

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Tuesday, May 28, 2013
By Telephone Conference Call and “Go To Meeting” Application

MINUTES

Members in attendance:

John Bush, Treasurer
Erik Cordes
Josh Davis
Nick Dembsey
Sharon Kennedy, President
Gary Kunz, Vice President
Karen Mathiasen, Clerk
Suellen Peluso
Sally Russell
Tom Smurzynski (Pres., ISAUU)
Charlie Stauffacher (Pres., SIUCC)
Jordan Young

Absent:

Russell Peterson

Others attending the meeting

Joe Watts, CEO

For opening words, Joe Watts, substituting for Russ Peterson, read “For a New Beginning” by John O’Donohue, from *To Bless the Space Between Us*:

In out-of-the-way places of the heart,
Where your thoughts never think to wander,
This beginning has been quietly forming,
Waiting until you were ready to emerge.

For a long time it has watched your desire,
Feeling the emptiness growing inside you,
Noticing how you willed yourself on,
Still unable to leave what you had outgrown.

It watched you play with the seduction of safety
And the gray promises that sameness whispered,
Heard the waves of turmoil rise and relent,
Wondered would you always live like this.

Then the delight, when your courage kindled,
And out you stepped onto new ground,
Your eyes young again with energy and dream,
A path of plenitude opening before you.

Though your destination is not yet clear
You can trust the promise of this opening;
Unfurl yourself into the grace of beginning
That is at one with your life's desire.

Awaken your spirit to adventure;
Hold nothing back, learn to find ease in risk;
Soon you will be home in a new rhythm,
For your soul senses the world that awaits you.

Sharon Kennedy called the meeting to order at 7:09 p.m.

Consent Agenda. It was unanimously

VOTED: To approve the minutes of the April 23, 2013, meeting of Directors.

CEO Report. Joe Watts, CEO of the Star Island Corporation, began by congratulating Sharon Kennedy and Gary Kunz on their election as President and Vice-President, respectively, of the Star Island Corporation, following the SIC Annual Meeting on April 27. He then presented some highlights from the report, including some items pertaining to the Director of Development's report, which are included herein.

- **Opening Readiness.** Joe was pleased to report that Open Up is going well. Rye Fire Department made their inspection on May 23, and gave us their permission to open. There are still a few fire safety items to be completed, some for this summer and others for later on; they are scheduled for completion.
- **Registration Update.** We currently have registrations for 14,060 bed nights against a goal of 18,630, well ahead of where we were this time in each of the last two years. The upward trend is continuing, but we have not yet reached our goal. Further, projections are complicated by new factors, such as widespread registering online this year, which could be leading to earlier registrations than in other years. Also, there is concern that some conferences that have historically filled are not filled yet.
- **Development Report.** The Veatch Foundation has informed us that Star Island has received a \$100K grant from the UU Congregation at Shelter Rock (UUCSR). The grant will support the installation of a new fire pump as well as sprinklers in the chapel and a line run down to Stone Village. Our thanks to the team at UUCSR and to the leadership of the Lifespan Religious Education (LRE) conference, which is heavily attended by UUCSR members. Kudos to Irene Bush for her help with the application. Our request to Liberty Mutual for \$10K to repair the Smith monument was declined. We are also looking into some other government grants.
- **Other.** Plans for the June 8 Regatta are doing well. We are tracking well on the Annual Fund. All in all, Joe said he feels that things are going well.

Treasurer's Report. In view of the grant from Shelter Rock, we should revise our capital budget. The Shelter Rock grant will fund some of our existing capital budget items, and thereby free up some funds for other projects. At our June Board meeting, we will have updated bed night numbers. John recommended that in June we take another look at our five-year budget forecast.

VOTED: To accept the CEO report, including the report of the Director of Development, and the Treasurer's report.

Pel Report. In the absence of the Pel Representative, there was no report.

Look Back at 2013 Annual Meeting. The Church Fair exercise was new this year, and we asked if it accomplished its purpose. It did bring new people interested in volunteer positions. Joe asked that we inform him of anyone interested in serving on a committee.

Five-Year Capital Improvement Plan (CIP). In his role of Board Liaison to the Strategic Facilities Planning Committee (SFPC), Nick Dembsey gave the report. The CIP is based on input from staff and the SFPC, and has been reviewed by SFC, our fire safety consultant. Conceptually speaking, our capital spending can be considered at three funding levels:

\$200K-\$300K per year - Critical needs only. Some operating permits may lapse.

\$400K-\$500K per year - Stabilization and improvement of facilities; maintenance of operating permits

\$700K-\$800K per year – Facilities are healthy, stable, and attractive; code compliance and systems brought up to “modern standards.” Operating permits easily maintained.

