

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

**OPERATIONS COMMITTEE MEETING**

**AGENDA**

Stuart Parks, Chair  
Harold Hollis, Vice Chair

Susan Reeves  
Harry Crawford  
Bettina Chastain

---

<b>April 15, 2020</b>	<b>4:00 p.m.</b>	<b>Chugach Board Room</b>
<hr/>		
I.	CALL TO ORDER (4:00 p.m.)	
	A. Roll Call	
II.	APPROVAL OF THE AGENDA*(4:05 p.m.)	
III.	APPROVAL OF THE MINUTES* (4:10 p.m.)	
	A. March 11, 2020 (Scott/Quezon)	
IV.	PERSONS TO BE HEARD	
	A. Member Comments	
V.	NEW BUSINESS (scheduled) (4:15 p.m.)	
	A. Virtual Annual Meeting Discussion (Hasquet/Andrews)	
VI.	EXECUTIVE SESSION* (scheduled) (4:30 p.m.)	
	A. 2019 Chief Executive Officer Evaluation and Compensation (4:30 p.m.)	
	B. 2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Project Specific Initiatives and Key Performance Indicators (6:00 p.m.)	
VII.	NEW BUSINESS** (continued) (7:15 p.m.)	
	A. Recommendation on 2019 Chief Executive Officer Evaluation and Compensation** (Committee) (7:25 p.m.)	
	B. Recommendation on 2020 (May 1, 2020 – April 30, 2021) Chief Executive Office Project Specific Initiatives and Key Performance Indicators)** (Committee) (7:30 p.m.)	
VIII.	DIRECTOR COMMENTS (7:35 p.m.)	
IX.	ADJOURNMENT* (7:50 p.m.)	

\* Denotes Action Items

\*\* Denotes Possible Action Items

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**March 11, 2020**  
**Wednesday**  
**4:00 p.m.**

**OPERATIONS COMMITTEE MEETING**

Recording Secretary: Arden Quezon

**I. CALL TO ORDER**

Chair Parks called the Operations Committee meeting to order at 4:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Roll Call*

*Committee Members Present:*

Stuart Parks, Chair

Harold Hollis, Vice Chair *(via teleconference @ 4:01 p.m.)*

Susan Reeves, Director *(via teleconference)*

Harry Crawford, Director

Bettina Chastain, Director

*Other Board Member Present:*

Rachel Morse, Director

Jim Henderson, Director *(via teleconference during Executive Session)*

*Guests and Staff in Attendance:*

Arthur Miller

Mark Fouts

Andrew Laughlin

Brian Hickey

Matthew Clarkson

Pete Smithson

Julie Hasquet

Sherri Highers

Russ Thornton

Lee Thibert

Tyler Andrews

Sean Skaling

Todd McCarty

**II. APPROVAL OF THE AGENDA**

Director Crawford moved and Director Chastain seconded the motion to approve the agenda. Lee Thibert, Chief Executive Officer requested that agenda item VII.A. under new business be deferred to the next Board meeting and removed from the agenda. Amendment was accepted and no objections were made. The motion passed unanimously as amended.

**III. APPROVAL OF THE MINUTES**

Director Chastain moved and Director Crawford seconded the motion to approve the February 5, 2020 and March 3, 2020, Operations Committee Meeting minutes. The motion passed unanimously.

#### **IV. PERSONS TO BE HEARD**

- A. Member Comments*  
None

#### **V. NEW BUSINESS**

- A. Update on RRC (Hickey)*  
Brian Hickey, Chief Operating Officer gave an update on RRC and responded to questions from the Committee.

#### **VI. EXECUTIVE SESSION**

- A. IMO Update*
- B. ML&P Acquisition Update*
- C. Financing Update*
- D. Net Metering*
- E. Term Sheet - Renewable IPP*
- F. Business Development Report*
  - 1. Ranger Power*
  - 2. Waste to Energy*
  - 3. Alyeska Resort*
  - 4. Electric Vehicles*
- G. 2019 (May 1, 2019 - April 30, 2020) Chief Executive Officer Key Performance Indicators*

At 4:05 p.m., Director Chastain moved and Director Crawford seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1), (2) and (3) the Board of Directors' Operations Committee 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; 2) discuss personnel matters that may tend to prejudice the reputation or character of a person; however, the person may request a public discussion; and, 3) discuss with its attorneys legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

*The meeting reconvened in open session at 8:34 p.m.*

#### **VII. NEW BUSINESS\***

- A. Recommendation on Approval of Integration Management Office (IMO) Pre-RCA Budget Revision\* (Fouts)*  
Agenda item was removed and deferred to the next Board meeting during Approval of the Agenda.

#### **VIII. DIRECTOR COMMENTS**

Director comments were made at this time.

#### **IX. ADJOURNMENT**

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

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**OPERATIONS COMMITTEE MEETING**  
**AGENDA ITEM SUMMARY**

**April 15, 2020**

**ACTION REQUIRED**

**AGENDA ITEM NO. VII.A.**

<u>      </u>	<b>Information Only</b>
<u>  <b>X</b>  </u>	<b>Motion</b>
<u>      </u>	<b>Resolution</b>
<u>      </u>	<b>Executive Session</b>
<u>      </u>	<b>Other</b>

---

**TOPIC**

2019 (May 1, 2019 – April 30, 2020) Chief Executive Officer Evaluation and Compensation

**DISCUSSION**

At the December 28, 2019, Regular Board of Directors' Meeting, February 5, 2020, March 11, 2020 and April 15, 2020, Operations Committee Meeting, the Board and Committee discussed the 2019 Chief Executive Officer Evaluation and Compensation. As part of the discussion in executive session and to comply with SEC reporting requirements, the motion the board passes in regard to the CEO compensation package needs to include the following information:

- the amount
- who was involved in the decision (within Chugach, or outside - this would include a compensation consultant)
- how the amount was determined
- were there any goals or targets (either individual or company wide they used to evaluate him on; amount not tied directly to each goal is determined to be discretionary)
- timeline(s) (for payment, measurement, evaluation)
- any gross up

**MOTION**

Move that the Operations Committee recommends the Board of Directors approve the 2019 CEO evaluation and compensation. A merit increase in the amount of \_\_\_\_% of base salary, and a performance payment in the amount of \_\_\_\_% of base salary. This amount was determined without input from an outside compensation consultant. The amount was based on companywide and individual goals that were previously developed and discussed and supplemented by the Operations Committee during Executive Session. The amount was tied directly to these individual and companywide goals. The timeline for payment is on or before May 1, 2020 and does not include any gross up.

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**OPERATIONS COMMITTEE MEETING**  
**AGENDA ITEM SUMMARY**

**APRIL 15, 2020**

**ACTION REQUIRED**

**AGENDA ITEM NO. VII.B.**

<u>      </u>	<b>Information Only</b>
<u>  <b>X</b>  </u>	<b>Motion</b>
<u>      </u>	<b>Resolution</b>
<u>      </u>	<b>Executive Session</b>
<u>      </u>	<b>Other</b>

---

**TOPIC**

2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Key Performance Indicators

**DISCUSSION**

At the December 9, 2019, January 8, 2020, February 5, 2020, March 11, 2020 and April 15, 2020 Operations Committee Meeting, the Committee discussed the 2020 Chief Executive Officer Key Performance Indicators in executive session.

**MOTION**

Move that the Operations Committee recommend the Board of Directors approve the 2020 Chief Executive Officer Key Performance Indicators as discussed in executive session.