

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

**OPERATIONS COMMITTEE MEETING**  
**AGENDA ITEM SUMMARY**

**February 9, 2010**

**ACTION REQUIRED**

**AGENDA ITEM NO. XII.**

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

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**TOPIC**

2010 Proposed Bylaw Amendments – Annual Membership Meeting Date

**DISCUSSION**

The Bylaws Committee met on December 2, 2009 and January 6 and 14, 2010 reviewing, discussing and editing proposals to the Bylaws.

There are a total of five proposals for the Operations Committee's consideration. This year, Chugach received one proposed Bylaw change from the membership (tonight's Agenda Item XIII) and the Committee drafted four proposals for the Board's consideration.

Attached is a redlined version of the fourth proposal from the Bylaws Committee. This proposal to Article III, Section 1 and Article V, Sections 4 and 7 to move the annual membership meeting of members approximately six weeks later to (1) accommodate the expanded amount of work our auditors must now do as a result of changes to Sarbanes-Oxley and (2) save the Association money by not having to pay for accelerated audited financials to send to the members prior to the annual meeting.

The Bylaw Committee also prepared a comment to accompany this proposal should the Board decide to place it on the ballot. Those comments read as follows:

*The following changes would move the annual membership meeting approximately six weeks later in the year. Sarbanes-Oxley requirements (new government accounting standards) have greatly expanded the scope of work that our independent auditors need to perform. Moving the annual membership meeting six weeks later would:*

- 1) *accommodate the auditors' expanded scope of work, and*
- 2) *save the Association money by not having to pay extra for accelerated audited financial statements in time to send to members prior to the annual meeting.*

If approved by the Board, the proposed bylaw amendment would appear on the ballot for the annual meeting election and in the election brochure that accompanies the ballot when it is sent to the members. The Board would also need to approve a comment to accompany the proposed amendment.

Both the proposed bylaw amendment as well as the comment are before the Operations Committee for its consideration on whether to refer them to the full Board at its February 24 Board meeting for its approval for placement on the ballot for the 2010 annual membership election.

The full range of options is available to the Operations Committee with respect to the Bylaw proposals. The Operations Committee can take no action, delay its action, modify the proposal(s) or choose to adopt any or all of them and forward them to the Board. Delay beyond the ballot material printing deadline (March 9) would result in the item not being placed on the ballot.

With respect to the comments, the Operations Committee can 1) recommend joining in the Bylaws Committee's comment as it is written; 2) revise it; or 3) write its own comment.

## **MOTION**

Depending on what action the Operations Committee wishes to take, possible motions follow:

- A. Move to approve the proposed Bylaw amendment to Article III, Section 1 and Article V, Sections 4 and 7 and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting.
- B. Move to approve and join in the Bylaws Committee comment to the proposed Bylaw amendment to Article III, Section 1 and Article V, Sections 4 and 7 and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting.
- C. Move to approve and provide an Operations Committee comment to the proposed Bylaw amendment to Article III, Section 1 and Article V, Sections 4 and 7 as follows: **[insert comment]** and refer it to the Board for its approval and for placement on the ballot for the 2010 annual membership meeting.

## ARTICLE III MEMBERS, MEETINGS AND ELECTIONS

**SECTION 1. Annual Meeting.** The annual meeting of the members shall be held on such convenient date, ~~on or after May 15~~~~on or after the 1st day of April,~~ and ~~not later than June 15~~~~on or before the 1st day of May~~ of each year, at such place or building in the Municipality of Anchorage, State of Alaska, as shall be designated by the board of directors in the notice of meeting, for the purpose of electing directors, passing upon reports for the previous fiscal year, and transacting such other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Association.

## ARTICLE V MEETINGS OF DIRECTORS

**SECTION 4. Director Attendance.** (a) If a director is absent from three consecutive regular board meetings or four regular board meetings in any director year (~~May 1 to April 30~~~~of from the date of the annual meeting to the day before the annual meeting in~~ the following year) whether consecutive or not, the director shall be deemed to have resigned from the board of directors. Any vacancy thereby resulting will be filled as provided in Article IV, Section 8, of these bylaws.

**SECTION 7. Attendance At Board Meetings Via Electronic Communications.** Directors can participate in meetings by means of teleconference or similar communications equipment. Attendance by directors shall be permitted without limitation if the director is unable to attend in person due to Association business provided the absence is approved by the board under Article V, Section 4.

(a) For any regular meeting, electronic attendance for reasons other than Association business shall be limited to three consecutive meetings or four meetings in any director year (~~May 1 to April 30~~~~of from the date of the annual meeting to the day before the annual meeting in~~ the following year).

(b) For board committee meetings and special board meetings, electronic attendance is permitted without limitation.