

**STAR ISLAND CORPORATION
BOARD OF DIRECTORS MEETING**

Tuesday, December 17, 2013
By “Go To Meeting” App and Telephone Conference Call

MINUTES

Members in attendance:

John Bush, Treasurer
Erik Cordes
Nick Dembsey
Sharon Kennedy, President
Gary Kunz, Vice President*
Karen Mathiasen, Clerk
Suellen Peluso
Russell Peterson
Sally Russell
Tom Smurzynski (Pres., ISAUU)*

Absent:

Josh Davis
Debbie Duval (President, SIUCC)
Jordan Young

Others attending the meeting:

Joe Watts, CEO

* Part of meeting

For Opening Words, Sharon Kennedy read “Turnstile 1968” from *Something Like a Star* by Fred and Virginia McGill.

[The Turnstile was blown down in a windstorm about 1963. The frame was badly shattered, but the twirling part, with its weathered wood and carved initials, was intact, and was put in storage for the day when it could go back to work. A new frame was finally erected in 1968, thanks to head carpenter Harry Sullivan—who just happened to be a native Shoaler. This verse was read at a modest dedication ceremony.]

If for history thou yearnst, I’ll
Poetize upon the Turnstile—
Spinning gate where legend hovers,
Site of meetings by young lovers,
Limit set for wandering tots,
Launching pad for wandering thoughts,
Sign of ancient segregation
Severing the population:
Cows at home beyond the fence;
This side, *homo sapiens*.

(Yet the Turnstile’s swift rotation
Made for one-way integration:
Seeking greener twigs to browse,
Man could always join the cows.)

As we pause this briefest while
To reactivate the stile,
Let us drain the festive bowl
Praising freedom and control.
Turn we ever forth to roam;
Turn we ever safely home.

F.T.M.

Sharon Kennedy, President, called the meeting to order at 7:07 p.m.

Minutes. It was unanimously

VOTED: To approve the minutes of the November 19, 2013, meeting of Directors.

Reports

- **CEO Report.** Joe Watts, CEO of the Star Island Corporation, presented some highlights from the report, including some items pertaining to the Director of Development's report, which are also included.
- **Development Report.** Joe gave the report on behalf of Angela Matthews, Director of Development.
 - **Annual Fund.** Our annual fund goal is \$425K. Based on giving history, we continue to be on track for 2013. We have some multi-year Capital Campaign pledges running through 2015. The final year for Combined Appeal pledges is 2014. The Annual Fund comparison tool, now linked to our new database, will be a feature of Development Reports henceforth.
 - **Grants.** The New Hampshire Charitable Foundation has awarded us \$15K for the next phase of the wastewater treatment facility study and design. This welcome gift provides direct relief for our 2014 budget.
 - **Stewardship Installation.** The task force working on this project is united in its support of the design for our Stewardship Installation (formerly called the Recognition Wall). The design will be presented to various Star groups, including the Property Standards Committee, for their input. We hope to vote our support for the Stewardship Installation plan at our February Board retreat.
 - **Starry Night.** David Whitford, our "First Star" at our recent Starry Night event, presented a wonderful and well received program. We intend to build upon this success at future events.
- **Conference Transport.** There was a meeting with representatives from ISSCo (the

Isles of Shoals Steamship Company) and other transport providers to firm up operational details for 2014, including finalizing 2014 boat schedules. Things are on track. The meeting with ISSCo was also concerned with conference transport to Star Island for 2015 and beyond.

- Veterans Raffle. This was a new event to benefit veterans of the armed services and their families. Over 80 people registered for the raffle, and many dignitaries participated in the drawing.
- Three-Year Strategic Plan. Our current three-year plan expires on December 31, 2013. We are now preparing for the official launch of our next strategic plan, our “map” for 2014-2016.
- Year-End Thoughts. We had a good year overall in 2013, and we should rightly be pleased with the results. We need to recognize, however, that life on Star has its ups and downs, no matter how hard we try, and we need to stand ready to face challenges ahead. On another happy note for 2013, the two-year staffing reorganization that began in 2011 is complete and has been successful. Staff morale is high.
- GreatNonprofits. This organization provides a Website [<http://greatnonprofits.org>] funded by foundations and individuals so that people may record their experience with a charitable organization, whether as a donor, volunteer, or beneficiary of its products and services. We, as Board members, are encouraged to go to this Website and rate Star Island, and to encourage our friends to do the same.
- Treasurer’s Report. John Bush gave the report. There is not much change from November. We are expecting 2013 to end up being a good year, especially because of recent grants.
- Pel Report. In the absence of the Pel Liaison, there was no Pel Report.

