

**STAR ISLAND CORPORATION**  
**Board of Directors**

**MEETING MINUTES**

November 17, 2018 at 11:00 am  
Star Island Corporation Offices, Portsmouth, NH

Members in Attendance:

Tom Coleman  
Erik Cordes  
Nick Dembsey – Vice President  
Leon Dunkley  
Roger Kellman  
Gary Kunz (President)  
Jeff Loewer (Treasurer)  
Suellen Peluso  
Nathan Soule (ISAUU President)  
Mary Trudeau (Clerk)  
Louise Williams (via Zoom Conference Call)

Absent: Debbie Duval and Chris Palazzolo

Other: Joe Watts (CEO)  
Celeste Magliocchetti (Pel Liaison)

**Opening Words:**

Erik Cordes gave the opening words for the group. After musing on the implications of his mother's recent tenure as an end of season Pel, Erik read from the text of Hope in the Dark, commenting on the nature of radical change. The reading noted that revolution first takes place in the mind and imagination, and that revolution does not necessarily look like revolution. The commentary also included the thought that history takes up when the action begins, and that the roots of the revolution may already be well underway.

**Check In:**

After a brief check in, celebrating and commemorating milestones in the Board of Director's lives, the meeting was convened.

**Call to Order:**

Gary Kunz called the meeting to order at approximately 11:25 am

**Executive Session:**

Based on a motion duly made and seconded, the Board voted to enter executive session (at 11:30 am) to approve the Executive Session minutes from the August 27, and October 9, 2018 meetings; and to discuss issues on Appledore Island; employment issues; and the CEO contract.

Joe Watts was invited into the executive session. Suellen Peluso left the meeting for the portion of the discussions concerning Appledore Island, returning at the completion of those items. Celeste was not included in the Executive Session portion of the meeting

At 12:47 pm, the Board returned to regular session.

**Conflict of Interest Updates from Executive Session:**

The Board noted that they had reviewed the Conflict of Interest notice filed by Jack Farrell, and had voted to accept the notice during the Executive Session of the Meeting.

**Review and Approval of Minutes of August 27 and October 9, 2018 Meeting:**

Based on a motion duly made and seconded, the Board

**VOTED** to approve the August 27, 2018 meeting minutes, as amended

The vote was unanimous in favor of approving the Minutes as amended.

Based on a motion duly made and seconded, the Board

**VOTED** to approve the October 9, 2018 meeting minutes, as written

The vote was unanimous in favor of approving the Minutes as written.

**2019 Budget Presentation**

Kristin King and Joe Watts produced three versions of the proposed room rates as options for the Board to review. Jeff Loewer noted that the Finance Committee had reviewed the options, and had unanimously supported a 3% percent across the board rate increase. He noted that the Finance Committee remains mindful of the cost of attendance for a family, as well as the need to increase income.

A motion was made to institute a 3% room rate increase for all categories of room rates for the summer of 2019. Discussion ensued.

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The Board discussed the proposed rates at length. Issues noted included affordability; a desire to keep a room bill for a single person sharing a double room at approximately \$1000 dollars; the possibility of instituting a sewage “fee” as an alternative to room rate increases; implication of rate increases with respect to financial aid requests; and the impact of the rate increases on the predicted operating fund surplus.

The Board discussed the relationship between bednights and revenue. While bednights have been increasing steadily, the SIC has not, yet, achieved a sustainable number of bednights, previously estimated at 22K. Discussion included “what is a sustainable number” and is it possible to grow our conferences to achieve revenue, without raising room rates. The Board noted that a 1% increase in room rates is approximately equal to 154 bednights, in terms of revenue.

Based on a motion duly made and seconded, the Board

**VOTED** to amend the motion and institute a 4% percent room rate increase.

The vote was 8 in favor; 1 opposed; and 1 abstention.

The Board discussed the three proposed budgets prepared by staff for the Board’s review. Jeff noted that each should be revised to reflect the recent approval of the 4% percent room rate increase. Gary requested a summary of the strategic priorities within the budgets, noting that as a policy governance Board, we do not need to review line items. Joe agreed to provide this information for the December meeting.

The Board reviewed the new amount of the CWSRF loan to cover the cost of the construction of the new wastewater treatment plant. It was noted that some of the differences are the result of the final system design; insurance costs; and needing to find a winter solution for the wastewater needs of the caretaker. Joe noted that the current estimate of 1.3 M includes a contingency and appears to accurately reflect the cost of the proposed work.

Based on a motion duly made and seconded, the Board

**VOTED** That the Board authorize the chief executive officer to make arrangements for the Corporation to enter into a loan agreement(s) with the State of New Hampshire Clean Water State Revolving Fund to borrow an amount no greater than \$1,300,000 for purposes of installing a new wastewater treatment/water reclamation facility on Star Island, such agreement to be upon such terms as such officer deems necessary or advisable to effect such purposes [provided, however, that prior to executing and delivering the loan agreement, the Board shall first confirm its approval of the same in writing]. The Board further authorizes the chief executive officer to sign the aforementioned loan agreement(s) and related documents, as well as subsequent disbursement requests and related documents.

