

**CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA**

**April 28, 2010  
Wednesday  
4:00 p.m.**

**REGULAR BOARD OF DIRECTORS'  
MEETING MINUTES**

The following board members were present:

Rebecca Logan – Chair  
Jim Nordlund – Vice Chair (arrived at 4:26 p.m.)  
Alex Gimarc – Secretary  
PJ Hill – Treasurer  
Pat Kennedy – Director  
Janet Reiser - Director  
Elizabeth Vazquez – Director (arrived at 4:04 p.m.)

The following employees, members and guests attended:

Bradley Evans	Chris Gregg, IUPAT 1959	Paul Risse
Jason Alward, Local 302	Scott Hansen, Local 1281	Arylis Scates, ARCC
Tyler Andrews	Mike Hodsdon, IBEW	William Sims, Local 302
Bill Bernier	Ed Jenkin	Dave Smith
Vince Bertrami, Alaska AFL-CIO	Dan Knecht	Phil Steyer
L. Brooks, IBEW	Ron McPheters, Laborers 34	Lee Thibert
Roberta Brooks, IBEW	Keith Montgomery, Local 1281	Ken Thomas
Jennifer Coughlin, K&L Gates	Mack Nowlin, Local 367	Doug Thompson
Mike Cunningham	Connie Owens	Dennis Traylor, Local 1457
Aaron Dube, Local 1281	Jim Posey, ML&P	Ron Vecera
Bronson Frye, Local 1959	Joe Pugliese, ARCC	
Todd Glass, Wilson Sonsini	John Reeb, Jr. Local 367	

DeAnna Scott, Executive Assistant recorded the meetings proceedings.

**I. CONVENE MEETING**

Chair Logan called the meeting of the Board of Directors to order at 4:03 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. PLEDGE OF ALLEGIANCE**

Chair Logan led the Board and audience in the Pledge of Allegiance.

**III. EXECUTIVE SESSION**

None.

#### IV. APPROVAL OF THE AGENDA

Director Gimarc moved and Director Kennedy seconded the motion to approve the agenda. Chair Logan stated that on Agenda Item – XII. Executive Session – D. Fuel Supply Update and E. Board Officers Election Procedures will be moved to Agenda Item XII.A. and B.

The motion to approve the agenda, as amended, passed unanimously.

#### V. CONSENT AGENDA

A. *Board Calendar*

B. *Upcoming Training & Conferences*

1. *NWPPA Annual Conference and Membership Meeting – May 23-27, 2010 – Sacramento, CA (Deadline for registration and room reservation is April 30, 2010.)*
2. *Summer School for Directors – June 4-9, 2010 – Asheville, NC (Deadline registration and room reservation is May 6, 2010.)*
3. *Summer School for Directors – July 16-21, 2010 – Branson, MO (Deadline for registration and room reservation is June 14, 2010.)*

C. *Minutes – March 17, 2010, Special Board of Directors' Meeting and March 24, 2010, Regular Board of Directors' Meeting*

D. *Director Expenses*

There were no objections to the Consent Agenda.

#### VI. PERSONS TO BE HEARD

A. *Wholesale Customer Comments*  
*None.*

B. *Member Comments*

Aaron Dube, Chugach member since 1975 spoke to why Project Labor Agreements (PLA) are important and shared with the Board some of his experiences. He stressed the importance and encouraged the Board to honor a PLA.

Bronson Frye, International Union of Painters and Allied Trade spoke to the Board in support of a PLA Agreement and stressed the concerns of local hire and use of local contractors. He encouraged the Board to put a PLA on this project.

Arylis Scates, Alaska Regional Council of Carpenters stated that they too support the PLA and urged the Board to go in that direction. He stated that they have a pool of manpower that is highly trained and skilled and ready to complete a project on time, under budget and get the job done right the first time.

*(Vince Beltrami arrived late and spoke after Agenda Item X. Unfinished Business)*

Vince Beltrami, President, Alaska AFL-CIO, shared with the Board his concerns with the Resolution that is on the agenda, the problems the associated with this

agenda item and did not support the timeliness of the Resolution. Mr. Beltrami stated that the contractor that submitted their bids, without any requirement of a PLA and of their own accord, decided to include the PLA in their bids which is letting him know the free market is doing its work. Mr. Beltrami is in support of a PLA.

