

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

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

**July 25, 2007**

Committee Members in Attendance: Elizabeth Vazquez, Chair  
Alex Gimarc  
Uwe Kalenka  
Jim Nordlund

Other Directors Present: Alan Christopherson  
Jeff Lipscomb

Guests in Attendance: Lorali Carter (MEA)  
Jim Patras (HEA)  
Gary Zipkin (Guess & Rudd)  
Mike McLaughlin (Guess & Rudd)  
Bill Mede (Turner & Mede)  
Tom Tierney  
Tom Van Flein (Clapp Peterson)  
Marc Marlow (Tiqun Energy)

Staff in Attendance:

Bill Stewart	Lee Thibert	Mike Cunningham	Connie Owens
Brad Evans	Carol Johnson	Ed Jenkin	Phil Steyer
Dave Smith	Mary Tesch	Divina Portades	

Recording Secretary: Jennifer McDonald, Legal Secretary

**I. Convene Meeting**

Chair Vazquez convened the Operations Committee meeting at 5:48 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Approval of Agenda**

Director Kalenka moved and Director Gimarc seconded the motion to approve the agenda.

Director Kalenka moved and Director Gimarc seconded the motion to amend the Agenda to add an Executive Session at the beginning of the meeting – the topic to be discussed is labor. The motion passed unanimously.

**Executive Session**

Director Kalenka moved and Director Gimarc seconded the motion that pursuant to Alaska statute 10.25.175(c) (3) the Board Operations Committee go into executive session to discuss matters with its attorneys the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The topic to be discussed is Labor. The motion passed unanimously.

The Committee went into executive session at 5:50 p.m. and reconvened at 7:21 p.m.

The Committee paused for a break at 7:21 p.m. and reconvened at 7:37 p.m.

### III. Approval of Minutes

a. *June 27, 2007*

Director Kalenka moved and Director Gimarc seconded the motion to approve the Operations Committee Meeting minutes of June 27, 2007. The motion passed unanimously.

### IV. Customer Comments

a. *Wholesale Customer Comments*

None.

b. *Retail Customer Comments*

None.

### V. Bank Erosion on Submarine Cable (West Terminal)

Ed Jenkin, Director, Engineering Services Division, gave a presentation on the Bank Erosion on Submarine Cable (West Terminal).

Director Nordlund moved and Director Lipscomb seconded the motion that the Operations Committee recommend to the Chugach Board of Directors authorization for project expenditures for Six Mile Submarine Cable Terminal – Erosion Protection with an estimated cost of \$2,210,000 and an estimated completion date of October 2007. The motion passed unanimously.

### VI. Streamlining Board Meetings

Director Kalenka moved and Director Gimarc seconded the motion that the Operations Committee recommend the Chugach Board of Directors revise its current schedule to eliminate the Finance and Operations Committee meetings on the fourth Wednesday of each month and adding a Regular Board meeting on the first Wednesday of each month. After a lengthy discussion the Chair called the question. The motion passed with a vote of 3 to 1 with Director Nordlund voting in opposition.

### VII. Board Policy 113 – Procedures for Board of Directors Meetings

Director Kalenka moved and Director Gimarc seconded the motion to table the revision of Board Policy 113 – Procedures for Board of Directors until a time uncertain. The motion passed unanimously.

### VIII. Director Comments

**Director Lipscomb:** Stated that the Board decided to record executive sessions, which Chugach is now doing, and the Board also said we need to come up with a policy regarding the executive session tapes. Stated he is surprised and doesn't understand why the Operations Committee voted to table Board Policy 113 which addresses the subject of taping of executive sessions.

**Director Christopherson:** None.

**Director Nordlund:** Stated he voted against the motion to eliminate the Board Operations and Finance Committee meetings. Stated it is bad practice as a committee structure allows for reasonable and due consideration of a subject. Stated there is no assurance that an issue couldn't be brought up for the first time on a given night and passed by the Board. Stated that the Board members wouldn't have time to consider the issue and the membership doesn't have time to respond and react to initiatives. Stated he opposed it and looks forward to working with the rest of the Board on some sort of guarantee that issues aren't hurriedly passed.

**Director Gimarc:** None.

**Director Kalenka:** None.

**Chair Vazquez:** None.

### IX. Executive Session

*This item was brought up and voted on after Agenda Item X.*

Director Kalenka moved and Director Gimarc seconded the motion that pursuant to Alaska statute 10.25.175(c) (3) the Board Operations Committee go into executive session to discuss matters with its

attorneys the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The topic to be discussed in this executive session is: 1) Board Policy 128 – Confidentiality Record Retention. The motion passed unanimously.

The Committee paused for a break at 8:06 p.m. and reconvened at 8:13 p.m.

The Committee went into executive session at 8:13 p.m. and reconvened at 8:25 p.m.

**X. Board Policy 106 – Delegations of Authority from the Board of Directors to the CEO**

*This item was brought up and voted on before Agenda Item IX.*

Director Kalenka moved and Director Gimarc seconded the motion to table Board Policy 106 to a time uncertain. The motion passed unanimously.

**XI. Adjourn**

Director Kalenka moved and Director Lipscomb seconded the motion to adjourn. The meeting adjourned at 8:26 p.m.

DRAFT