

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 13, 2006

ACTION REQUIRED

AGENDA ITEM NO. IX.B.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Board Policy 111 - Statement of Functions of the Operations Committee

DISCUSSION

Board Policy 111, Statement of Functions of the Operations Committee, has been revised, as well as Board Policy 105, Statement of Functions of the Board of Directors (Agenda Item V), so that they: 1) are consistent with one another with regard to evaluating the Chief Executive Officer ("CEO"); and 2) both contain time frames for evaluation of the CEO to insure that both the Board and the Operations Committee complete their review and evaluation of the CEO, including any adjustment to salary or other remuneration as appropriate, and act on the evaluation prior to the annual membership meeting so that the "same" Board and Board committee members perform these actions. The Operations Committee has reviewed these changes at their September 6, 2006, meeting and will make a recommendation to the Board.

MOTION

Move that the Board of Directors approves the revisions to Board Policy 111, Statement of Functions of the Operations Committee, as attached.

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 111

DATE: July 21, 2004

STATEMENT OF FUNCTIONS OF THE OPERATIONS COMMITTEE

I. BASIC FUNCTION

To study, advise, and make recommendations to the Chief Executive Officer and Board of Directors on matters relating to the overall policy direction and management of the Association and public and member relations, marketing and economic development.

II. DUTIES AND RESPONSIBILITIES

- A. Appraises annually the performance of the Chief Executive Officer and ~~makes~~ provides a written report to the Board, including a recommendation on a salary adjustment and any other remuneration when appropriate, on or before the ~~second~~ February regular Board meeting in ~~March~~ of each year, ~~but no later than April 23, on the results of such appraisal including a recommendation on a salary adjustment when appropriate.~~
- B. Reviews the Statement of Delegations (Policy 106) from the Board to the Chief Executive Officer and recommends to the Board any revisions required.
- C. Reviews, in consultation with the Chief Executive Officer and General Counsel, the Association's bylaws and recommends to the Board any changes required to meet current operating conditions, which changes shall be recommended to the Bylaws Committee. Reviews bylaw amendments proposed by the Bylaws Committee and makes an appropriate recommendation to the Board of Directors.
- D. Recommends to the Board for approval the Statement of Functions of this committee and reviews annually the functions of this committee to see if any changes are needed and makes an appropriate recommendation to the Board.
- E. Reviews revised or new policies recommended by the Chief Executive Officer in areas this committee is responsible for, or for which there is no appropriate committee, to refer such policies and makes an appropriate recommendation to the Board.
- F. Reviews, in consultation with the Chief Executive Officer, any proposed revisions to the Association's wage and salary plan for non-bargaining unit employees and makes an appropriate recommendation to the Board. Reviews the overall results of the plan with the Chief Executive Officer and discusses any action required.

- G. Reviews in consultation with the Chief Executive Officer major employee benefit programs and makes recommendations to the Board.
- H. Reviews in consultation with the Chief Executive Officer strategies to be utilized in labor negotiations and proposed contract changes and makes recommendations to the Board.
- I. Reviews periodically the Association's overall objectives and goals, as recommended by the Chief Executive Officer, and the strategy to achieve these objectives and goals, and makes recommendations to the Board.
- J. Reviews in consultation with the Chief Executive Officer the Association's relations with Alaska Power Association (APA) and with other organizations, agencies and entities as necessary and reports and makes recommendations to the Board.
- K. Reviews periodically programs and plans for Director education and development, and makes recommendations to the Board.
- L. Reviews recommendations of the Chief Executive Officer on the selection of principal consultants to the Board and makes recommendations to the Board.
- M. Reviews the long-range objectives and goals of the Association as recommended by the Chief Executive Officer and makes recommendations to the Board.
- N. Reviews in consultation with the Chief Executive Officer legislative strategies and legislation to be supported or opposed by the Association and makes recommendations to the Board.
- O. Reviews in consultation with the Chief Executive Officer member attitude studies and public and member relations programs, including member involvement and communication, and makes recommendations to the Board or Chief Executive Officer.
- P. Reviews in consultation with the Chief Executive Officer market research and marketing plans and programs to improve load factors and energy sales and to help the members make more efficient use of electric energy and makes recommendations to the Board or Chief Executive Officer.
- Q. Reviews periodically the method of nominating Directors to make sure the process encourages nominations which are representative of the composition of the membership and makes recommendations to the Board.
- R. Reviews in accordance with Board Policy 114 the applications of those interested in serving on the Bylaws Committee, Nominating Committee, and Election Committee and recommends to the Board the appointment of members to these Committees and

the term for each member.

- S. Serves the Board in such other areas as may be specifically assigned to it by the Board.

III. ORGANIZATIONAL RELATIONSHIPS

- A. Reports to the Board of Directors.
- B. The Committee shall be comprised of not more than four directors, including the Chairman of the Board.
- C. The Chairman of the Board shall serve as chairperson of the Committee or may appoint another director to serve as chair. The Committee shall elect from its membership a vice chairperson and appoint a secretary as needed.
- D. The Committee shall meet only as needed. The Committee chairperson shall convene all meetings of the Committee. A majority of the Committee may call a special meeting of the Committee.
- E. Staff Liaison: Chief Executive Officer.

IV. TERM OF OFFICE

- A. The Committee is a continuing one.
- B. The term of each member runs for one year and thereafter or until a successor is appointed.

Date approved: July 21, 2004

Attested: _____
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 111

DATE:

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- B. Reviews the Statement of Delegations (Policy 106) from the Board to the Chief Executive Officer and recommends to the Board any revisions required.
- C. Reviews, in consultation with the Chief Executive Officer and General Counsel, the Association's bylaws and recommends to the Board any changes required to meet current operating conditions, which changes shall be recommended to the Bylaws Committee. Reviews bylaw amendments proposed by the Bylaws Committee and makes an appropriate recommendation to the Board of Directors.
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