

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

OPERATIONS COMMITTEE MEETING

AGENDA

Stuart Parks, Chair
Harold Hollis, Vice Chair

Susan Reeves
Harry Crawford
Bettina Chastain

April 27, 2020	4:00 p.m.	Chugach Board Room
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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. April 15, 2020 (Scott)	
IV.	PERSONS TO BE HEARD	
	A. Member Comments	
V.	NEW BUSINESS (none)	
VI.	EXECUTIVE SESSION* (scheduled) (4:15 p.m.)	
	A. 2019 Chief Executive Officer Evaluation and Compensation (4:15 p.m.)	
	B. 2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Project Specific Initiatives and Key Performance Indicators (4:45 p.m.)	
VII.	NEW BUSINESS** (scheduled) (5:15 p.m.)	
	A. Recommendation on 2019 Chief Executive Officer Evaluation and Compensation** (Committee) (5:15 p.m.)	
	B. Recommendation on 2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Project Specific Initiatives and Key Performance Indicators** (Committee) (5:20 p.m.)	
VIII.	DIRECTOR COMMENTS (5:30 p.m.)	
IX.	ADJOURNMENT* (5:35 p.m.)	

* Denotes Action Items

** Denotes Possible Action Items

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

April 15, 2020
Wednesday
4:00 p.m.

OPERATIONS COMMITTEE MEETING

Recording Secretary: DeAnna Scott

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 at 4:02 p.m.*)

Susan Reeves, Director (*via teleconference*)

Harry Crawford, Director

Bettina Chastain, Director (*via teleconference*)

Other Board Member Present:

Rachel Morse, Director (*via teleconference at 4:07 p.m.*)

Jim Henderson, Director (*via teleconference*)

Guests and Staff in Attendance:

Lee Thibert

Matthew Clarkson

Julie Hasquet (*via*

Connie Owens (*via*
teleconference)

Tyler Andrews (*via*
teleconference)

teleconference)

II. APPROVAL OF THE AGENDA

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

Director Hollis arrived at 4:02 p.m.

Director Morse was not present at the time of vote.

III. APPROVAL OF THE MINUTES

Director Crawford moved and Director Reeves seconded the motion to approve the March 11, 2020, Operations Committee Meeting minutes. Director Henderson requested an

amended to the minutes reflecting he was present at the beginning of the meeting. Amendment was accepted with no objections. The motion passed unanimously as amended.

Director Morse was not present at the time of vote.

IV. PERSONS TO BE HEARD

- A. *Member Comments*
None

V. NEW BUSINESS

- A. *Virtual Annual Meeting Discussion (Hasquet/Andrews)*
Lee Thibert, Chief Executive Officer (CEO) and Julie Hasquet, Sr. Manager, Corporate Communications discussed the Virtual Annual Meeting and responded to questions from the Committee.

Director Morse joined via teleconference at 4:07 p.m.

VI. EXECUTIVE SESSION

- 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.)*

At 4:27 p.m., Director Crawford moved and Director Reeves seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1) and (2) the Board Operations Committee go into executive session to discuss: 1) financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and, 2) 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 8:21 p.m.

VII. NEW BUSINESS*

- A. *2019 Chief Executive Officer Evaluation and Compensation*
No action taken. Agenda item was deferred to the April 22, 2020, Regular Board of Directors' Meeting.
- B. *2020 (May 1, 2020 – April 30, 2021) Chief Executive Officer Project Specific Initiatives and Key Performance Indicators*
No action taken. Agenda item was deferred to the April 22, 2020, Regular Board of Directors' Meeting.

Chair Parks requested that Lee Thibert, CEO work with Connie Owens, Manager, Executive Office to schedule an Operations Committee and Special Board of Directors' meeting on April 27, 2020.

VIII. DIRECTOR COMMENTS

Director comments were made at this time.

Director Hollis was disconnected at 8:23 p.m. and reconnected at 8:24 p.m.

IX. ADJOURNMENT

At 8:30 p.m., Director Crawford moved and Director Reeves seconded the motion to adjourn. The motion passed unanimously.

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

April 27, 2020

ACTION REQUIRED

AGENDA ITEM NO. VII.A.

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

TOPIC

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

DISCUSSION

Recommended Resolution was discussed in Executive Session.

MOTION

Move that the Operations Committee recommends the Board of Directors approve the attached resolution regarding CEO annual performance review recognizing the Board of Directors and Lee D. Thibert's mutual agreement that Thibert shall not receive a performance payment or merit increase regardless of the results of his 2019 performance review in light of the COVID-19 economic disruptions.

RESOLUTION

Chief Executive Officer Annual Performance Review

WHEREAS, the Board of Directors and Lee D. Thibert entered into that certain Employment Agreement dated as of February 25, 2016, as amended by the Amendment to Employment Agreement dated as of October 24, 2018, to obtain Thibert's service as the Chief Executive Officer for the Association ("CEO Contract");

WHEREAS, the CEO Contract requires the Board of Directors to conduct an annual review of Thibert's performance to determine whether previously established performance objectives have been achieved, and, if so, how much of a performance payment and merit increase Thibert should be awarded;

WHEREAS, on March 11, 2020, the Governor of the State of Alaska issued a Declaration of Public Health Disaster and Emergency regarding the COVID-19 outbreak;

WHEREAS, federal, state, and local authorities continue to treat COVID-19 as a very serious public health threat;

WHEREAS, the COVID-19 public health threat has caused significant disruption and hardship in the global, national, and local economies;

WHEREAS, the Board of Directors and Thibert believe that a performance payment and merit increase would be inappropriate given the current economic situation;

WHEREAS, the Board of Directors and Thibert have mutually agreed to forgo payment and receipt of any performance payment or merit increase that otherwise would have been awarded to Thibert as a result of Thibert's 2019 performance review.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors hereby recognizes and appreciates Thibert's willingness to relinquish his right to any performance payment and merit increase that otherwise would have been awarded to Thibert under the CEO Contract as a result of his 2019 performance review;

BE IT FURTHER RESOLVED, as mutually agreed, Thibert shall not receive a performance payment or merit increase regardless of the results of his 2019 performance review;



BE IT FINALLY RESOLVED, that the Chair of the Board of Directors is authorized to take any and all necessary steps to ensure compliance with this Resolution.

CERTIFICATION

I, Stuart Parks, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 27th day of April 2020; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 27th day of April 2020.

Secretary

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

APRIL 27, 2020

ACTION REQUIRED

AGENDA ITEM NO. VII.B.

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

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, April 15, 2020 and April 27, 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.