

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

May 24, 2017
Wednesday
3:00 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 3:01 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 (*arrived at 3:14 p.m.*)
Jim Henderson, Secretary (*arrived at 3:08 p.m.*)
Susan Reeves, Director
Harry Crawford, Director
Stuart Parks, Director (*arrived at 3:04 p.m.*)

Guests and Staff in Attendance:

Lee Thibert	Arden Quezon-Vicente	James Mullican
Tyler Andrews	Paul Risse	Jody Wolfe
Sherri Highers	Mark Fouts	Teresa Kurka
Arthur Miller	Jean Kornmuller	Phil Steyer
Mark Johnson	Marty Freeman	Kate Ayers
Ron Vecera	Julie Hasquet	Nick Horras

C. *Safety Minute*
Marty Freeman, Manager, Safety and Security discussed "*Bike Safety*" and responded to questions from the Board.

Director Parks arrived at 3:04 p.m.

Director Henderson arrived at 3:08 p.m.

- D. *Presentation – Director Crawford – Board Leadership Certificate*
Chair Reiser presented Director Crawford the NRECA Board Leadership Program Certificate.

II. APPROVAL OF THE AGENDA

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

Director Cooper was not present at the time of vote.

III. PERSONS TO BE HEARD

- A. *Member Comments*
None

IV. CONSENT AGENDA

- A. *Board Calendar*
- B. *Training and Conferences*
 - i. *Directors Summer School Central/West, July 14-19, 2017, Colorado Springs, CO (Deadline for conference and hotel registration is June 12, 2017)*
 - ii. *Gettysburg Leadership Experience for Co-Op Leaders, September 12-14, 2017, Gettysburg, PA (Deadline for conference and hotel registration is August 10, 2017)*
 - iii. *Director Winter School, December 1-6, 2017, Nashville, TN (Deadline for conference and hotel registration is November 29, 2017)*
- C. *Minutes*
 - i. *April 26, 2017, Regular Board of Directors' Meeting (Portades)*
 - ii. *May 18, 2017, Special Board of Directors' Meeting (Quezon-Vicente)*
- D. *Director Expenses*

Chair Reiser discussed the importance of the deadlines for conference and hotel registrations.

Director Cooper arrived at 3:14 p.m.

Chair Reiser opened the discussion about revising the Board meeting start time to 4:00 p.m. After discussion, it was decided that the Board meeting will now start at 4:00 p.m.

Director Reeves moved and Director Henderson seconded the motion to approve the consent agenda as amended. The motion passed unanimously as amended.

V. CEO REPORTS AND CORRESPONDENCE

- A. *Election Report (Kurka/Andrews)*
Teresa Kurka, Director, Member Services and Tyler Andrews, Vice President, Member and Employee Services discussed the election report and responded to questions from the Board. The Board expressed their comments and concerns on the 2017 Annual Meeting Recap and 2018 Annual Meeting.

B. *1st Quarter 2017 Key Metrics Dashboard (Vecera/Thibert)*

The 1st Quarter 2017 Key Metrics Dashboard was provided in the meeting packet. Lee Thibert, Chief Executive Officer (CEO) responded to questions from the Board.

C. *Update on Cooper Lake (Risse)*

Paul Risse, Sr. VP Production and Engineering presented the Cooper Lake update and responded to questions from the Board.

D. *Board Policy Scheduled Tasks*

i. *1st Quarter Business Development and Load Activity Report (BP 401) (Horras/Miller)*

The 1st Quarter business development and load activity report was provided in the meeting packet.

ii. *Report to the Board on Employee Benefits, Employer Contributions, What Percent Fringes are of Payroll, Administration of Wage and Salary Plan/Survey (BP 401) (Andrews/Thibert)*

The employee benefits, employer contributions, what percent fringes are of payroll, administration of wage and salary plan/survey (BP 401) were provided in the meeting packet. Lee Thibert, CEO gave an overview on the documents provided to the Board.

Chair Reiser stated that further discussion will continue in the Executive Session.

iii. *Report to the Board on Energy Efficiency and Conservation Efforts (BP 507) (Kurka/Andrews)*

The energy efficiency and conservation efforts (BP 507) was provided in the meeting packet.

iv. *Report to the Board on Prevention and Detection of Theft of Electrical Service (BP 508) (Kurka/Andrews)*

The prevention and detection of theft of electrical service (BP 508) was provided in the meeting packet. Lee Thibert, CEO gave an overview on the document provided to the Board.

VI. DIRECTOR REPORTS

A. *Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*

Chair Reiser deferred discussion in the Executive Session.

