

NINILCHIK NATIVE ASSOCIATION, INC.
Regular Board Meeting of the Board of Directors
May 19, 2000

1. **CALL TO ORDER:** The Chairman called the meeting to order..
2. **PLACE:** Anchorage, Alaska
3. **TIME:** 3:05 PM
4. **INVOCATION:** Jerry A. Kvasnikoff, Chairman
Richard Weldin, Vice President
Ray Bouwens, Secretary/Treasurer
Carol Gore
Suzette Marey
Gary W. Jackinsky
William Bouwens

ABSENT: Robert Prosser

ALSO PRESENT: Keith H. Gordaoff, CEO
William. Dean Kvasnikoff, ANRC, Inc.
Sandra Lee, Office Manager
5. **QUORUM:** The Chairman determined there was a quorum.
6. **ADOPTION OF AGENDA:** *Ray Bouwens moved to approve the agenda and Richard Weldin seconded. Being no objections the agenda was approved.*
7. **ADOPTION OF MEETING MINUTES:** *Ray Bouwens moved to accept the meeting minutes of March 17, 2000, as presented, and the meeting minutes of April 21, 2000, with an amendment on page 3 to change Ninilchik Administrative Association to Ninilchik Ambulance Association. Seconded by Gary Jackinsky. Being no objections the minutes were approved as amended.* It was noted that Bill Bouwens abstains from voting on the minutes because he was not a member of the board at that time.
8. **FINANCIAL REPORTS:**
 - a. Owen Sweeney from PaineWebber spoke to the board regarding Ninilchik Native Association's investments.
 - b. CEO went through the cash activity worksheet, the reorganization costs and the balance sheet as of April 30, 2000. To the question by Bill Bouwens if we are doing good or doing bad, the CEO responded that the corporation has very large liabilities that need to be doing bad, the CEO responded that the corporation has very large liabilities that need to be addressed such as reforestation, road issues

and verbal contracts. The CEO suggested the finance committee look at the Paine Webber investments.

9. MANAGEMENT REPORT

Dean Kvasnikoff, ANRC, Inc. discussed reforestation, pointing out that NNAI in presently not keeping up with its agreement with the Division of Forestry. He discussed NNAI's options to plant 250 (200) stems per acre or as an alternative measure to reclassification of lands, possibly to a scientific study area. The board discussed applying for grant money to assist in the reforestation effort.

Ray Bouwens moved to authorize up to \$3,000 to cover the expense of getting a grant application filed promptly and accurately. Seconded by Carol Gore. Hearing no objection, the motion passed unanimously.

Mr. Kvasnikoff suggested management meet with the Commissioner and attempt to get lands exempt.

Mr. Kvasnikoff addressed the road system and a two-part access agreement with CIRI-NNAI access CIRI land and CIRI access NNAI land. He discussed future timber operations being winter logged.

Keith Gordaoff, CEO discussed D & M Charters' lease.

Carol Gore moved that the board honor the lease extension to September 2, 2000, provided there is a legal review and that adequate environmental and other liability protection is in place for NNAI. Seconded by Gary Jackinsky. Hearing no opposition, motion passed unanimously.

Mr. Gordaoff discussed Marine Services, there is no current lease and they have been working on a verbal agreement for years. Dean Kvasnikoff has negotiated a \$1 raise from \$4 to \$5 for parking.

Ray Bouwens moved to end the contract at the end of this launch season, with the stipulation of renewing the insurance and adding environmental protection and addressing the parking issue. Seconded by Richard Weldin. Hearing no opposition, motion passed unanimously.

Mr. Gordaoff discussed Flowline and Ninilchik Arctic Pipe & Supply LLC. He suggested ending the present agreement and maybe in the future look at establishing another agreement.

Carol Gore moved to authorize Mr. Gordaoff as a representative of the board of Ninilchik Arctic Pipe & Supply to replace Greg Encelewski. Seconded by Ray Bouwens. Hearing no objections, motion passed unanimously.

Ray Bouwens moved to put the 7(j) distribution in general funds for operation. Seconded by Gary Jackinsky. Hearing no objection, motion carried unanimously.

Mr. Gordaoff reported on the progress of getting ready for the annual meeting and proxy votes.

10. NEW BUSINESS

Bill Bouwens moved that \$250 be contributed to the CIRI Foundation Scholarship sponsorship of the 16th Annual Golf Classic. Seconded by Ray Bouwens. Hearing no objections, motion passed unanimously.

Ray Bouwens moved to approve the access route requested by the Anchorage Forestry Science Lab. Seconded by Suzette Marey. Hearing no objection, the motion passed unanimously.

The board requested management to have a legal review on David Stroebel access to his lands across NNAI lands.

Carol Gore moved to have management identify a possible land manager, checking references and costs and bring back to the board. Seconded by Ray Bouwens. Hearing no opposition, motion passed unanimously.

Gary Jackinsky moved that NNAI sell its own properties and not go through a real estate office. Seconded by Carol Gore. Hearing no opposition, motion passed unanimously.

The board instructed management to decline Henry Kroll's trade of lands. The chairman assigned Carol Gore to work with management on the proposed property for sale in Homer, Glacier I and II, by Jack Griffin and Earl Kramer

Mr. Gordaoff discussed the shareholder issue regarding requests by Gene Steik. He suggested Mr. Steik put his requests in writing to the Chairman. The Chairman agreed that management is handling this matter appropriately.

Mr. Gordaoff discussed a proposal by the Alaska Village Initiative regarding a business proposal. The Chairman assigned Carol Gore to work with management to review the proposal.

The Board directed Sheri Liebenthal to look into utilizing vacant space in the Ninilchik office to rent space to shareholder to sell merchandise.

The Chairman authorized management to proceed to find a new counsel for NNAI.

11. OLD BUSINESS

Mr. Gordaoff discussed the Westside Agreement between Seldovia and NNAI. *Ray Bouwens moved to replace Greg Encelewski with Keith Gordaoff. Hearing no objection, motion passed unanimously.*

Mr. Gordaoff discussed the need to appoint a land committee. The Chairman appointed Carol Gore as a committee of one at this time. Gary Jackinsky said he would like to serve on the committee also.

Ray Bouwens reported on a telephonic poling of four issues: (1) Resolution 2000-9 concerning the wording of the termination of Mr. Encelewski was voted on and passed unanimously; (2) the board voted 5-3 in favor of non-support of Larry George Matson; (3) the board passed unanimously that the board support a slate of two incumbents and leave the third seat open to all other candidates; and (4) the board voted with one abstention to reaffirm Richard Weldin as vice-president.

12. EXECUTIVE SESSION

13. DATE OF NEXT MEETING: June 10, 2000

14. ADJOURNMENT (approximately 11:00 p.m.)