The motion was passed by a unanimous vote of the Board of Directors.

## **2018 Conference Season Report**

Justina Maji presented the 2018 Conference Season Report to the Board. Justina noted a successful summer season, with the multiple conference weeks continuing to be more challenging than the single conferences. She noted that competing demands for public space remain an issue, and that territoriality continues to plague these weeks. Board comments included a request to add bednights into the end of season report, as a means of evaluating the value of the various conferences. The Board noted that as September logistics continue to be overwhelming (parking lot issues, public spaces, room assignments) and the extended conference season should continue to be evaluated.

Justina noted that “capacity” is fluid, and varies between conferences. A family conference can host upwards of 250 guests with ease, while some of the all adult conferences seem full at lesser numbers. Board members noted that empty bedrooms could be repurposed during multi conference weeks, possibly providing additional meeting spaces. Other comments included strategizing to increase the numbers of some of the healthier small conferences, rather than creating more conferences. This could help with logistics related to changeovers and parking lot issues.

End of season staffing issues were discussed, and the Board suggested recruiting videos and airfare stipends to attract west coast students. It was noted that west coast schools start later in the fall than east coast colleges, providing an untapped employee source.

## **REPORTS:**

### **CEO Report:**

Joe reported a \$12,500K dollar gift from the ISAUU, plus an additional \$ 5K dollar gift for use in the alcove restoration project. He noted that volunteer hours for the summer were approximately 10K hours of project related work. Joe thanked Jeff Loewer for his work on the dashboard, noting that progress has been made towards this long standing goal.

### **Treasurer’s Report:**

Jeff Loewer, as treasurer, reviewed his report and reported that net income has increased as a result of the sale of the Perseverance, as well as increased snack bar and grill revenues. He also commented that the 2018 spending rate was lower than expected due to grants received during the year. He commented that kitchen equipment purchases had been deferred until 2019.

Roger Kellman asked whether the financials could be revised to show project progress, or completion. Joe suggested using notes to clarify multi year project status in future reports.

### **Pel Liaison Report:**

Celeste reported that End of Season (EOS) staff training and videos remain under consideration. She noted that Lilly Hubbard has been collecting short videos from Pels with the intent of

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preparing a recruiting video to promote summer employment opportunities. She suggested that SIC consider hiring experienced Pels to assist in the first week of summer training.

Celeste also noted that the Pel community continues their work on pronoun and gender equity, noting that she has researched resources that are helpful “thinking guides” and would be happy to provide these to the Board.

Upon a motion duly made and seconded, the Board

**VOTED** to approve the CEO, Treasurer, and Pel Liaison Reports.

The vote was unanimous.

**Action Items:**

**Committee on Appointments**

Tom Coleman reported that the Committee on Appointments recommends the following persons to the Membership Committee:

Nancy Wood for a second, three year term beginning in 2019  
Ben Cordes for a second, three year term beginning in 2019

Upon a motion duly made and seconded, the Board

**VOTED** to approve Nancy Wood and Ben Cordes for appointment to the Membership Committee.

The Committee informed the Board that the following appointments were made, and approved by the CEO:

Committee on Appointments: Bethany Davis Swanson for a second three year term beginning in 2019, and for co chair beginning in 2019.

Rutledge Marine Lab Committee: Bill Gimpel for a second three year term beginning in 2019  
Cydney Mahoney for a second three year term beginning in 2019  
Amy Meek for a second three year term beginning in 2019.

The Committee on Appointments recommends that the Board propose the following candidates for the Nominating Committee at the next Annual Meeting of the SIC (to be voted on by the members) consistent with the SIC bylaws:

Will Emmons for a second three year term beginning at the Annual Meeting.

**Other Business:**

**CEO Contract:**

The board noted that they had discussed the CEO contract in the Executive Session portion of the meeting, and had made a few modifications. The Board asked that the CEO Job Description be attached to the contract, and to add a task such as “Consider and provide educational opportunities for staff”.

Based on a motion duly made and seconded, the Board

**VOTED** to approve the CEO contract as amended in Executive Session, and as amended to include the CEO job description and responsibility for considering and providing educational opportunities for staff.

**Reflections:**

The Board agreed that the meeting was productive, and that the Zoom application allows for better remote conferencing.

The Board noted that Erik Cordes was presenting his recent oceanographic work at the Starry Night event this evening.

Upon a motion duly made and seconded, the Board

**VOTED** To adjourn the meeting at 3:29 pm.

Submitted by:

Mary Trudeau, Clerk