## **VII. CEO REPORT**

### *A. 1<sup>st</sup> Quarter Safety Report*

Dave Smith, Sr. V.P., Administration and Ken Thomas, Manager, Safety, gave a presentation on the 1<sup>st</sup> Quarter Safety Report and answered questions from the Board.

## **VIII. CORRESPONDENCE**

### *A. February Variance Report by Sherri McKay-Highers*

### *B. 1<sup>st</sup> Quarter Contract Status Report & Update on Contracting Procedures*

## **IX. DIRECTORS REPORTS**

### *A. Committee Reports*

Director Kennedy reported on the Election Committee procedures and answered questions from the Board.

Director Reiser reported on the Renewable Energy Committee meeting and answered questions from the Board.

### *B. APA Report*

None.

### *C. Meeting Reports*

None.

## **X. UNFINISHED BUSINESS**

None.

## **XI. NEW BUSINESS**

### *A. HERE Collective Bargaining Agreement Extension*

Director Hill moved and Director Reiser seconded the motion that the Board of Directors approve the attached Collective Bargaining Agreement extension covering the terms and conditions of employment for Beluga Power Plant Culinary Employees bargaining unit personnel represented by United HERE Local 878. The motion passed unanimously.

## **XII. EXECUTIVE SESSION**

### *A. Fire Island Update*

### *B. Legislative Strategy & Wrap-Up*

- C. *Strategic Planning – Wholesale Power Supply*
- D. *Fuel Supply Update*
- E. *Board Officer Election Procedures*

At 4:32 p.m., Director Nordlund moved and Director Reiser seconded the motion that pursuant to Alaska Statute 10.25.175 ( c ) (1) and (3) the Board of Directors 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 the status of the Fire Island wind project; an update on the Association’s 2010 legislative strategy; strategic planning regarding wholesale power supply issues; an update on fuel supply matters; and, to discuss matters with its attorney, the immediate knowledge of which could have an adverse effect on the legal position of the Association as it relates to the procedures for annual election of Board Officers.

The matters to be discussed include the:

- A. Fire Island Update
- B. Legislative Strategy & Wrap-up
- C. Strategic Planning – Wholesale Power Supply
- D. Fuel Supply Update, and
- E. Board Officer Election Procedures

The Board went into Executive Session at 4:24 p.m.

The Board came out of Executive Session at 7:11 p.m. and took a break. At 7:31 p.m., the meeting reconvened in open session.

### **XIII. NEW BUSINESS** *(continued)*

- A. *Postponement of Election of 2010 Board Officers*  
There was no action taken on this agenda item.
- B. *Define Project Labor Agreements for Southcentral Power Plant*  
There was no action taken on this agenda item.
- C. *Authorization to Enter Into Contract*  
Director Kennedy moved and Director Gimarc seconded the motion that the Board of Directors authorize the Chief Executive Officer to negotiate the contract as discussed in executive session. The motion passed unanimously.

### **XIV. DIRECTOR COMMENTS**

**Chair Logan:** “It’s been a great *...unintelligible...* it really has. What a dynamic group we’ve had and we’ve had a ton of conflict between us but I think we have also learned a lot in about dealing with conflict, you know, and then coming out of that conflict without a lot of collateral damage and moving forward and really focusing on what’s critical to this association. We’ve focuses so much on our fuel supply; we’ve focused on our financial status and on SPP. Those are the three things that are going to dominate what we do moving forward and so, I feel pretty darn good about what we’ve done. This

board has gone from being considered a very dysfunctional board to being considered being the leading advocate in this industry, in the Railbelt and that is a very awesome achievement in my perspective, so. It's been good, it's been...mostly, its' been fun.

**Director Reiser:** "Oh, dear, I get to go second; well, again thank you for your leadership for the last year Rebecca, I appreciate that and everybody's service; all the current members. I want to actually add to your comments about the safety program. You know I'm really energized and gratified by the big changes in the safety program and sending people home safely from work is a really big issue and I really appreciate all of the efforts there.

**Director Kennedy:** "I did want to say when I first came on here, one of the main reasons I ran because I didn't like the looks of GRETC; from the outside I thought it was possibly going to be a big problem for everybody and I've been on the Board long enough to know the other Boards and this Board only got along with each other every other year. So, I knew it was going to be a problem and I was very impressed by with what we ended up with by the amount of people you yourself put together in the beginning to try and get this through; and I think it was too bad we got stiffed by the legislature but I did my best and I have 12 people who said they would go forth and so, I talked with a couple of them, they called me when it was over and I said next year? And they said yeah, sure. So, don't give up yet."

