

IDITAROD TRAIL COMMITTEE  
BOARD OF DIRECTORS  
LAKEFRONT HOTEL  
DECEMBER 02, 2016

### **CALL TO ORDER**

The meeting was called to order at 9:06 a.m. by President Andy Baker.

### **ROLL CALL**

Members present were Andy Baker, Aaron Burmeister, Rick Swenson (via phone), Mike Jonrowe, Stan Foo, and Mike Owens, John Handeland (via phone)

**Members absent:**, Paul Gebhardt (Training), Danny Seibert (excused)

**Others Present:** Stan Hooley, CEO; Chas St. George COO; Mark Nordman, Race Director/Marshall; Zack Steer; Race Coordinator, Dr. Stu Nelson, Chief Veterinarian; Don Patterson, Director of Finance; Diane Johnston: Director of Education, Greg Heister; Producer of Insider, Bruce Lee; Associate Producer of Insider.

A quorum was established

### **APPROVAL OF AGENDA**

Baker noted moving the executive session (11.1) to the beginning of the meeting and the addition of Greg Heister testimony regarding Insider on 10.3 (new business).

***Jonrowe moved to approve the agenda/Foo second. Motion passed unanimously.***

### **ADOPTION OF MINUTES OF, 2016 AND SEPTEMBER 7, 2016**

Jonrowe moved to approve/ seconded adoption of the minutes of June 25, 2016 and September 7, 2016.

***Jonrowe move to pass adoption of minutes./Owens second. Motion passed unanimously.***

### **PUBLIC COMMENT**

No Public Comment

### **CEO Report: Stan Hooley –**

76 teams entered in the race at this time. Four race champions are entered.. In terms of top 30 mushers, we have 25 of the top 30 from last year entered, and all ten of last year's top ten.

Budget report provided. We are through 5 months at this point in time. The high level plan for this fiscal year is budget revenue of \$198K in revenue over last year, and expenses of \$114K under last year with net revenues of \$128K, all of which meets our commitment to the ITRF. We are not at that commitment level at this point in time. This year's budget calls for \$50K in renewed sponsorship \$ on the cash side. We have \$61K in new sponsorship but it is clear that the AF Reserve won't be renewing their \$150K sponsorship level. So, at this time we are at a net negative of \$89K.

A part of our sponsorship strategy moving forward has to be investing in gathering relevant and current data that supports our event's added value to the sponsor. Some sponsors are looking for quantifiable media equivalencies, and that's not something we are able to respond to at this point in time. And we are going to need to if we are to remain relevant.

It's my job to report real and worst case numbers, and this is more important now than ever because of the commitment we have made to the ITRF to provide a financial report saying that we are going to meet our commitment to finish this year with \$128K in financial reserves. Given the pluses and minuses of the entire budget, today we are projecting net revenue of about \$10K, if we don't find ways to grow our revenue flow we are going to have to make some adjustments.

**Mike Jonrowe**- That \$128K is inflexible, correct?

**Andy Baker**- In my mind, we committed and gave our word. We are going to have to look at cutting things in our budget that are dear to our hearts us.

**Mike Jonrowe**- Did we satisfy our Rasmussen Grant obligations?

**Stan Hooley**- No, what we knew at the time was that the shingle manufacturer was going to donate \$7,000 obligation to the contractor for materials. What we didn't know was that the roofing contractor Pat Riley (Rainproof Roofing) has agreed to absorb the \$17,000 for the labor for that project.

**Mike Jonrowe**- So anyway, we need to ask the Rasmuson Foundation if we can use the money for other purposes, or return it, right?

**Stan Hooley** - Correct. We are hopeful that the Rasmuson foundation will allow us to use the funding on another capitol expenses. As I have indicated before we have filed a claim with the insurance company and the adjustor has been out. As of yesterday at 3 pm, the estimate from B-Original Signs for a new sign in front of the ITC is \$35K. It would be my recommendation to recover whatever funds we can from insurance, but do something different from the sign we had... that would stand a chance at lasting longer. Steel in the ground would be a better way to go than 30 inch wooden posts.

**CEO Report concluded**

***Owens moved to go into executive session to discuss "Sled Dogs" film with legal counsel. Handeland seconded the motion.***

**Motion passed at 9:23 am.**

**Executive session ended at 11:30 AM**

### **6.1.2 Race Director Report: Mark Nordman –**

I'm pleased that Zack Steer has accepted the position for the 2017 race. He started 11/21/16.

As I mentioned in my report, I visited Shageluk, Grayling, and Anvik. I met with key Iditarod support personnel in each community. The Southern route has not been used since 2013 and these checkpoints are especially excited about our return.

Planning to make a trip before mid-December to the major hub of McGrath with Zack to make sure that the checkpoint is all set, meet Iditarod volunteers, and inventory supplies on hand. If time allows, there will be a flight to Iditarod as there is some concern about last summer's fire affecting the trail between Iditarod and Shageluk.

