

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

**June 9, 2010**

**OPERATIONS COMMITTEE**  
**MEETING MINUTES**

Committee Members in Attendance: Janet Reiser, Chair  
Rebecca Logan, Vice Chair  
Jim Nordlund (*arrived at 4:06 p.m.*)  
Pat Kennedy

Committee Members not Present: Elizabeth Vazquez

Other Members Present: *None*

Staff in Attendance:

Bradley Evans	Dustin Highers	Wanda Peel
Tyler Andrews	Ed Jenkin	Divina Portades
Bill Bernier	Mark Johnson	Paul Risse
Patti Bogan	Dan Knecht	Dave Smith
Mike Cunningham	Theresa Kurka	Phil Steyer
Carol Heyman	Todd McCarty	Lee Thibert

Recording Secretary: DeAnna Scott, Executive Assistant

**I. Convene Meeting**

Chair Reiser convened the Operations Committee Meeting 4:03 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*a. Safety Minute*

Dave Smith, Sr. V.P., Administration, gave a Safety Minute presentation and showed a video clip on the use of a rescue whistle. Mr. Smith distributed whistles to members of the Committee.

**II. Executive Session** (*none*)

**III. Approval of Agenda**

Director Logan moved and Director Kennedy seconded the motion to approve the Agenda. The motion passed unanimously.

#### **IV. Approval of Minutes**

- a. May 12, 2010 (Neas-Arnold)*

Director Logan moved and Director Kennedy seconded the motion to approve the meeting minutes of May 12, 2010. The motion passed unanimously.

#### **V. Customer Comments**

- a. Wholesale Customer Comments*  
None
- b. Member Comments*  
None

#### **VI. Update on Southcentral Power Project**

Paul Risse, Sr. V.P., Power Supply, provided an update on the Southcentral Power Project and answered questions from the Committee.

#### **VII. Update on Electronic Voting**

Dave Smith, Sr. V.P., Administration, provided an update on the Electronic Voting and answered questions from the Committee.

#### **VIII. Smart Process in Administrative Services**

Dave Smith, Sr. V.P., Administration, and Dan Knecht, Manager, Administrative Services, provided an update on the Smart Process in Administration Services and answered questions from the Committee.

#### **IX. Correspondence (*none*)**

#### **X. Executive Session**

- a. Southcentral Power Project – EPC Contract*
- b. Update on Fire Island*
- c. Strategic Planning*
- d. CEO Evaluation*

At 4:43 p.m., Director Nordlund moved and Director Kennedy seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) and (2) the Board Operations Committee go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative as it relates to a Southcentral Power Project “Engineer, Procure and Construct” contract; an update on the Fire Island Wind Project; Strategic Planning Issues; and, to discuss subjects that may tend to prejudice the reputation or character of a person as it relates to discussion of the process for evaluating the Chief Executive Officer. However, the person may request a public discussion.

The matters to be discussed will be:

- a. Southcentral Power Project – EPC Contract;
- b. Update on Fire Island;
- c. Strategic Planning; and,
- d. The CEO Evaluation Process.

The Committee took a 5 minute recess and went into Executive Session at 4:53 p.m.

At 6:44 p.m., the Committee reconvened in open session.

**XI. Southcentral Power Project – Motion to Recommend EPC Contract**

Director Logan moved and Director Nordlund seconded the motion that the Operations Committee recommend the Board of Directors to authorize the Chief Executive Officer to approve the EPC Contract with SNC-Lavalin Constructors, Inc., for the Southcentral Power Project for an estimated cost as described in Executive Session. The motion passes unanimously.

**XII. Director Comments**

**Director Logan:** “We have a lot of heavy mental work to do. We do, you know, I’m preaching to the choir because we’re all here but we do. There’s a lot of detailed stuff we need to look at, you know, so; and, I appreciate the staff doing the preliminary economics, there’re very good, very good.”

**Director Nordlund:** “No comments.”

**Director Kennedy:** “I echo my senior Director, friend’s comment.”

**Chair Reiser:** “And my comments are we are use to seeing really good staff work but we are seeing some exceptional staff work and I appreciate the power plant stuff; I appreciate the Fire Island information, I think it gives me a lot of confidence in our organization; and, I would like to admonish the people who have not given their CEO evaluation. That is the one thing we are suppose to do and do it well; and I expect to see that on Wednesday.”

**XIII. Adjourn**

At 6:50 p.m., Director Logan moved and Director Kennedy seconded the motion to adjourn the meeting. The motion passed unanimously.