

---Submitted by Chair Vazquez---

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

**OPERATION COMMITTEE MEETING
AGENDA ITEM SUMMARY**

November 7, 2007

ACTION REQUIRED

AGENDA ITEM NO. XII.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Chugach/ML&P Possible Reorganization- Freeze on Chugach New Hires and New Promotions

DISCUSSION

Chugach Electric Association (CEA) and Municipal Light and Power (ML&P) are exploring the possibility of reorganization, consolidation or merger. Thus, it is prudent to institute an immediate personnel and hiring freeze with an exception process for critical hires. In addition, the intent is not to have any changes in the status of employees.

MOTION:

Move that the Operations Committee recommend to the Chugach Board of Directors to direct the Chief Executive Officer (CEO) to institute an immediate personnel and hiring freeze. In addition, there shall be no change in status for any Association employee. The CEO may hire new personnel or change the status of a current employee, if the following conditions are met:

1. Board of Directors is provided with written justification for the hire or change, including the cost to CEA.
2. The Board of Directors is notified at least 14 days in advance, and
3. The Board moves to approve the change or hire at a regular or special Board meeting.

In case an exception needs to be made, the CEO will provide the Board of Directors with written justification via e-mail message, for the hire or change. The Board will then consider the change or hire at the next regular or special Board meeting.