We held a meeting with trail breakers who are presently prepping machines and gear. Five of them will be involved with trail improvement on the Bonfire Lake to the Happy River section. This is state funded by the Recreational Trail Program. They will begin as soon as conditions allow...brushing, widening and minor re-routes will be accomplished during this time. After their success in 2016, a group of 8 will again be heading from Willow through Rohn, working primarily in Dalzell.

Bert Hanson will again be Director of Operations. Russ Dunlap is assuming the role of Chief Pilot. Mandatory FAA check rides have been underway since 7/16. The first full organizational meeting will be held at the Lakefront 12/6/16.

Rookie Meeting begins tomorrow here at the Lakefront, and continues tomorrow at Dream a Dream Dog farm in Willow. Qualifying Review Board continues to meet as entries arrive. The final group will be reviewed in the first week of December.

Jennifer Dowling and Reece Roberts will be coordinating this year's race communications with Andi Malard's assistance.

We met with GCI dealing with checkpoint communications on 11/29/16.

IHTA held their annual work session and meeting on 11/30-12/1/16. I continue to work with IHTA looking for potential funding for future trail work.

This is the last year of our current operations plan with BLM, which means a complete review of the race is necessary for 2018. We are waiting for a letter from Alan Bittner who is the Anchorage Field Manager. His letter will explain the major fee increase for 2017.

**Rick Swenson** - How much pushback did you get with rule changes

**Mark Nordman** - Personally, not a lot. There were a few individuals that wrote very in-depth letters questioning the protocols regarding the adoption of the rules, the way it was dealt with; and then I heard from a lot of people that said it was a great idea.

### **6.1.1 COO Report: Chas St. George-**

We are getting a head start on volunteer coordination in advance of the race. We reached out to

our coordinators and asked they begin selecting their volunteers sooner so they could make travel arrangements

We are working with our production and web development teams to get ready for the race. We have already begun meeting with the principal stakeholders to begin planning production, logistics, and manpower.

New Management will have higher internet speed.

We are working with Thompson and Co. on the Musher Drawing Banquet in Anchorage.

**Andy Baker** - Before you go further, make sure musher bio's are only a couple of lines not paragraphs, please. It makes it hard to keep the flow going when you have to read all that.

**Chas St. George**- Duly noted.

We are talking to GCI Education. They have a very large presence in rural school outreach that includes broadband. Will keep you updated.

We are working on a project to roll over our email accounts to gmail utilizing our non profit status in order to create a more robust email environment for our staff and volunteers in the field.

**Mike Jonrowe** - Don't forget follow up on the Rasmuson to see about future opportunities with funding.

**Chas St. George** - I will. Hopefully we can qualify for technology grant funding. Hopefully we will have more funding information to provide at the next meeting.

### **6.1.3. – Chief Veterinarian Report: Dr. Stu Nelson**

Progression on Veterinarian program is moving along. There is very little turnover with our core group of vets. Today is the first day for mushers to sign up for the ECG appointments, so Tabitha Jones (head technician) is coordinating those efforts and scheduling. They will be screening roughly 1625 dogs for this year's race. And we will be reviewing all those blood results.

I will be presenting to rookie mushers tomorrow, talking about veterinary care.

We have media outreach for local media to participate ready to go. I sent out letter to do kennel visits in December/January.

Mark and I determined that Anvik would probably be the best place to do de-worming outreach this year.

At this time, there are four student research studies that have been submitted to the ISDVA. One study is of interest taking a look at heart size, correlating athletic conditioning with heart size. That is the only submission that is directly appropriate to the Iditarod, I will keep you updated on the ISDVA's decision.

**Mike Owens**-Is there any way we can have a one or two day clinic in Nome?

**Stu Nelson**- I would be glad to help them out... a vaccination clinic might be a possibility. Does the board have any ideas about funding for a budget.

**Mike Owens**- It would be helpful.

**Andy Baker**- It would be helpful with the new health certificates that are required by Alaska Air.

**John Handeland**- I will forward contact/email info for Vet in Nome. Spay and Neuter is also another area of concern.

**Andy Baker** - Let's keep looking into that.

#### **6.1.4- Education Department Report: Diane Johnston**

We are looking forward to this year's race, and the opportunity to bring the race to students around the world. The education winter conference will be at the Hotel Captain Cook, Feb 28-Mar 03. We expect 65 educators to attend. Many attend from Alaska.

We had an education workshop in conjunction with the Beargrease in Minnesota.

The Iditarider auction opened yesterday, and we have three sleds that received full price offers already.

#### **7.1 Qualifying Review Report – From Race Director's Report**

Qualifying Review Board continues to meet as entries arrive. The final group will be reviewed in the first week of December.

### **8. IOFC Report- Aaron Burmeister**

Things have been quiet. Most mushers are out training.

**Andy Baker** - That reminds me about the status of Leo Rasmussen. We have decided that the checkers are the accountability of the ITC. We need to get the letter of appreciation to Leo from me to thank him for his service, but that his service is over and we're moving on.

### **9. Old Business**

#### **9.1 BLM Permit and Fee – From Race Director's Report**

We are waiting for a letter from Alan Bittner who is the Anchorage Field Manager. His letter will explain the major fee increase for 2017.

