

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

August 2, 2006

SPECIAL BOARD OF DIRECTORS'
MEETING MINUTES

A special meeting of the Board of Directors of Chugach Electric Association, Inc. was called to order at 4:02 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

The following board members were present:

Jeff Lipscomb – Chairman
Bruce Davison – Vice Chairman
Jim Nordlund – Secretary
David Cottrell – Treasurer (via teleconference)
Alan Christopherson – Director
Uwe Kalenka – Director
Elizabeth Vazquez – Director

The following employees, members, and guests attended:

Bill Stewart	Steve Gilbert	Paul Risse
Bill Bernier	Dianne Hillemeier	Phil Steyer
Mike Cunningham	Carol Johnson	Mary Tesch
Brad Evans	Paula Neas-Arnold	Lee Thibert
Kim Floyd (MEA)	Connie Owens	

DeAnna Scott, Executive Assistant, recorded meeting proceedings.

I. APPROVAL OF AGENDA

Director Davison moved and Director Kalenka seconded the motion to approve the Agenda. The motion to approve the Agenda passed unanimously.

II. EXECUTIVE SESSION

At 4:03 p.m., Director Davison moved and Director Kalenka seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1), (2) and (3), the Board go into executive session to discuss 1) matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; 2) subjects that tend to prejudice the reputation and character of a person; however, the person may request a public discussion; and 3) matters discussed with an attorney for the cooperative 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: CEO Search. Motion passed unanimously.

The meeting reconvened at 4:15 p.m.

Director Davison moved and Director Christopherson seconded the motion that the Board of Directors authorize the Chairman to sign the Employment Agreement with Bill Stewart as the new Chief Executive Officer and that Agreement being dated August 1, 2006. Chairman Lipscomb, Directors Christopherson, Nordlund, Davison and Cottrell voting yes and Directors Kalenka and Vazquez voting no. Motion passed.

XII. ADJOURNMENT

The meeting adjourned at 4:20 p.m.

Jim Nordlund, Secretary

Date Approved: September 13, 2006