

**CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska**

**BOARD MEETING
AGENDA ITEM SUMMARY**

January 21, 2004

ACTION REQUIRED

AGENDA ITEM NO. IX.B.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Proposed amendment to Bylaw Article IV, Section 2 – Elimination of Director Term Limits

DISCUSSION

At its January 9, 2004 meeting, the Bylaws Committee unanimously approved elimination of the restriction on director term limits in Article IV, Section 2 of Chugach's bylaws, as attached. The Board Operations Committee had considered this proposed bylaw amendment at its August 6, 2003 meeting and forwarded it to the full Board. The Board voted at its August 27, 2003 meeting to forward this proposed bylaw amendment to the Bylaws Committee for its consideration. The Bylaws Committee is preparing a comment to accompany the proposed bylaw amendment which it will approve at its January 15 meeting. The comment, together with historical information concerning the bylaw provision, will be provided to the Board in advance of the January 21 Board meeting.

CEO's RECOMMENDATION

Move: Approve the proposed bylaw amendment eliminating the restriction on director term limits in Article IV, Section 2 of Chugach's bylaws, as attached, and place it on the ballot for the 2004 annual membership meeting.

ARTICLE IV

DIRECTORS

SECTION 2. Election and Tenure of Office. The persons named as directors in the articles of incorporation shall compose the board of directors until their successors shall have been elected and shall have qualified. Directors shall be elected by secret ballot either mailed or cast in person at annual or special meetings of the membership, by and from the members, to serve for a three-year term, ~~not to exceed three consecutive three year terms,~~ until their successors shall have been elected and qualify, provided that the terms of directors shall be staggered so that one-third of the directors, or a number as close to one-third as possible, shall be elected each year. The directors elected to fill vacancies as provided in Article IV, Section 8 of these bylaws, shall serve only for the unexpired portion of the term vacated. Where the remaining unexpired terms to be filled are of different lengths, the longest term shall be given to the director receiving the most votes. If the size of the board is subsequently increased, the initial terms of the directors to fill the newly created seat or seats shall be scheduled so that, as nearly as possible, an equal number of terms expire each year. At each annual or special meeting, members shall be elected to fill the seats on the board which become vacant as contemplated by Article IV, Section 8 of these bylaws.