

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE
MEETING MINUTES

November 11, 2009

Committee Members in Attendance: Janet Reiser, Chair
Alex Gimarc
Jim Nordlund (*attended telephonically*)
Rebecca Logan
Elizabeth Vazquez

Other Directors in Attendance: PJ Hill (*attended telephonically*)
Pat Kennedy

Guests in Attendance: Louann Cutler, K&L Gates

Staff in Attendance:

Brad Evans	Ed Jenkin	Mike Cunningham
Mark Johnson	Paul Risse	Tyler Andrews
Lee Thibert	Paula Neas-Arnold	Dave Smith
Connie Owens	Dustin Highers	

Recording Secretary: DeAnna Scott, Executive Assistant

I. Convene Meeting

Chair Reiser convened the Operations Committee meeting at 5:16 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

a. Safety Minute

Director Hill joined the meeting at 5:17 p.m.

Director Nordlund joined the meeting at 5:18 p.m.

Dave Smith, Sr. Vice President, Administration, discussed "Hypothermia" and showed a video clip. Mr. Smith distributed space blankets to the Committee members.

II. Executive Session

At 5:20 p.m., Director Logan moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) the 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 an update and report on Human Resources Strategic Plan; GRETC Support Resolution; a review of the GRETC Cooperation Agreement; the Association's 2010 Legislative Agenda; Fuel Supply Matters – Gas Storage Presentation and JAA Discussion.

The matters to be discussed include:

- A. Human Resources Strategic Plan
- B. GRETC Support Resolution
- C. GRETC Cooperation Agreement
- D. 2010 Legislative Agenda
- E. Fuel Supply Matters – Gas Storage Presentation, and
- F. JAA Discussion.

The Committee came out of executive session at 7:17 p.m. and reconvened in open session.

III. Approval of Agenda

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

IV. Approval of Minutes

- a. October 14, 2009*

Director Logan moved and Director Gimarc seconded the motion to approve the Operations Committee Meeting minutes of October 14, 2009. The motion passed unanimously.

V. Customer Comments

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

VI. Update on Southcentral Power Project

Dustin Highers, Director Power Supply Technical Services presented an update on the Southcentral Power Project and responded to questions from the Committee.

VII. 3rd Quarter Contract Status Report and Cost Reduction Request Discussion

Dave Smith, Sr. V.P., Administration and Dan Knecht, Manager Administrative Services provided an update on the 3rd Quarter Contract Status Report and Cost Reduction Request and responded to questions from the Committee.

VIII. Update on the Renewable Energy Committee

Chair Reiser provided an update on the Renewable Energy Committee and responded to questions from the Committee.

Director Nordlund disconnected at 7:52 p.m.

After discussion, it was decided that the Charter would be revised and other recommendations from the Committee would be discussed with the Renewable Energy Committee.

IX. Board Policy 117 – Candidate Statements

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 117.

Director Nordlund rejoined the meeting telephonically at 8:12 p.m.

Director Logan moved and Director Nordlund seconded the motion that the Operations Committee recommend the Board of Directors approve the revisions to Board Policy 117 – Candidate Statements, as shown in the attached draft policy.

Director Nordlund disconnected at 8:31 p.m.

After discussion, Chair Reiser asked for a roll call vote on the motion as amended:

Chair Reiser:	Yes
Director Gimarc:	No
Director Logan:	Yes
Director Vazquez:	No

Motion failed.

X. Board Policy 119 – Contributions

Louann Cutler of K&L Gates and Dave Smith, Sr. V.P., Administration presented an overview of the proposed changes to Board Policy 119.

Director Logan moved and Director Vazquez seconded the motion that the Operations Committee recommend the Board of Directors approve the revisions to Board Policy 119 – Contributions, as shown in the attached draft policy.

After discussion, Chair Reiser asked for a roll call vote:

Chair Reiser:	Yes
Director Gimarc:	No
Director Logan:	Yes
Director Vazquez:	No

Motion failed.

XI. Board Policy 124 – Conflict of Interest

Director Nordlund rejoined the meeting telephonically at 8:59 p.m.

Director Logan moved and Director Gimarc seconded the motion to postpone Board Policy 124 – Conflict of Interest until the December meeting. The motion passed unanimously.

XII. Board Policy 134 – Authority of the Association – Appointed Representative Regarding Jointly Operated Assets

Director Gimarc moved and Director Logan seconded the motion to postpone action on Board Policy 134 – Authority of the Association – Appointed Representative Regarding Jointly Operated Assets to the December Operations Committee Meeting. The motion passed unanimously.

XIII. Correspondence

None.

XIV. Executive Session

None.

XV. Director Comments

Director Vazquez: “No comments.”

Director Gimarc: “Yes, Madam Chair, on this Veterans Day I’d like to thank all those who proudly served in this nations armed forces; thank you all very much for your service.”

