

IDITAROD TRAIL COMMITTEE, INC.
BOARD OF DIRECTORS
Teleconference Meeting
February 27, 2004

CALL TO ORDER

The teleconference meeting was called to order by President Koch at 9:00 a.m. on February 27, 2004.

ROLL CALL

Members present: Richard Burmeister, Rick Koch (via phone), Lee Larsen (via phone), Mark Moderow (via phone), Mike Owens, Dan Seavey and Rick Swenson (via phone)

Members absent: John Handeland, Sam Maxwell and Joe Redington Sr. President Koch reported that Joe Redington Sr. was excused for being on the trail.

Others present: Stan Hooley, Executive Director; Joanne Potts, Race Director/Recording Secretary; Don Patterson, Finance Director; Greg Bill, Development Director; Jack Niggemyer, Race Manager; and Stuart Nelson Jr., Chief Veterinarian

PUBLIC COMMENT

There was no public comment.

APPROVAL OF AGENDA

Seavey asked to have an agenda item added dealing with the Iditarod's joining with the Historic Inc. in a suit against the Millennium Trail. That was added as agenda item #9.

Moderow asked to add an agenda item regarding the Strategic Planning Meeting and sending out a survey. That was added agenda item #10.

Burmeister/Moderow moved to approve the agenda as amended. Motion passed.

Swenson asked to add an agenda item regarding 2005 rules. He said he wanted to discuss a specific rule. That was added as item #11.

ADOPTION OF MINUTES

Seavey/Moderow moved to adopt the minutes of the meeting of December 5, 2003. Motion passed.

PRESIDENT'S REPORT

Koch stated that he had nothing to report other than discussion on trail and re-start, which were already items on the agenda.

Seavey asked if there was a budget meeting planned and if it that would be the appropriate time to bring up the purse for 2005.

EXECUTIVE DIRECTOR'S REPORT

Hooley noted that he appreciated everyone's willingness to meet telephonically today rather than in person because it will give staff more time to get what needs to get done this last week before the race.

He noted that we're at 87 mushers, in the middle of the projected window. It will be the biggest field in the history of this race, one of the many good signs of the health of the race.

He noted that a complete list of teams entered is under "Informational Items" near the end of the packet.

He stated that the good news is that the forecast for the end of the year has improved somewhat. He noted that in early December we forecasted a net loss for the year of approximately \$17K and at this point we are forecasting a net profit of \$3K. He explained that on the revenue side, we expect to fall short of the budget by some \$32K and on the expense side we expect to be under budget by approximately \$34K.

He noted that the complete financial detail is in the packet and asked for specific questions.

Koch suggested that if the information presented is sufficient, Hooley can move on. If there are specific questions, he asked board members to ask them.

Hooley noted that various e-mails that have been sent out should have answered most of their questions.

He stated that we know where we are on the Idita-Rider auction and that it was great this year. He said we still have half the revenue to come in on the raffle but he believes it will be a sell out.

Hooley noted that he had listed the important dates remaining in FY04. He said the next board meeting is scheduled for Friday, April 23 at the Millennium. The strategic planning session, a two-day process is scheduled for Friday May 7 and Saturday May 8.

Seavey asked if that will be enough time for the strategic planning meeting. Hooley said he really felt this should be re-visited every few months. But he said this is a good start. Seavey suggested that this first go round should be mostly devoted to information and ideas from mushers, sponsors and staff. He said part of our problem is from lack of communication and how we all perceive the race.

Hooley noted that the next meeting after the April 23 meeting is set for June 4 and suggested that board members put these dates on their calendar now. The annual meeting will be June 26 and the organizational meeting will be that same day after the annual meeting.

He noted that the budget meeting dates haven't been established but he will begin working on the budget for FY05 the end of April and said that typically we've been in a position to adopt that budget at the June meeting.

Hooley noted that Mark Nordman is in the hospital this morning because of either food poisoning or bad flu. He said Niggemyer said that everyone in McGrath has had it and Nordman has been in McGrath.

Swenson asked if there had been any resolution with the issues with Greater Anchorage Inc. and their using Iditarod's name. Hooley noted that he had some follow-up to do. He said there is one ad that is still out there. Hooley said he wasn't aware that the buttons were being sold. Potts noted that they were all sold out. Hooley was told that they were only sold the first day. He said he'd find out the status of that and we would need to re-visit the issue and determine what follow-up we want to take.