**Director Vazquez:** Well I want to congratulate management for doing all the hard work that they've been doing; lots of balls being juggled at the same time and thanks for the super improvements that have been shown in safety. It's very impressive and thanks for getting that last contract negotiated, labor contract. Just in case Director Hill and Director Gimarc, just in case, thank you for serving on the Board, its appreciate it. Sometimes it's a thankless job; so, that's all I have to say tonight."

**Director Nordlund:** "Well, I appreciate the comments that were made by the other Directors; I'm not sure if these postmortems are necessary but ...*unintelligible*... but, I think they are well taken and with that that and I also thank you for your Chairmanship, whether you keep it or not."

**Director Hill:** "It's been a fun three years, well, sometimes it hasn't been fun but it's always been interesting and there's this old Chinese proverb "May you live in interesting time." These are very interesting times. I think the next two or three years is going to be even more so. I guess, one area that I never really, that its important, but you don't really think its important until your ox gets a gourd and that's Board Policy 117 and 124; having to do with Elections and stuff and I think it needs a lot of work; I'd sure like to see elections to be more transparent on the full disclosure as to who contributes to campaigns and I think it would be, it would improve the situation. I think there have been people who have run for the Board who are more qualified for the Board than anybody sitting here, Steve Pratt is an example and he's more qualified than me and the way that the elections were run it really, if you're an independent sitting out there, you don't see it. It's been really a pleasure to sit on this Board for the last three years; I'm incredibility impressed with the professionalism of the staff and how serious they are about what they do and the vision that they have for the electrical industry in Alaska and it's been really a pleasure working with this Board especially this last year on GRETC; it's the first sane approach that we've had towards electricity in this state since I've live here the past 35

years and the votes are casted so I may or may not be back but if I am I would do it with a great deal of interest, so, thank you.”

**Director Gimarc:** “Thank you Madam Chair. As this may be my last time to address this Board and Senior Staff, I’d first like to say thank you for all your diligence and hard work over the last three years. Staff has been great and has accomplished a lot over that time. I could not be more please and impressed with you folks. We’ve made some progress in turning this large ship a bit in a new direction. I hope that voyage continues. Brad, you exceeded all of my expectations and are a heck of a leader. Don’t hurt yourself doing this job, take care of yourself and your family; I’m proud to have known and worked with you. I’d like to thank my fellow Board members, Rebecca Logan, Liz Vazquez and PJ Hill for putting up with me over the last three years. Working together as a team with this widely varied and different approaches and view points as the four of have has been the most rewarding experience. Liz, in you I’ve seen some incredible toughness and intestinal fortitude in some very tough times. Our first year was a heck of a fight when we won from membership when we installed new management. Rebecca in you, I’ve seen a little more skill in the depth of political operators in my lifetime. I believe you’ve done the most to hold together the GRETC Task Force and process and guide that important legislation than any of us; PJ, I learned a little bit about finance and greatly enjoyed our discussions. You’ve always been opened to listen to willing to fairly consider my new, my ideas in alternative solutions to the problems. Comment to the other Board members, not so pleasant. Director Nordlund, I was told by my folks if you can’t say anything good about somebody, don’t speak. So, I’ll be delaying my comments. But you’ve never had surprised me. Director Reiser, you are my greatest disappointment on this Board. In December you took nearly \$1,500.00 from the IBEW connected to campaigned donations while simultaneously negotiating contacts with the IBEW. That’s not a conflict of interest, which you did not declare, you had the opportunity but you did not declare. I don’t know what it is. You claim to be an independent, your not. Be very careful about who and what you sale your soul to. Folks I done everything I said I was gonna do while I was on the Board; I believe I helped move the ball a bit down the field; should the membership sees fit to return me, I expect to keep doing what I have been doing, hopefully better. If not, I’ll sleep pretty good at night. Thank you for your time.”

## **XV. ADJOURNMENT**

Director Gimarc moved and Director Nordlund seconded the motion to adjourn. The meeting adjourned at 7:50 p.m.

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Elizabeth “Pat” Kennedy, Secretary  
Date Approved: May 26, 2010