

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

July 17, 2002

**BOARD OF DIRECTORS’
MEETING MINUTES**

Vice President Cottrell, acting on behalf of President Davison, convened the regular meeting of the Board of Directors of Chugach Electric Association, Inc. at 4:03 p.m. on Wednesday, July 17, 2002, in the boardroom of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

The following board members were present:

Dave Cottrell – Vice President
Jeff Lipscomb – Treasurer (Arrived 4:12 p.m.)
Chris Birch – Secretary
Red Boucher - Director
Pat Jasper – Director
Sam Cason – Director

President Davison was absent.

The following employees, members, and guests attended:

Gina Armstrong	Kathy Harris	Mike Massin
Bill Bernier	Brian Hickey	Mike Pauley
John Cooley	Daniel B. Helnick	Bill Stewart
Mike Cunningham	Dianne Hillemeier	Katrina Storjohann
Don Edwards	Carol Johnson	Mary Tesch
Brad Evans	Teresa Kurka	Lee Thibert
Mark Fouts	Lori Kirkendall	Ken Thomas
Dee Fultz	Gayle Knepper	Ron Vecera
Dora Gropp	Tom Lovas	Jody Wolfe

Vice President Cottrell led the Board and audience in the Pledge of Allegiance.

I. EXECUTIVE SESSION

None.

II. APPROVAL OF AGENDA

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

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III. APPROVAL OF CONSENT AGENDA

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

A. Calendar of Events

July – October, 2002

Director Jasper moved and Director Boucher seconded the motion to postpone the Operations Committee meeting scheduled for July 23 to a date uncertain. The motion passed unanimously.

B. Minutes – June 19, 2002

No changes.

C. Write-off of Uncollectible Electric Accounts

D. May 2002 Financials

The motion to approve the Consent Agenda passed unanimously.

IV. PERSONS TO BE HEARD

A. Wholesale Customer Comments

None.

B. Member Comments

None.

V. GENERAL MANAGER'S REPORT

A. The following topics were included in the General Manager's report:

- Mike Cunningham, CFO, presented the June financials.
- John Cooley, Manager, Power Control presented Fuel and Purchased Power statistics.
- Brian Hickey, Director, Technical Services, presented an update on the Bradley Lake governor replacement project.
- Ken Thomas, Manager, Safety & Health, presented year-to-date safety statistics.
- General Manager Griffith highlighted Golden Valley Electric's visit to Chugach's Member Service Department and the testimony by Matanuska Electric Association on the 2000 Test Year Rate Case
- Mark Fouts, Manager, Corporate Planning & Analysis, presented a Strategic Planning update.

VI. CORRESPONDENCE

None.

VII. DIRECTORS' REPORTS

A. President's Report - None

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B. Committee Reports

Director Lipscomb reported on the July 10, 2002, Finance Committee meeting. At that meeting, the committee evaluated the bargaining agreement extension for the culinary group (HERE) and recommends Board approval. Also, the committee evaluated the proposed 2001 Operating Budget revision and recommends Board approval.

Director Boucher reported on the Technology Committee meeting held on June 27, 2002, where the topic of discussion was security.

C. ARECA Report

Director Jasper briefly reported on two ARECA meetings regarding AK220-LLC. She also announced that she was appointed to the ARECA awards committee and that nominations are being accepted for awards that will be presented at the August annual meeting in Sitka, Alaska.

D. Meeting Reports

None.

VIII. UNFINISHED BUSINESS

None.

IX. New Business

A. 2002 Operating Budget Revision

Director Lipscomb moved and Director Boucher seconded the motion to approve the proposed change to the 2002 Operating Budget. The motion passed unanimously.

B. Bank Signature Card Update

Director Birch moved and Director Boucher seconded the motion to approve the resolution regarding updating the approved check signers. The motion passed unanimously.

C. HERE Bargaining Agreement Extension

Director Jasper moved and Director Cason seconded the motion that the Board of Directors accepts the proposal by the Hotel Employees, Restaurant Employees Union, Local 878 (HERE) to extend the collective bargaining unit agreement through June 30, 2006. The motion passed with Directors Cottrell, Boucher, Jasper, Cason, and Lipscomb in favor and Director Birch opposed.

E. Directors' Expenses

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

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X. DIRECTORS' COMMENTS

Director Boucher - None.

Director Birch - None.

Director Lipscomb – Expressed his concern about the safety statistics presented at today's meeting and encouraged more emphasis on safety in the workplace.

Director Cottrell - None.

Director Cason – None.

Director Jasper – None.

XI. EXECUTIVE SESSION

At 5:25 p.m., Director Birch 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 with its attorneys, the immediate knowledge of which would clearly have an adverse affect on the finances of the Cooperative and 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.

Vice President Director Cottrell recessed the meeting for five minutes. At 5:37 p.m. executive session convened.

XII. ADJOURNMENT

At 5:57 p.m. Director Lipscomb moved and Director Cason seconded the motion to adjourn. The motion passed unanimously.

Chris Birch, Secretary

Date Approved: August 21, 2002

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