He said they had approached us about our being a part of Fur Rondy and said they really didn't know what was going to happen with their dog race. Hooley said he had told them we weren't interested in compromising our economic opportunities to the benefit of GAI. They then rescheduled Rondy activities and backed themselves up to the Iditarod. He said he believes that their true motivation is to get their arms around the Iditarod as opposed to supporting its existing dog race.

Seavey noted that that demonstrates what happens when there is no money for a dog race.

Hooley said it is a question of how much more confrontational we want to be in a public way and how that will affect the positive momentum that we've got going. He noted

that he had tried to deal with the issue quietly but someone with a close relationship with the Iditarod had taken it upon themselves to call the media and get them involved.

Moderow noted that he was on the board of ASDRA the last time they had a fully funded purse. The biggest problem of dealing with Rondy is that they are always desperate. He stated that the loss of their gambling revenue and the decentralization of Rondy were the two worst things that happened to them.

Hooley noted that it is not in our best interest to make news of this this close to the race. That doesn't say we don't deal with it in a more direct fashion at some point.

Moderow noted that this is a great case study on a major dog race but also an ongoing problem with relationships but should probably be a discussion at the strategic planning session but we shouldn't engender any more press. We should concentrate on putting on our race this year.

RACE MANAGER'S REPORT

Niggemyer noted that he was really busy right now working on trying to get everything out on the trail. He said the Iditarod Air Force has been flying for seven days as much as weather allowed. He outlined trail conditions in his written report.

He said the trail isn't perfect but it's coming together pretty good. Generally conditions are guardedly o.k. He said he isn't worried about big rivers going out. Most of the snow on the coast has blown away through the winter but most of the trail is snow covered. Dalzell is in and in good shape. The Burn has a fair amount of snow with a few bald spots down around Egypt Mountain. We're going to start grooming up above Finger Lake this weekend. The impact of this year's IronDog was minimized because of their going in the opposite direction.

He said the big problem right now is Wasilla. Hooley noted that it will take a lot more than one to two inches of snow to get things in shape in Wasilla for Iditarod to stay with Plan A.

Niggemyer noted that where the re-start is supposed to be is icy. He said he doesn't think it is possible to get out of Wasilla at this time. So we have started preliminary planning for Plan B. He said the trail doesn't start getting good until the trail passes the Nome sign.

Seavey asked about clearing the trail between Poorman and Ruby. Niggemyer noted that the brush has been cut and they are out there again this weekend. The IronDog took a little detour around the worst stretch and it went fine. He said we're still working on it.

Niggemyer noted that we have to cut a certain amount of brush every year going up to Rainy and this year we have two year's worth of brush to cut. Rainy only had about 15 inches of snow all winter but they've had quite a bit of snow since then.

Swenson said the outhouses look great. He asked if he sent out pots to checkpoints that have wood stoves so mushers can use them.

Niggemyer said there will be two tent bunkhouses for mushers and another tent we're building this year for checkpoint personnel and then GCI will have their tents in there. He said it will be a pretty nice tent city in the wilderness. All the tents have oil stoves in them because of the shortage of firewood in the area.

Koch said he didn't like the outhouses. He said he doesn't think they will be durable. He suggested getting real outhouses and taking the storage tank out of them. He said it seems to him it would be more cost effective to by real outhouses and in the case of Cripple they could be stored right there. Niggemyer said he hadn't looked that close at outhouses before, that his concern had been getting something that would fit in the planes. He said he'd take a look at it for next year.

Swenson noted that when they were on the Denali Highway this winter they made their own outhouses that collapsed to 4" by 2' wide by 4' long. It took three screws on each corner and worked find.

Koch said he and Chuck Mellin will spend some time this evening preparing and will go out tomorrow.

CHIEF VETERINARIAN'S REPORT

Nelson noted that everything was laid out in his report.

He noted that they would not be performing a vitamin E trial because the funding is not available at the level that is needed. He noted that there are two large ongoing projects to further assess cold weather induced asthma, gastric ulcers and a barrage of biochemical parameters in working sled dogs.

