

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

**BOARD MEETING**  
**AGENDA ITEM SUMMARY**

**November 14, 2007**

**ACTION REQUIRED**

**AGENDA ITEM NO. XI.D.iii.**

       **Information Only**  
  **X**   **Motion**  
       **Resolution**  
       **Executive Session**  
       **Other**

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**TOPIC**

Chugach / ML&P (Phase I Study Report) - Expanded Scope of Work and Increased Task Order Amount for Don Percival

**DISCUSSION**

On August 8, 2007, the Chugach Board of Directors hired attorney Don Percival of Heller Ehrman LLP for the purpose of rendering legal advice regarding the effect of Chugach's existing debt structure on a possible business combination with ML&P.

As was discussed during executive session at the November 5 Finance Committee meeting, Mr. Percival's Scope of Work should be expanded and the Task Order amount for this additional work be increased to cover the cost for services under this expanded Scope of Work as discussed in Executive Session of the Finance Committee meeting on Monday, November 5, 2007.

That work will include reviewing the Navigant Phase 1 Draft Report; providing comments to Chugach staff, board and financial advisor regarding same; assisting in preparing questions for Navigant regarding Phase 1 Draft Report; and assisting in preparing comments to Phase 1 Draft Report for delivery to Navigant and/or ML&P.

**BUDGETARY IMPACTS**

Amount: The not to exceed amount for this additional work is \$22,250.

Expense: \$22,250.

Capital: N/A

Discussion: See Discussion above.

**MOTION**

Motion 1: Move to waive the seven day rule.

Motion 2: Move that the Chugach Electric Association, Inc. (Chugach) Board of Directors expand the Scope of Work under the existing Contract with Heller Ehrman LLP for the Don Percival's services in rendering legal advice concerning a possible business combination with ML&P to include: reviewing the Navigant Phase 1 Draft Report; providing comments to Chugach staff, board and financial advisor regarding same; assisting in preparing questions for Navigant regarding Phase 1 Draft Report; and assisting in preparing comments to Phase 1 Draft Report for delivery to Navigant and/or ML&P and to increase the Task Order amount for Mr. Percival's additional work to cover the cost for services under this expanded scope of work as discussed in Executive Session of the Finance Committee meeting on Monday, October 5, 2007. The not to exceed amount for the additional Scope of Work is \$22,500.