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

Old Business

- CEO Evaluation Process. Sally Russell reviewed the changes in the CEO evaluation form from last year. All Board members are expected to complete the form, and to return it to Sally (and only to Sally) by January 8.
- Energy Systems Project Update
 - Technical Issues. Joe spoke regarding the relationship with Revolution Energy. There has been much progress since the November Board meeting. The proposed system has now expanded from a 150 kW array & 600 kWh battery to 200 kW &

800 kWh. The system could provide as much as 70% of Star's energy needs via solar, and when a new energy efficient wastewater system is online, this could go over 80%. For reason of noise, the system is better located in the powerhouse. These changes notwithstanding, the proposed system is generally what we have been envisioning all along, although it does not follow all of the parameters identified in our Letter of Understanding with RE. Nonetheless, we have a realistic proposal before us that meets our energy needs and our strategic goals. Joe offered kudos to the Strategic Facilities Planning Committee, and especially to Dick Case for his leadership.

- Financial and Contract Issues. On behalf of the Ad Hoc Solar Power Purchase Agreement Review Committee (Ad Hoc PPA Committee), Russ reported on financial arrangements that are underway, including serious interest by Provident Bank, with which RE already has a relationship. The cost of the project has gone up, which raises the question as to whether or not the project is still financially feasible. We already have the technical design but not sufficient financing. RE is almost certainly not going to make the 12/31/13 deadline for a signed contract, notwithstanding the amount of work that has been done in the last month. That said, Provident Bank could be interested in providing the bulk of the financing if certain conditions can be met. The Ad Hoc PPA Committee has voted to recommend to the Board that SIC continue negotiations with RE and see if we can get to a signed contract by April 15. There are many open issues still to be resolved. Russ noted that we do not have a project, as opposed to a plan, ready for acceptance yet. A motion was made and seconded to continue working towards a contract with Revolution Energy with an April 15 deadline. After additional discussion, it was unanimously

VOTED: Following the unanimous recommendation of the Ad Hoc PPA Committee, to authorize the CEO to continue working with Revolution Energy to come to a deal by April 15, 2014, that could then go to financial closing.

Gary Kunz joined the meeting.

- Board Goal Check-in. Sharon led us in a review of our board goals pursuant to our Board Goals document dated April 4, 2013.
 - We have completed some goals, such as #1, the new Strategic Plan, and #8, reviewing staff benefits and compensation. We hope eventually to also look at seasonal salaries. We have made progress on others, such as #5, examining Policy Governance, and #9, assessing the quality of the reports we receive from committees and staff. We are actively working on others such as #3, acting on energy studies, and #4, completing the post-campaign analysis and planning. We are planning for a staff transition in development this year. The new Director of Development will help to complete the post-campaign plan, and possible identification of smaller, discrete funding projects.

- We asked what more needs to be done, and what goals we should be focusing on for the next three months so that we can be prepared for the February Board retreat, when we will develop goals for 2014. We need to clarify what is meant by goal #6, improving communication and collaboration with constituencies. Under longer term goals, we need, among other things, to nominate more people for membership in the Corporation, and on committees.

Tom Smurzynski left the meeting.

New Business

- **Committee on Appointments (CoA) Report.** In the absence of Debbie Duval, Board liaison to the CoA, Sharon Kennedy presented several CoA recommendations for committee memberships. Upon motion duly made and seconded, following discussion, it was, with eight ayes, no nays, and one abstention,

VOTED: To accept the following nominations:

Membership Committee

Tom Coleman as chair beginning in 2014

Committee on Appointments

At his request, remove Tom Coleman from a three-year term beginning in 2014, and appoint Tricia Coleman for a 1st three-year term beginning in 2014

Personnel Committee

Michelle Kunz for a 1st three-year term beginning in 2014

The CoA also wished to inform the Board of the following CEO appointments to an operating committee, and to request, for the record, that these appointments be reflected in the Board minutes:

Health Committee

Marlene Smurzynski for a 1st three-year term beginning in 2014

Estelle Best for a 1st three-year term beginning in 2014

Sharon will inform Edmund Jones, CoA chair, of the results of our voting.

[Clerk's note: In late January 2014, it came to the Board's attention that a Committee on Appointments recommendation for a candidate for the Nominating Committee was inadvertently included in a December 17, 2013, vote of the Board. By a unanimous vote of the Board at its February 23, 2014, meeting, the vote was corrected to read as set forth above.]

- **Board Evaluation Process.** Sally Russell will send Board self-evaluation forms to Board members.

Executive Session. At 8:26 p.m., the Board voted to go into Executive Session, the minutes of which are kept separately. The purpose of the session was to approve the minutes of the November 19, 2013, Executive Session and to discuss issues relating to (i) an SIC committee, (ii) the Shoals Marine Lab, and (iii) a community relations project. No votes were taken.

The Board meeting was reconvened at 8:36 p.m. for the purposes of meeting evaluation and adjournment. We were pleased at the efficiency of the meeting.

The next Board meeting is scheduled for Tuesday, January 28, 2014, by conference call/Go To Meeting app.

There being no further business, it was

VOTED: To adjourn the meeting.

The meeting was adjourned at 8:39 p.m.

Respectfully submitted,

Karen Mathiasen, Clerk