

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

**June 22, 2022**  
**Wednesday**  
**4:00 p.m.**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Sandra Cacy

**I. CALL TO ORDER**

Chair Chastain called the Regular Board of Directors' meeting to order at 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Pledge of Allegiance*

Chair Chastain led the Board in the Pledge of Allegiance.

*B. Roll Call*

*Board Members Present:*

Bettina Chastain, Chair

Mark Wiggin, Vice Chair

Harold Hollis, Treasurer *(via teleconference)*

Sam Cason, Secretary *(via teleconference)*

Erin Whitney, Director *(via teleconference)*

Rachel Morse, Director

Sisi Cooper, Director

*Guests and Staff Attendance*

*Present:*

Arthur Miller

Sherri Highers

Marty Freeman

Matthew Clarkson

Julie Hasquet

Todd McCarty

Andrew Laughlin

Jean Kornmuller

Karen Griffin

Kate Ayers

Mark Henspeter

Sean Skaling

Jim Torgerson, Consultant

*Via Teleconference:*

Arden Quezon

Shaina Kilcoyne, Member

Allen Hippler, Member

*C. Safety Minute*

Marty Freeman, Senior Manager HSE, discussed "Bicycle Safety".

**II. APPROVAL OF AGENDA**

Director Wiggin moved and Director Morse seconded the motion to approve the agenda. The motion passed unanimously.

### III. PERSONS TO BE HEARD

Shaina Kilcoyne, member commented on the Electric Vehicle Informational Session held by Alaska Energy Authority.

### IV. CONSENT AGENDA

- A. *Board Calendar*
  - 1. *Excused Absence – Director Wiggin – May 20, 2022, Regular Board of Directors’ Meeting*
- B. *Training and Conferences*
  - 1. *2022 APA Annual Meeting (August 16-19, 2022) – Ketchikan, AK*
- C. *Minutes*
  - 1. *May 25, 2022, Regular Board of Directors’ Meeting (Cacy)*
  - 2. *June 13-14, 2022, Special Board of Directors’ Meeting (Quezon/Doyle)*
- D. *Director Expenses*

Director Wiggin moved and Director Morse seconded the motion to approve the consent agenda. The motion passed unanimously.

### V. UNFINISHED BUSINESS

None.

### VI. EXECUTIVE SESSION

- A. *CEO Transition (Board)*
- B. *Halpern Dispute Discussion (Board)*
- C. *May 1, 2022 – April 30, 2023, CEO Project Specific Initiatives (PSI) and Priority Areas (PA) Goals (Board)*

At 4:16 p.m., Director Morse moved and Director Cooper seconded the motion that pursuant to Alaska Statute 10.25.175(c)(3) and (4) the Board of Directors go into executive session to: 1) discuss with its attorneys legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative; and 3) personnel matters. The motion passed unanimously.

*Director Hollis left the meeting, during Executive Session.*

*The meeting reconvened in open session at 6:30 p.m.*

### VII. DIRECTOR REPORTS

- A. *Alaska Power Association (APA) Report*

Director Morse provided an update on APA activities, upcoming events, and responded to questions from the Board.
- B. *Renewable Energy Alaska Project (REAP) Report*

Director Wiggin reported REAP and responded to questions from the Board.
- C. *Board Committee Reports (Audit and Finance, Operations & Governance)*

Chair Chastain stated there were no Audit and Finance Committee meetings to report on and stated that the next meeting is scheduled for August 24, 2022

Director Wiggin reported on the June 8, 2022, Operations Committee meeting and that the next committee meeting is scheduled for August 10, 2022.

Director Cason reported on the June 14, 2022, Governance Committee meeting and stated that the meeting is scheduled for September 14, 2022.

*D. Other Meeting Reports*

- I. Director Cason reported on the upcoming Member Advisory Council (MAC) meeting scheduled for June 29, 2022.*

**VIII. CEO REPORTS AND CORRESPONDENCE**

*A. Enterprise Resource Planning (ERP) Project Update (McCarty)*

Arthur Miller, Acting Chief Executive Officer (CEO), provided an update on the Enterprise Resources Planning project and responded to questions from the Board.

*B. April 2022 Financial Statements & Variance Report (Griffin)*

Karen Griffin, Vice President of Finance and Accounting, reported on the November 2021 Financial Statements and Variance Report and responded to questions from the Board.