#### **9.2 Headquarters sign replacement: (From CEO Report)**

ITC filed a claim with the insurance company and the adjustor has been out.

The estimate from B-Original Signs for a new sign in front of the ITC is \$35K.

Recommend recover whatever funds we can from insurance, but do something different from the sign we had... that would stand a chance at lasting longer. Steel in the ground would be a better way to go than 30 inch wooden posts.

## **10. New Business**

### **10.1 Consideration of request for approval for qualifying race**

### **10.2 Amendment of bylaws to fully transition to a self-perpetuating board of directors**

*Further discussion of amendment of bylaws was tabled*

### **10.3 Iditarod Insider Productions: Greg Heister (Producer) and Bruce Lee (Associate Producer)**

**Andy Baker** - So what do you see happening with the Insider this year?

**Greg Heister** - Well, I think we are still waiting to see where the budget falls. We have bare boned the project. We have a great crew, veterans who know what they're doing in the field. We look all over the country to try to get the best deals to save on the gear we need to cover the race.

We are working on trying to go live again this year. We opened that can of worms last year, and I think it was revolutionary, and I know we have budget issues, but I believe that's something we have to own. As we've seen over the last ten years we are showing others how to cover this race... even our local media partners.

**Andy Baker** - We have to own it as in equipment or philosophically.

**Greg Heister** - Philosophically. We have to ensure that we become synonymous with the way the event is covered and that we bring it to race fans in a different manner. So they come to us first.

We've talked over the last ten years about moving away from our subscription model to donating, supporting the race for the premium content they get, and I personally believe that is the way to move forward.

I don't think we've done a good job over the years of explaining where the money goes. There are those who believe that I own the insider. We need to shift the perception that we are making all this money, to all this money is going back into staging the race.

**Mike Owens** - We have done a poor job of letting the public know just how much we put into this race. It starts with the tons of dog food that it takes to run this race.

**Greg Heister** - I also believe that we have set the bar financially for what it costs to buy and subscribe. I am also convinced that there are people out there who will give us more if we explain where the money is being spent.

**Andy Baker** - So what's going to take to get this going?

**Greg Heister** - I think it's going to take courage to make this shift happen. The transition doesn't have to change a lot. We could have a PBS style telethon, bring in the old timers, and raise money that way. We start implementing drives that get our supporters energized about supporting the race.

I believe that the Insider and we have an identity issue. As a team, we worry very year about the competitiveness of the media. We are the first to bring in-depth coverage of the race. We are the first to bring Live Streaming to the race. If we were to be able to harness and implement this contribute and donate vision, we would be able to eliminate the competitiveness of the media.

**Andy Baker** - So let's think about this. Is there a way we can jump start this.

**Greg Heister** – We need to get control of the editorial nature of the messaging. Get our media partners to donate two hours of air time the night before the start of the race, and hold a fundraiser. During the live broadcast, we need to have blocked time to market our insider program. That first half hour is an important time. We have to do a better job of selling ourselves. Our broadcast partner has to help us do that job. They need to be a team player. And we need to do a better job of letting people know that this project helps to fund this race.

**Rick Swenson**- there is a lot more that needs to be covered than the front of the pack.

**Greg Heister** - We are very sensitive to covering all of the mushers. By the nature of our coverage, we do get footage of each musher, and we post it. But we can do better.

The live show is our future

**Andy Baker** - But you have to have a schedule for people to tune in.

**Greg Heister**- we need to have our own channel

**Stan Hooley** - One of the reasons we were able to do those live shots last year were due to the relationship we had with GCI. We thought we were going to have a better relationship with KTVA that didn't happen

**Greg Heister** - Let me throw this out,, Place a corral in every checkpoint for the top top five or ten mushers. Insider and our broadcast media partner will conduct interviews first. This will increase the value of the partnership and the mushers will get to manage their team without a bunch of folks trying to ask questions.

**Mike Jonrowe** - What kind of training do your trail crews go through in terms of protocols. I would be more than happy to provide some important information regarding protocols before your teams leave Willow. We could do this right at our kennel.

**Mark Norman** - We have a built in a system where our trail crews don't deploy until there is a discussion between the race Marshall and Bruce, who is our point person. We let Bruce know when crews can begin to follow the front of the pack, and Bruce tells his crews what they're supposed to do.

**Bruce Lee**- This system does work.

**Greg Heister**- my instructions are specific, you can not impede on or create stress for teams in the front. If you do you're gone.

**Mike Owens** - I think this is great information. I really appreciate this dialogue. and I hope we can do it more often.

**Aaron Burmeister**- I think things have gotten better. This is all constructive criticism. We're all here to make things better.

**Andy Baker**- This has been a great conversation, and I think we should have it more often. We want results this year, so what do we need to do? How do we just make it happen?

**Bruce Lee**- I think we need to get the word out to contribute not subscribe this year.

**Andy Baker**- Thank you guys for coming up this was very good.

***The meeting was adjourned by Andy Baker at 1:40 PM***