This exercise is meant to give the Board a context for spending, say, \$500K in capital improvements and for analyzing the possible trade offs among various projects. The CIP is currently shown as \$400K-\$500K per year. Nick reviewed what this might cover, and when. He also reminded us some of the great uncertainties we could face including problems with old buildings, changes in personnel, and revising of priorities. “Modern standards” can have multiple interpretations. For example, we could be exempt from such standards or given more time to meet them.

In view of the Shelter Rock grant and also some winter storm damage, described below, it was moved and seconded that we amend the 2013 Capital Budget. After discussion, it was unanimously

VOTED: To amend the 2013 Capital Budget as shown in the proposed budget presented to the meeting, including raising the 2013 total from \$398,348 to \$479,915.

Strategic Plan and Next Steps. Sharon requested that we review the Three-Year Strategic Plan before the June Board meeting, so that we might approve it then. The staff will continue developing the tactics part of the plan. It was noted that at the Annual Meeting there was not a

lot of feedback on the Plan.

Solar Project Update. Joe Watts gave the report, stating that the technical development was going “splendidly.” We are now working on refinements to the plan, and Joe is meeting every other week with Clay Mitchell of Revolution Energy. The financing part is taking place in parallel. More information will be provided at our June 29 Board meeting. Our present energy costs are very high due to a variety of factors, including that we are using old equipment, which tends to be inefficient. Our opportunity to realize savings due to going solar is good, made even more so due to the decreasing costs of solar panels.

Pelican Liaison to the Board. The Pel Representative generally turns over in June, which gives us a timely opportunity to review the Pel Liaison job description, copies of which were distributed to the Board several days before the meeting. Joe Watts reported that Jack Farrell, in his capacity as Island Manager, will be sure that Pel Council is aware of the job description. We are hopeful that Pel Council will select a Pel Liaison who is able and willing to participate actively in Board meetings in the year ahead.

Grant Applications. We are looking into government grants in addition to those discussed earlier in the meeting. In particular, we would like to apply for a grant from the Federal Emergency Management Agency’s Hazard Mitigation Grant Program. Upon motion duly made and seconded, following discussion, it was

VOTED: To approve the Corporation’s submission of an application to the Federal Emergency Management Agency’s Hazard Mitigation Grant Program in order to shore up the pier with rip-rap to extend the length of the pier, rebar stakes, and a re-surfacing of the pier where fissures erupted from the pounding by Winter Storm Nemo.

In the course of researching the FEMA Hazard Mitigation Grant, we discovered a FEMA program that provides for a combination of low-interest loans and grants in case of a catastrophic weather event. We elected not to pursue the low-interest loan, and we did not qualify for this particular grant program for the damage caused by Nemo, but these programs might be helpful in the future.

We are also looking at a grant from the National Historic Publications and Records Commission (with the Portsmouth Athenaeum taking the lead) to digitize various collections.

June On Island Board Meeting. This will be a one-day meeting on June 29. Sharon Kennedy asked that Board members email her topics for the June meeting. The question arose as to covering the expenses of Board members and their spouses/partners who wish to stay overnight (provided space is available) for on island Board meetings that are not scheduled as overnights. A formal vote was not taken, but during discussion, the consensus was that Board members and their guests should pay at the Personal Retreat rate.

Memorial Bridge Update. Joe Watts gave the update. The bridge is scheduled to open in July. During June 10-15 the bridge will be closed to all river traffic, and conferees will be routed

through Rye. Several parties have worked hard to make these alternative arrangements. Sharon praised Joe for his good work with this.

Board Liaisons. Sharon is continuing to talk with Board members regarding their preferences.

Report of the Committee on Appointments (COA). Charlie Stauffacher, Board liaison to the COA, gave the report. He will check on whether Nominations Committee/COA members need be members of the Board. We are asked to advise Edmund Jones, Chair of the COA, as to potential nominees for committees.

Executive Session. At 9:05 p.m., the Board voted to go into Executive Session, the minutes of which are kept separately. The purpose of the meeting was to approve the minutes of the April, 23, 2013, Executive Session.

The Board meeting was reconvened at 9:07 p.m. for the purpose of evaluating the meeting just held, followed by adjournment.

Evaluation of Meeting. We experienced a lot of background noise on our conference call. This might be due to the condition of some participants' cell phones. It would be good if we all used the "Go To Meeting" application, so that we can all be looking at the same version of a document.

Notice of Meeting. Our next regularly scheduled meeting of Directors is on Saturday, June 29, on island.

There being no further business, it was

VOTED: To adjourn the meeting.

The meeting was adjourned at 9:12 p.m.

Respectfully submitted,

Karen Mathiasen, Clerk