Director Logan: “I would just like to ask everybody to be respectful to people in our Board Room. We hire professionals to give us advice and they come to us as very highly, highly, highly respected professionals, well recommended. So, even if we disagree, I’d like us to be respectful.”

Director Vazquez: “Let me reply.”

Chair Reiser: “Let me just do my comment, I don’t have any comments, I think we covered a lot tonight, I appreciate that. Ok, I don’t think we replay to Director Comments, Liz. Do we?” *Director Vazquez:* “Well, I want to make a comment.”

Chair Reiser: “I don’t know what the policy is, I guess.” *Director Logan:* “You’re the Committee Chair.” **Chair Reiser:** “I don’t think that we are going to reply to Director Comments because Director Comments are ...unintelligible.... *Director*

Vazquez: *"I don't want to reply, I want to make my own comment."* Chair Reiser: *"Liz make your comment, go ahead, we'll respect your opinion and ...unintelligible..."*

Director Vazquez: *"While I am usually very patient, there comes a time when someone is refusing to understand what is being said. It wasn't a matter of putting a comma. You know, we have an obligation to be transparent and that means that when we vote on a motion anybody should be able to pick up a summary, the agenda summary and understand totally what we're doing. Not obscured, not, you know, make it vague, not, you know, just say exactly what we're doing and what we were doing ...unintelligible....is add another eligibility category of eligibility individuals that before then, before now have not been eligible. And so when I keep saying something and I feel like I'm being ignored maybe with a little temper maybe I get heard, you know and I do apologize but, it was just exasperating because it seem like I kept saying what I was saying and it came in one ear and out the other."* Chair Reiser: *"I don't want to prolong the conversation, but, I think we're done. But thank you all for all your work."*

Director Nordlund: *"Sorry being in and out of the meeting tonight I've had a fiasco with my phone so, but I'm also, didn't have a chance to vote on whatever two issues that went down but..."* Director Logan: *"Hey you guys, we have Special Board Meeting that we have to take care an issue quickly."* Chair Reiser: *"Jim is finishing up, Jim..."* Director Nordlund: *"Well, I was talking but I was interrupted."* Director Logan: *"Because we need, people need to leave and we have a Special Board Meeting that we've got an item we've got to deal with."* Chair Reiser: *"Jim, go ahead and finish your Director Comments, you can get a chance to say."* Director Nordlund: *"That may be true but I am entitled to my Director Comments, am I not?"* Chair Reiser: *"Yes, please make your comment Jim."* Director Nordlund: *"May I proceed not, uninterrupted?"* Chair Reiser: *"Please, you may proceed uninterrupted."* Director Nordlund: *"Thank you. I just would like to have us perhaps reconsider those two votes that failed because I was unable to vote. That was my point and I'm not sure exactly what the procedure for that is but if there is such thing of notice of reconsideration for those two votes I would like to give it right now."* Director Logan: *"You can't because you didn't vote. You have to have voted on the original motion."* Director Nordlund: *"Ok, so..."* Chair Reiser: *"But so, can someone else, make a motion for reconsideration?"* Director Nordlund: *"Perhaps someone else who voted yes ask as for reconsideration."* Chair Reiser: *"Ok, I believe these will have to be punted to the next Ops meeting or to the next Board Meeting Jim, I don't know enough about parliamentary procedure to know exactly what but people around here are telling me we can't do that."* Director Nordlund: *"Ok, well, that's what I like...unintelligible... I'd like for that to happen."* Director Kennedy: *"We have postponed some things over anyway."* Chair Reiser: *"No, that's not what he's talking about. I don't know this procedure well enough, is there a way to do that?"*

Director Vazquez left the meeting at 9:00 p.m.

Director Logan: "Some one who voted no...Motion to reconsider has to be given by whom? A motion to be reconsidered on a motion; if you give notice to reconsider a

motion, who does it have to be made by?” Ms. Cutler, Board Attorney: “It has to be made by a person that is in the majority.” Chair Reiser: “We had a two and two vote and Jim would like to vote.” Ms. Cutler, Board Attorney: “There always a dispute about if we have to follow Robert’s just because the way the Board Policy is written but Robert’s provide that it can be made only by member who voted by the prevailing side. I would point out, however, that with a different set of language, I don’t see why these board policies couldn’t be brought up again. We can’t make the exact same motion but it can be made in a new session. Remember Director Nordlund, this is not the legislature and so, each board meeting is considered to be a separate session.” Director Logan: “So, for tonight’s purpose, nobody can make a motion to reconsider because nobody was in the majority.” Ms. Cutler, Board Attorney: “The folks who voted against the motion to make a motion to reconsider because they were on the prevailing side.” Chair Reiser: “Well, that would be Alex and Liz and Liz has departed. Director Gimarc declines to do that. I need a motion to adjourn.”

XVI. Adjourn

Director Logan moved and Director Gimarc seconded the motion to adjourn. The meeting adjourned at 9:06 p.m.