He noted that the drontel plus had come from Bayer this year but we need to come up with a really good plan to deal with this in the future. He said we're talking about a \$50,000 expense.

He noted that his veterinarian crew is down to 39. He said he normally has about 35 trail vets but needed more this year because of the large number of mushers. He said he thinks we need to discuss the number of teams that we can have in the race and offer the level of care we want without overwhelming the logistical staff.

He noted that the EKG's, under the direction of Jan Bullock, the head veterinary technician, are going well.

Seavey noted that the veterinary program should be discussed in the long range planning session. He suggested that 40 veterinarians is a huge drain on the resources of the race.

Nelson noted that he never knows exactly how many people are going to be there. He said there are always veterinarians with family or business crises who have to drop out at the end.

RACE MARSHAL/VILLAGE RELATIONS REPORT

No report because of absence of Mark Nordman who is ill.

Nordman's written report is included in the packet.

TRAIL CONDITIONS

Hooley noted that Niggemyer had discussed trail conditions outside of Wasilla and Koch had asked him to talk about the re-start.

Hooley noted that we have notified the city of Wasilla that at this point in time we don't believe conditions in Wasilla are adequate and unless there is a substantial change by Monday at noon, we will have to switch to Plan B. He said various meetings have been held in Willow over the last week or so. He said the reason we need to decide on Monday is because it will take that much time to get the Willow re-start fully planned. He said right now it isn't an acceptable set of circumstances in the immediate core of Wasilla, the first five miles in and around the new sports complex.

He said the City is aware of our priorities and understands our concern for dog safety. He said we will go to Plan B, Willow, unless something changes.

Seavey asked about the Jr. Iditarod. Potts noted that on Tuesday the trail from Settler's Bay out to the River was too bad and they figured that the quickest and easiest change would be to change the start to Mile 82.5 on the Parks, to Alaska's Deshka River Lodge and then to Su River and to Eagle Song and to Yentna and then back to Deshka and to Mile 82.5. The mileage came out at 137 miles but Andy Willis was going to try to add mileage in a couple of places to get it up to at least 150 miles.

Moderow noted that the link on the website for the Jr. Iditarod is not working right now. Potts will check that. Moderow noted that there were 22 mushers. Potts noted that two mushers had scratched so it's down to 20 now.

Koch asked if all the times stay the same for a change in the re-start. Hooley noted that the staff recommends that we stay with a 10 a.m. start in Willow. He said it is Nordman's recommendation that we go with two-minute intervals if we go to Willow. We had planned one-minute intervals from Wasilla.

Hooley noted that we have had numbers in the 60's in other years that we've started in Willow and there has been construction there too, so we have less parking lot for mushers and more mushers this year. But Willow is clearly the best option.

Moderow suggested talking to the Fire Department. He said the last time we had a re-start, the Fire Department wouldn't let people walk through their parking lot. He said they were very unpleasant. Koch suggested that Hooley give Jack Krill a call at the Borough to discuss this.

LAWSUIT AGAINST THE MILLENNIUM TRAIL

Seavey explained that Historic Inc. has filed suit against the Millennium Trail for loss of funds. He said the Iditarod Board of Directors had discussed the possibility of this group's joining in the suit because of the name use and loss of revenue.

Hooley noted that Iditarod could join the suit at any time.

Seavey noted that it has been filed for a month. He said Brooks Chandler is the gratis attorney. He said Millennium Trail is also under criminal investigation. The suit was filed in Kenai.

Greg Bill commented that the INHT had learned in July that the lady had formed a non-profit and deposited \$20,000 worth of checks into their account that were designated for the INHT. Their idea was to have a freight sled race but they ended up with snow machines. He said this in one more instance of copyright infringement. He said he hates to see anyone riding Iditarod's coattails.

Owens noted that this group had been touting doing school programs as they went up the trail.

Koch noted that Hooley was going to write a letter in support of INHT's position. He asked what the damage to the ITC is. They absconded with money. Is that a damage to ITC? We could be damaged by their using the Iditarod name the way they are using it.

Hooley noted that we'd need to review the suit. He asked Seavey to e-mail him the case number. The case number is 3KN-03-907 (CI).

