State land can't be used to charge fees and not return funding to the State. It was suggested that Iditarod get a 20 year lease on the land where we are currently parking and the State only charge for using it one day a year. Moderow suggested that since we fly our trail supplies from there, that would be another use.

Hooley noted that Iditarod is banking on different personalities and a different slate of users . Many of the prior issues were based on personalities. The new group is friendly to the ITC and Hooley is hopeful and optimistic that within the next few weeks we'll be able to undo this.

Baker introduced Jim Houston and Jim Norcross, who were at the meeting to talk about the re-start. Houston noted that he had eight years of documentation that he will give to Hooley on the work he's done with the State. He noted that the State could give up the land they are not using. Churches and schools are currently on aviation lands and that land will never be used for aviation purpose. He noted that this goes way beyond a one day use for the Iditarod re-start.

Norcross noted that the long term solution would be to determine if the FAA had invested west of the highway. He said they would like to see the FAA out and the property go back to DNR. Then it would be like any other lake in Alaska. He said they are working with the legislators to get it turned back to DNR. There will be a meeting on the 12th of this month at LIO and he suggested that Hooley attend that meeting. He will get the time to Hooley later.

NEW BUSINESS

Baker noted that this morning the Board received two requests for letters of support, one for GCI's Terra project and one for Arctic Paws Service Dogs.

Seybert/Burmeister moved to support the GCI project.

Baker and Moderow noted that they are affiliated with GCI and asked about voting. It was noted that as long as they declared their affiliation, they could vote.

Seybert/Burmeister motion passed unanimously.

Baker noted that he would like Seybert's signature on the letter because of his GCI affiliation.

Moderow/Burmeister moved that staff work with the Fiedlers on ways we can help their organization.

Hooley noted that the letter of support for what the Fiedlers are doing is something we should do. He also suggested that there would be other things such as a website link and occasional mention in the E-Runner.

Heister noted that they could do something on the Insider too.

Seybert noted that Iditarod needed to stay away from hosting fund raisers for other organizations at the banquet.

Moderow/Burmeister motion passed unanimously.

REQUESTS FROM IHTA

Greg Bill suggested one possibility, in honor of this 100th year of the trail, would be to start numbering the bibs at 100 so the numbers would be 101, 102 etc. rather than 1, 2 etc.

It was suggested that Seavey leave in front with bib 100 at the start and wear his regular number at the re-start. Burmeister noted that we didn't want to have anyone go out ahead of the honorary musher. Hooley noted that there are other significant ways to call attention to the 100th year of the trail and said he sees the bib numbers as the less significant part.

COMMENTS FOLLOWING PREVIEW OF "WHY DO THEY RUN?"

Comments were made about the negative portrayed in the steps scenes as well as overstating things when we indicate that problems have been solved that are just in the process of being solved. It was suggested that there might be some way to promote the sponsors more. Maybe there could be different versions: one for schools, one for new sponsors and one for various meetings. Nelson also suggested that specific medical conditions be deleted.

Heister agreed to take all the discussion into consideration and work on it with those in mind.

DIRECTORS' COMMENTS

Aliy Zirkle – Glad to here in person rather than on the phone. Sorry for being late.

Mark Moderow – No comment

Mike Jonrowe – Appreciates people being here. Thinks it is a good DVD.

Aaron Burmeister – Meeting has been good. We are moving forward. Appreciates everyone's hard work.

Danny Seybert – Thought it was a good meeting.

Andy Baker – Thanked everyone. We're moving forward.

ADJOURNEMENT

Meeting adjourned at 1:30 p.m.