*C. 2<sup>nd</sup> Quarter 2022 Railbelt Bill Comparison (Kornmuller)*

Arthur Miller, Acting CEO, reported on the 2<sup>nd</sup> Quarter 2022 Railbelt Bill Comparison and responded to questions from the Board.

*D. Arctic Road Rally (Henspeter/Ayers)*

Mark Henspeter, Business Development Analyst, and Kate Ayers, Manager of Key Accounts and Sustainability, discussed the Arctic Road Rally event and responded to questions from the Board.

Director Wiggin reported on sponsorship for the event and responded to questions from the Board.

*E. Daves Creek Substation Update (Laughlin)*

Andrew Laughlin, Acting Chief Operating Officer provided an update on Daves Creek Substation and responded to questions from the Board.

*F. Board Policies Scheduled Tasks (Staff/Board)*

The Board Policy Scheduled Tasks were provided in the meeting packet.

Arthur Miller, Acting CEO, discussed the CEO Reports and Correspondence contents and responded to questions from the Board.

*Chair Chastain called for a recess at 7:14 p.m.*

*Director Hollis re-joined the meeting via teleconference.*

*The meeting reconvened at 7:22 p.m.*

## IX. NEW BUSINESS

A. *Update Bank Signature Cards (Griffin)*

Karen Griffin, Vice President of Finance and Accounting, discussed the update to bank signature cards and responded to questions from the Board.

Director Cooper moved and Director Wiggin seconded the motion that the Board of Directors approve the attached resolution updating the bank signature cards based on the election of officers at its May 25, 2022, Regular Board of Directors' meeting and changes in executive management personnel. The motion passed unanimously.

B. *Appointment of NRECA Voting Delegate and Alternate Representative (Board)*

Director Cason moved and Director Wiggin seconded the motion that that the Board of Directors appoint Director Morse as the NRECA Voting Delegate. The motion passed unanimously.

Director Morse moved and Director Wiggin seconded the motion that that the Board of Directors appoint Director Hollis as the NRECA Voting Alternate. The motion passed unanimously.

C. *Appointment of CFC Voting Delegate and Alternate Representative (Board)*

Director Hollis moved and Director Wiggin seconded the motion that that the Board of Directors appoint Director Cooper as the CFC Voting Delegate. The motion passed unanimously.

Director Wiggin moved and Director Morse seconded the motion that that the Board of Directors appoint Director Cason as the CFC Voting Alternate. The motion passed unanimously.

D. *2021 Capital Credit Allocations (Kornmuller)*

Jean Kornmuller, Senior Manager of Regulatory Affairs, gave a brief overview of the 2021 Capital Credit Allocations and responded to questions from the Board.

Sherri Highers, Chief Financial Officer and Executive VP, Finance and Administration also responded to questions.

Director Morse moved and Director Cooper seconded the motion that the Board of Directors approve the attached Resolution authorizing 2021 capital credit allocations in the amount of \$9,578,479, with \$5,272,106 assigned to South District retail members, \$4,244,853 assigned to North District retail members, and \$61,520 assigned to Seward Electric System. The motion passed unanimously.

E. *CEO Transition (Board)*

Director Wiggin moved and Director Cooper seconded the motion that the Board of Directors approve the attached resolution authorizing a three-member committee to negotiate an employment agreement with the individual selected by the Board to serve as the Association's next Chief Executive Officer. The committee shall bring the final

employment agreement back to the Board for review and approval prior to execution. Chair Chastain called for a vote.

- Director Chastain – Yes
- Director Wiggin – Yes
- Director Cason – No
- Director Hollis – Yes
- Director Whitney - No
- Director Cooper - Yes
- Director Morse - Yes

The motion passed with a 5 to 2 votes.

*F. May 1, 2022 – April 30, 2023, CEO Project Specific Initiatives (PSI) and Priority Areas (PA) Goals (Board)*

Director Morse moved and Director Wiggin seconded the motion that the Board of Directors approve the May 1, 2022 through April 30, 2023 CEO Project Specific Initiatives and Priority Areas as discussed, and amended, in executive session. The motion passed unanimously.

**X. DIRECTOR COMMENTS**

Director comments were made at this time.

**XI. ADJOURNMENT**

At 7:57 p.m., Director Wiggin moved and Director Morse seconded the motion to adjourn. The motion passed unanimously.



Samuel Cason, Secretary

Date Approved: July 27, 2022