

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

June 18, 2003

BOARD OF DIRECTORS'
MEETING MINUTES

A regular meeting of the Board of Directors of Chugach Electric Association, Inc. was called to order at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

The following board members were present:

Red Boucher – Vice Chairman
Jeff Lipscomb – Treasurer
Pat Jasper – Secretary
Chris Birch – Director
Sam Cason – Director (by phone)
Dave Cottrell – Director

Director Boucher presided in Chairman Davison's absence.

The following employees, members, and guests attended:

Hap Anderson	Brian Hickey	Mike Pauley
Sarah Anderson	Dianne Hillemeier	Jackie Purcell
Shane Anderson	Carol Johnson	Bill Stewart
Greg Arthur	Mike Massin	Phil Steyer
Lilli Baldwin	Edna Matthew	Katrina Storjohann
Bill Bernier	Julia Matthew	Mary Tesch
John Cooley	Julius Matthew	Fred Thrall
Brad Evans	Sarah Matthew	Ron Vecera
Joe Griffith	Stephen Matthew	Sarah Wiggers
Kathy Harris	Sherri McKay	Jody Wolfe
Carol Heyman	Jim Patras	

Lori Kirkendall, Executive Assistant, recorded meeting proceedings.

Vice Chairman Boucher led the board and audience in the Pledge of Allegiance.

Jackie Purcell from Channel 2 announced the winners of Chugach Electric's Safety Kids contest.

I. EXECUTIVE SESSION

None.

T
E
A
R
D

II. APPROVAL OF AGENDA

Director Birch moved and Director Jasper seconded the motion to approve the agenda. The motion to approve the agenda passed unanimously.

III. APPROVAL OF CONSENT AGENDA

Director Jasper moved and Director Birch seconded the motion to approve the Consent Agenda.

A. Calendar of Events (June - October 2003)

Add:

- PR Workshop; 3 pm; August 6
- FERC Regulation as it relates to Homeland Security to July 2 Operations Committee meeting agenda
- Chugach's policy on director candidates' endorsement added to July 2 Operations Committee meeting agenda

B. Minutes (May 21, 2003 - Regular Board Meeting)

No changes.

C. Financial Reports

No changes.

The motion to approve the Consent Agenda passed unanimously.

IV. PERSONS TO BE HEARD

A. Wholesale Customer Comments

None.

B. Member Comments

None.

V. CEO Report

The following topics were covered in the CEO report:

- June 16 trip to Beluga with assembly members and elected officials
- Financial Report for May 2003 presented by Jody Wolfe, Manager, Accounting
- Reliability Centered Maintenance (RCM) presented by Brian Hickey, Director, Technical Services
- EPA/DEC Inspection presented by Greg Arthur, Environmental Engineer
- New Phone Payment System
- Fuel & Purchased Power presentation by John Cooley, Manager, Power Control

D
R
A
F
T

VI. CORRESPONDENCE

None.

VII. DIRECTORS' REPORTS

A. Chairman's Report

None.

B. Committee Reports

Director Lipscomb reported on the June 11, 2003, Finance Committee meeting where they reviewed billing and collection timing reports, received a rate case update, discussed the 2004 budget schedule and unbundled financial statements.

C. ARECA Report

None.

D. Meeting Reports

Director Jasper briefly reported on MEA's June 9, 2003, regular board meeting and the annual meeting of Resource Development Council on June 13.

VIII. UNFINISHED BUSINESS

None.

IX. New Business

A. Board Policy 108 (Director Compensation)

Director Lipscomb moved and Director Cottrell seconded the motion to approve the clean version of Board Policy 108 as submitted.

Director Lipscomb moved that an amendment to the wording "traveling in their own vehicles or aircraft" be deleted from paragraph II. C. Director Cottrell seconded the motion. The motion passed unanimously.

Director Jasper still had questions regarding wording in paragraph II. C. and moved to have it amended as recommended by Carol Johnson, General Council. Director Cottrell seconded the motion. The motion passed unanimously.

The original motion to approve Board Policy 108 as amended passed unanimously.

B. Directors' Expenses

Director Jasper moved and Director Lipscomb seconded the motion to approve directors' expenses as submitted. The motion passed unanimously.

T
E
A
R
D

X. DIRECTORS' COMMENTS

Director Cottrell – Inquired about the status of his request for a discussion about Chugach’s policy on endorsements. It was decided to add this topic to the July 2 Operations Committee Meeting.

Director Jasper – No comments.

Director Cason – No comments.

Director Birch – No comments.

Director Lipscomb – Congratulated participants and winners of the Chugach Safety contest.

Director Boucher - No comments.

XI. EXECUTIVE SESSION

Director Lipscomb moved and Director Jasper seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) and (3) the Board go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the Cooperative; and (2) to discuss matters with its attorneys, the immediate knowledge of which could have an adverse affect on the legal position of the cooperative. The motion passed unanimously.

XII. ADJOURNMENT

At 6:25 p.m., Director Lipscomb moved and Director Jasper seconded the motion to adjourn. The motion passed unanimously.

D
R
A
F
T

Patricia Jasper, Secretary
Date Approved July 16, 2003