Moderow said the bottom line is that we don't "have a dog in this fight" but that our opinion would probably carry weight. He said he'd like to see what it is and we can look

at it to file something formal in support of the position but not be a party or whether we have a trademark issue in the fight. We do need more details.

Bill noted that the \$20,000 wasn't the Iditarod's but she represented herself as the executive director of the Iditarod.

Moderow noted that we can act as witnesses clearly stating our position without spending money. We can file something that clearly sets forth who we are and who we aren't.

Moderow/Seavey moved that Hooley and staff give factual support to the attorneys of the INHT. Motion passed.

STRATEGIC PLANNING MEETING

Moderow noted that he believes you have to pole constituents and see what they think. He said we are a membership organization so what the members think is relevant. He also noted that the biggest single thing we do is put on a race, represented by the IOFC. The third group is the volunteers. He suggested we send out something to these constituents and give them a chance to weigh in on this. The ideal format would be a survey. Hooley noted that the mailing costs for something like this would be about \$4400. And he said if we don't solicit the comments now, it isn't going to happen in time.

Moderow said he would refuse to speak for the volunteers, the membership and the mushers. Hooley suggested a combination of electronic and written surveys.

Moderow suggested putting it on the website and noting that we're looking for written comments back.

Koch noted that it wouldn't be a bad investment to reach out to all the constituents.

Hooley said he thinks we stand a better chance of getting people's attention electronically rather than through the mail. He said he'd guess that we'd reach 65% of those groups.

Owens noted that there is a narrow window of the official finishers that will be in Nome.

Hooley stated that the only way to make this meaningful is to ask all constituencies the same questions.

Seavey suggested that it would be subversive to mushers to have the same questions as the volunteers.

Moderow noted that the constituents need to know we're doing planning so they can submit their comments. Everyone should have notice that written comments will be accepted by a certain date, sponsors, members, volunteers, and mushers.

Koch noted that he has thought about having Wilson Hughes and Max Lowe be part of the strategic planning. He said they might add expertise to the mix.

Seavey suggested a block of time each day that others could attend. Koch said that could possibly be worked out.

2005 RULE

Swenson said he would like to propose that only qualified mushers be allowed to enter the Race. Seavey said he agreed with that.

Seavey noted that Nordman is going to call the Rules Committee together before the next board meeting.

Moderow said he would talk against requiring mushers to be qualified when they sign up. He suggested having them look at the qualifying rule.

Swenson/Seavey moved to ask the rules committee to examine what the qualifications would be for people who sign up for the race.

Moderow asked that we think about why we put on the event and what signals are there for people who want to run the race.

Swenson noted that we had a heads up on Scdoris' coming to the Iditarod for two years and we didn't do anything. He said the size of the field is such that this is the way it has to be.

Hooley asked if this wouldn't delay the sign up and the net result is that we'd end up in the same place.

Swenson noted that this would make sure that mushers have two years' experience.

Koch noted that the net result would be that mushers can't qualify in the year that they run the Race.

Moderow said he objects to voting on this today because it wasn't an agenda item. He said he supports sending it to the rules committee.

Swenson/Seavey motion passed.

Koch cautioned the board to be careful about discussion on this matter. It's something that could be received as being directed at one individual.

DIRECTORS' COMMENTS

Lee Larsen: Said he was appreciative of the phone equipment for the teleconference and noted that if we do a Willow re-start, we have a tight time frame

Mike Owens: No comment

Dan Seavey: Reminded Nelson that he was to develop a list of benefits to the dog population from the vet program.
He also noted that our organization has members sitting on board of INHT who aren't members of INHT and suggested that they consider membership

Richard Burmeister: Asked about re-start time – 10:00

Moderow: Suggested Hooley developed memo to send to Rules Committee regarding allowing people to leave entry fee with Iditarod if they withdraw before the race

Rick Swenson: Thanked the staff for hard work they've done in preparation for this event and is looking forward to a good event and making sure that new truck has Alaska plates on it

Rick Koch: Thanked everyone for understanding how much work is going on with the staff right now.

ADJOURNMENT

Burmeister/Owens moved to adjourn. Motion passed.

Meeting adjourned at 10:50 p.m.