B. *Board Committee Reports (Audit and Finance, Operations & Governance)*

Director Chastain stated that Operations Committee will meet on June 7, 2017.

Chair Reiser stated that the appointment of Committees will be discussed after the Director comments.

C. *Other Meeting Reports*

Lee Thibert, CEO reported on CEDS Committee meeting in May.

Director Cooper reported on the May 5, 2017, REAP Public Policy Meeting and May 17, 2017, REAP Board Meeting.

Chair Reiser reported on meeting with APA on May 11, 2017.

Meeting recessed at 4:32 p.m.

Meeting reconvened at 4:42 p.m.

Chair Reiser presented Director Crawford the NRECA Board Leadership Program Certificate and photos were taken at this time.

VII. UNFINISHED BUSINESS

None

VIII. NEW BUSINESS

A. *Adopt Calendar of Regular Meetings of the Board of Directors* (Owens/Thibert)*

Director Reeves moved and Director Parks seconded the motion that the Board of Directors' adopt the resolution which adopts a schedule for regular meetings of the Board as reflected in the Board Calendar with Board meetings starting at 4:00 p.m. The motion passed unanimously, as amended.

B. *Appointment of ARCTEC Member, Management and Alternate Representatives* (Board)*

Director Reeves moved and Director Cooper seconded the motion that the Board of Directors' adopt the Resolution appointing Janet Reiser as Chugach's Member Representative, Lee Thibert as Management Representative and Susan Reeves as Alternate Representative to the ARCTEC Board of Directors.

After discussion, an amendment was made to appoint Harry Crawford as Alternate Representative to the ARCTEC Board of Directors.

Chair Reiser called for a vote. The motion passed unanimously, as amended.

C. *Approve Simplified Rate Filing: March 2017 Test Year* (Kornmuller/Miller)*

Director Reeves moved and Director Chastain seconded the motion that the Board of Directors' approve the Resolution authorizing filing with the Regulatory Commission of Alaska, the Simplified Rate Filing described therein. The motion passed unanimously.

D. *Discussion - On-Site Training (Board)*

Chair Reiser gave an overview on the potential on-site training provided by Alaska Power Association (APA) and NRECA. The discussions took place at this time.

Director Crawford departed the meeting at 4:58 p.m.

E. Discussion - 2017 Annual Meeting Recap and 2018 Annual Meeting Discussion (Andrews/Board)

Chair Reiser stated that discussions and comments were made during the CEO Reports and Correspondence under Election Report. The Board continued to discuss the 2018 Annual Meeting.

F. Alaska Power Association (APA) Discussion (Board)

Chair Reiser gave the Board an update on Chugach's APA membership and her meeting with APA.

IX. EXECUTIVE SESSION

A. Strategic Planning

- i. Close Out Pension Restoration Plan*
- ii. ARCTEC*
- iii. 2017 CEO Goals and Parameters*
- iv. New Issues/Ideas*

At 5:03 p.m., Director Reeves moved and Director Cooper 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 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.

Director Crawford was not present at the time of the vote.

The meeting reconvened in open session at 6:34 p.m.

X. NEW BUSINESS

G. Resolution - Close Out Pension Restoration Plan (Andrews)*

Director Bettina moved and Director Parks seconded the motion that the Board of Directors' approve the resolution to close out Pension Restoration Plan effective May 24, 2017 and essentially the same as discussed in Executive Session. The motion passed unanimously.

Director Crawford was not present at the time of the vote.

H. Adopt 2017 CEO Goals and Parameters (Board)*

Director Parks moved and Director Reeves seconded the motion that the Board of Directors' adopt the 2017 CEO Goals and Parameters as discussed in Executive Session at the March 10, 2017, Special Board of Directors' Meeting, the April 26, 2017, Regular Board of Directors' Meeting as well as the meeting with Lee Thibert on May 8, 2017 and May 24, 2017, Regular Board. The motion passed unanimously, as amended.

Director Crawford was not present at the time of the vote.

I. *Approval of FY2017 Tax Services* (Highers)*

Director Cooper moved and Director Chastain seconded the motion that the Board of Directors' approve the tax services for FY2017. The motion passed unanimously.

Director Crawford was not present at the time of the vote.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

The Board discussed the Committee assignments at this time.

XII. ADJOURNMENT

At 6:55 p.m., Director Cooper moved and Director Parks seconded the motion to adjourn. The motion passed unanimously.

Director Crawford was not present at the time of the vote.

/ss/

James Henderson, Secretary

Date Approved: June 28, 2017