

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

June 28, 2017
Wednesday
4:00 p.m.

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Divina Portades

I. CALL TO ORDER

Chair Reiser called the Regular Meeting of the Board of Directors to order at 4:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Pledge of Allegiance
Chair Reiser led the Board in the Pledge of Allegiance.

B. Roll Call
Board Members Present:
Janet Reiser, Chair
Bettina Chastain, Vice Chair
Sisi Cooper, Treasurer
Susan Reeves, Director
Harry Crawford, Director
Stuart Parks, Director

Board Member Excused Absent:
Jim Henderson, Secretary

Director Crawford moved and Director Chastain seconded the motion for an excused absence for Director Henderson from the June 28, 2017, Regular Board of Directors' Meeting. No objections were made. The motion passed unanimously.

Director Cooper was designated to sign Director Henderson's expense report.

Director Parks was designated as Acting Secretary.

Guests and Staff in Attendance:

Lee Thibert	Connie Owens	Phil Steyer
Tyler Andrews	Paul Risse	Tom Schulman
Sherri Highers	Brian Hickey	Todd McCarty
Arthur Miller	Julie Hasquet	Crystal Enkvist, APA

Mark Johnson
Renee Curran
Jon Sinclair

Taylor Crocker
Sean Skaling
Teresa Kurka

Michael Rovito, APA
Mel Hutchison, APA
John Sloan, APA

C. *Safety Minute*

Taylor Crocker, Safety Specialist discussed “*Bear Safety*” and responded to questions from the Board.

II. APPROVAL OF THE AGENDA

Director Reeves moved and Director Cooper seconded the motion to approve the agenda. The motion passed unanimously.

III. PERSONS TO BE HEARD

- A. *Member Comments*
None

IV. CONSENT AGENDA

- A. *Board Calendar*
B. *Training and Conferences*
 - Gettysburg Leadership Experience for Co-Op Leaders, September 12-14, 2017, Gettysburg, PA (Deadline for conference and hotel registration is August 10, 2017)*
 - NRECA Region 9 Meeting, October 16-18, 2017, Denver, CO (Deadline for conference and hotel registration is September 14, 2017)*
 - Director Winter School, December 1-6, 2017, Nashville, TN (Deadline for conference and hotel registration is November 29, 2017)*

C. *Minutes*
 - May 24, 2017, Regular Board of Directors' Meeting (Portades)*

D. *Director Expenses*
E. *Approve the 2018-2027 Financial Forecast (Highers)*

Chair Reiser discussed the importance of the deadlines for conference and hotel registrations for NRECA Region 9 Meeting and Director Winter School.

Director Chastain moved and Director Parks seconded the motion to approve the consent agenda. The motion passed unanimously.

V. CEO REPORTS AND CORRESPONDENCE

- A. *April 2017 Financial Statements and Variance Report (Harris/Curran)*
The April 2017 Financial Statements and Variance Report was provided in the meeting packet.
- B. *Annual Meeting and Election Costs (Kurka/Andrews)*
The Annual Meeting and Election Costs were provided in the meeting packet.
- C. *2nd Quarter 2017 Railbelt Rate Comparison (Horras/Miller)*
The 2nd Quarter 2017 Railbelt Rate Comparison was provided in the meeting packet.

- D. *O'Malley Road Relocation Update (Sinclair/Hickey)*
Jon Sinclair, Sr. Manager, Transmission Substation Engineering presented the O'Malley Road Relocation update and responded to questions from the Board.
- E. *Sustainability Policy Member Survey Update (Andrews)*
Lee Thibert, Chief Executive Officer (CEO) stated that Sustainability Policy Member Survey Update is not currently available but will be discussed at the next Regular Board meeting.

Lee Thibert, CEO also reported on the June 28, 2017, Bradley Lake Project Management Committee Meeting and responded to questions from the Board.

VI. DIRECTOR REPORTS

- A. *Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*
Chair Reiser and Lee Thibert, CEO, reported on the June 23, 2017, ARCTEC Meeting.

Chair Reiser deferred further discussion in the Executive Session.

- B. *Board Committee Reports (Audit and Finance, Operations & Governance)*
Director Cooper reported on the June 6, 2017, Audit and Finance Committee Meeting.

Director Chastain reported on the June 6, 2017, Operations Committee Meeting.

Director Reeves deferred discussion of governance bylaws in the Executive Session.

- C. *Other Meeting Reports*
Director Cooper reported on the June 8, 2017, REAP Policy Meeting.

Chair Reiser reported on a meeting with Chris Rose (REAP) which also included a brief attendance by Lee Thibert and Bettina Chastain.

VII. UNFINISHED BUSINESS

None

VIII. NEW BUSINESS

- A. *Presentation by APA (Rovito, Hutchinson, Sloan and Enkvist)*
Chair Reiser gave an overview on Chugach's withdrawal on the APA membership in 2015.

Michael Rovito, Mel Hutchinson, John Sloan and Crystal Enkvist presented the APA membership information and responded to questions from the Board.

- B. *2016 Capital Credits Allocation* (Miller)*
Arthur Miller, Executive Manager, Regulatory & External Affairs discussed the 2016 capital credits allocation and responded to questions from the Board.

Director Chastain moved and Director Reeves seconded the motion that the Board of Directors' approve the resolution authorizing 2016 capital credit allocations in the amounts of \$5,784,066 to Chugach retail members and \$29,790 to Seward Electric System. The motion passed unanimously.

- C. *2018 Annual Meeting Plan* (Hasquet/Andrews)*
Tyler Andrews, VP Member and Employee Services and Julie Hasquet, Manager, Corporate Communications discussed the 2018 Annual Meeting Plan and responded to questions from the Board.

No action was taken. No objections were made.

IX. EXECUTIVE SESSION

- A. *CEO Goals and Parameters and Project Specific Objectives*
- B. *Strategic Planning*
1. *1st Quarter 2017 Fire Island Wind Project*
 2. *Fire Island Wind Phase 2 Update*
 3. *Rating Agency Update*
 4. *Snow River – Lessons Learned*
 5. *Eklutna Dam*
 6. *New Issues/Ideas*
- C. *Strategic Planning Committee Updates*
1. *Fuel and Power Supply*
 2. *Railbelt Alignment*
 3. *Reputation/Plan C & Ancillary Services*
- D. *Board Policy Scheduled Task:*
1. *Board Policy 401 II.B.9.b. Admin of Wage and Salary Plan*
 2. *Board Policy 401 II.B.6. Fringe Benefits*

At 5:32 p.m., Director Reeves moved and Director Crawford seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) and (2) the Board of Directors go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and, 2) to discuss personnel matters that may tend to prejudice the reputation or character of a person; however, the person may request a public discussion. The motion passed unanimously.

The meeting reconvened in open session at 8:38 p.m.

X. DIRECTOR COMMENTS

Director comments were made at this time.

XI. ADJOURNMENT

At 8:43 p.m., Director Cooper moved and Director Crawford seconded the motion to adjourn. The motion passed unanimously.

/ss/

James Henderson, Secretary

Date Approved: July 26, 2017