

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**ANCHORAGE, ALASKA**  
**January 3, 2007**

**4:00 p.m.**

**BOARD OF DIRECTORS'**  
**OPERATIONS COMMITTEE MEETING MINUTES**

Committee members present: Jeff Lipscomb, Chairman (via telephone)  
Bruce Davison, Vice Chairman  
Uwe Kalenka, Director

Committee member Jim Nordlund was absent.

Other directors present: David Cottrell, Director (via telephone)  
Elizabeth Vazquez, Director  
Alan Christopherson, Director (via telephone)

Employees and guests in attendance:

Bill Stewart	Mike Cunningham	Lee Thibert
Brad Evans	Dianne Hillemeier	Phil Steyer
Ed Jenkin	Carol Johnson	Mary Tesch
John Cooley	Dave Smith	Connie Owens
Brian Hickey	Jean Sauget	Patti Bogan
Suzanne Gibson	Bill Mede	Bill Bernier
Jim Walker, MEA		

Recording Secretary – Paula Neas-Arnold, Executive Assistant.

**I. Call to Order**

In Chairman Lipscomb's absence, the Operations Committee was called to order by Acting Chairman Davison at 4:03 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Approval of Agenda**

Acting Chairman Davison moved for approval of today's agenda. The agenda was unanimously approved.

**III. Approval of Minutes (December 6, 2006)**

The December 6, 2006, Board Operations Committee meeting minutes were unanimously approved.

**IV. Customer Comments**

- A. Wholesale Customers – none
- B. Retail Customers - none

**V. Proposed Bylaw Amendments for 2007 Election**

Carol Johnson, General Counsel, and Phil Steyer, Director, Government Relations & Corporate Communications, reported to the Committee on the need for the proposed to Article III, Section 9, Article IV, Section 4, Article XIII, Sections 1 and 2 pertaining to annual committee appointments. Chairman Lipscomb moved to approve the amendment. Acting Chairman Davison seconded the motion. Director Kalenka voted against the motion. The motion carried.

**VI. Review of Board Policy 128 - Confidentiality**

- A. Proposed Revisions
- B. Handling of Attorney-Client Privilege and Confidential Information
- C. Recording of Executive Sessions

Carol Johnson, General Counsel, provided an overview of the board policy. Chairman Lipscomb moved to adopt the proposed revisions.

Director Kalenka left the meeting at 4:12 p.m. The meeting recessed for five minutes. Without a quorum, Acting Chairman Davison adjourned the Operations Committee meeting at 4:17 p.m.

At 4:18 p.m., the Operations Committee continued meeting for discussion purposes only.

Director Vazquez proposed revisions Board Policy 128, Confidentiality. This agenda item will be tabled and returned to a later Operations Committee meeting.

The remaining Directors discussed revisions to the June 21, 2006, version of Board Policy 128, Confidentiality.

*(Mr. Bill Mede was excused from the meeting at 4:30 p.m.)*

**VII. Adopt CEO Evaluation Form**

Acting Chairman Davison explained to the Directors the need for an evaluation for CEO Bill Stewart per his contract. The Directors discussed having Mr. Stewart and Chairman Lipscomb finalize a format for the evaluation. The other Directors could then review the completed evaluation form.

**VIII. Review of 2007 Draft CEO Goals**

The Directors discussed having CEO Bill Stewart and Chairman Lipscomb assemble a list of 2007 Goals and then return them to the Board for review.

**IX. Discussion of Operating Policy Authority**

- A. Operating Policy 016 – Use of Cooperative Vehicles

Director Vazquez stated that the insert provided in tonight's board packet contains an outdated version of the policy, not the current version. This item will be tabled until a future Operations Committee meeting.

Director Vazquez stated that Board Policy 106, CEO Roles & Responsibilities requires extensive revisions. Director Christopherson is of the opinion that Carol Johnson, General Counsel, and Bill Stewart, CEO, should handle policy revisions. Acting Chairman Davison agrees with Director Christopherson's suggestion. Director Cottrell feels many other policies require updating.

**X. Director Comments**

**Director Vazquez:** Stated she thought there might be errors in the Safety Department's recordable incidents. Bill Stewart, CEO stated that there were no conflicts and that Ken Thomas, Manager, Safety & Industrial Hygiene, would respond at the January Board during his 2006 recap. Director Vazquez commended the cooperative on the extensive safety training. Director Vazquez noted that two press releases contained information on board appointees but did not mention the labor contract. There was also no mention Bill Stewart's public comments on the labor contract.

**Director Cottrell:** Questioned whether action had been taken to obtain legal counsel for the Board of Directors. Director Vazquez stated the bylaws would need to be amended in order for the Board of Directors to hire legal counsel.

**Chairman Lipscomb:** Stated – "Point taken".

**Director Christopherson:** Stated he would like to thank all the cooperative workers who have kept the lights on in spite of recent bad weather. He looks forward to concluding all of the labor contracts.

**Acting Chairman Davison:** No comments.

**XI. Executive Session - None**

The Operations Committee discussion meeting concluded at 5:24 p.m.