

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

June 26, 2019
Wednesday
4:00 PM

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Divina Portades

I. CALL TO ORDER

Vice Chair Reeves called the Regular Board of Directors' Meeting to order at 4:02 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Pledge of Allegiance

Vice Chair Reeves led the Board in the Pledge of Allegiance.

B. Roll Call

Board Members Present:

Bettina Chastain, Chair *(via teleconference at 4:19 p.m.)*

Susan Reeves, Vice Chair

Stuart Parks, Secretary

Rachel Morse, Treasurer *(arrived at 4:10 p.m.)*

Jim Henderson, Director *(via teleconference at 4:25 p.m.)*

Harry Crawford, Director

Harold Hollis, Director

Guests and Staff in Attendance:

Brian Hickey

Pete Smithson

Tom Schulman

Arden Quezon

Teresa Kurka

Todd McCarty

Arthur Miller

Ron Vecera

Renee Curran

Paul Risse

Marty Freeman

Mark Begich, Northern

Matthew Clarkson

Phil Steyer

Compass Group

Mark Fouts

Sean Skaling

Crystal Enkvist, APA

Tyler Andrews

Jody Wolfe

Wes Cashman, RGP

Julie Hasquet

Josh Resnick

Veri di Suvero, AKPIRG

C. Safety Minute

Marty Freeman, Manager, Safety discussed "*Eye and Face Safety*" and responded to questions from the Board.

II. APPROVAL OF THE AGENDA

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

Chair Chastain and Directors Henderson and Morse were not present at the time of the vote.

III. PERSONS TO BE HEARD

A. *Member Comments*

Vice Chair Reeves reported that she received a call from Susan Stafford, member, who stated an issue regarding a work performed by Chugach Electric and that Ms. Stafford was pleased to report that someone came out and fixed the issue on her property line.

IV. CONSENT AGENDA

A. *Board Calendar*

B. *Training and Conferences*

1. *NRECA Summer School for Directors, August 2-7, 2019, Branson, MO (Deadline for conference and hotel registration is June 24, 2019)*
2. *2019 APA Annual Meeting, August 20-23, 2019, Juneau, AK (Deadline for conference and hotel registration is July 26, 2019)*

C. *Minutes*

1. *May 22, 2019, Regular Board of Directors' Meeting (Portades)*

D. *Director Expenses*

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

Chair Chastain and Directors Henderson and Morse were not present at the time of the vote.

V. CEO REPORTS AND CORRESPONDENCE

A. *2019 State Legislative Briefing (Steyer)*

Brian Hickey, Chief Operating Officer (COO) stated that the 2019 State Legislative Briefing report has been provided in the meeting packet.

Phil Steyer, Director, Government Relations discussed the 2019 State Legislative Briefing.

Director Morse arrived at 4:10 p.m.

B. *2019 Annual Meeting and Election Report (Kurka/Miller)*

Teresa Kurka, Director, Member Services and Julie Hasquet, Sr. Manager, Corporate Communications discussed the 2019 Annual Meeting and Election Report and responded to questions from the Board.

Chair Chastain joined via teleconference at 4:19 p.m.

Further discussion was deferred in Executive Session.

C. *2nd Quarter 2019 Utility Bill Comparison (Skaling/Miller)*

Sean Skaling, Manager, Business & Sustainability Program Development discussed the 2nd Quarter 2019 Railbelt Bill Comparison and responded to questions from the Board.

Director Henderson joined via teleconference at 4:25 p.m.

Director Henderson designated Director Hollis to sign for his expense report.

- D. April 2019 Financial Statements and Variance Report (Harris/Curran)*
Renee Curran, Manager, Budget and Financial Reporting discussed the April 2019 Financial Statements and Variance Report. Brian Hickey, COO and Ms. Curran responded to questions from the Board.
- E. Board Policy Scheduled Tasks/Reports (Board/Staff)*
Brian Hickey, Chief Operating Officer, (COO) discussed the Board Policy Scheduled Tasks/Reports.
- F. Update on the Swan Lake Fire (Hickey)*
Brian Hickey, COO gave an update on the Swan Lake Fire and responded to questions from the Board.

VI. DIRECTOR REPORTS

- A. Report from Henderson and Crawford (APA Federal Legislative Conference)*
Directors Crawford and Henderson reported on the APA Federal Legislative Conference and responded to questions from the Board.
- B. Alaska Power Association (APA) Report*
Director Hollis stated that Crystal Enkvist, APA is present and will report on APA's upcoming events and responded to questions from the Board.
- C. Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*
Director Crawford and Brian Hickey, COO reported that there were no ARCTEC meeting to report. Brian Hickey stated that a meeting is scheduled on July 17, 2019.
- D. Renewable Energy Alaska Project (REAP) Report*
Director Morse reported on the REAP Policy Committee meeting and stated that there is a scheduled meeting on Friday, June 28, 2019.

Brian Hickey, COO, Vice Chair Reeves and Director Morse stated that there is a REAP Fundraising event coming up in August.
- E. Board Committee Reports (Audit and Finance, Operations & Governance)*
Director Morse reported that there is no Audit and Finance Committee meeting to report.

Vice Chair Reeves stated that there is no Governance Committee meeting to report and stated that she would like to see more meeting to discuss ML&P Acquisition and Election process next year.

Director Parks reported on the June 24, 2019 Operations Committee meeting chaired by Director Hollis.
- F. Other Meeting Reports*
None

VII. UNFINISHED BUSINESS

None

VIII. NEW BUSINESS

A. *CFC Credit Card One Pilot Program** (Wolfe/Vecera)*

Jody Wolfe, Controller and Ron Vecera, Sr. Manager, Risk and Administrative Services discussed the CFC Credit Card One Pilot Program and responded to questions from the Board.

Director Morse moved and Director Hollis seconded the motion that the Board of Directors approve the resolution authorizing Sherri Highers, Chief Financial Officer, to execute the One Card Program Reimbursement Agreement. The motion passed unanimously.

B. *Board Policy 101, Statement of Objectives Policy** (Board)*

This agenda item was deferred to the July 24, 2019, Regular Board of Directors' Meeting. No objections were made.

IX. EXECUTIVE SESSION

A. *Update on Chugach Sales*

B. *Discussion – Audit Election Process*

C. *IMO Work Plan and Budget*

D. *Golden Valley Electric Association (GVEA) MOU*

E. *Update on TRANSCO/RRC*

F. *First National Bank Credit Card Data Breach*

At 5:52 p.m., Director Morse moved and Director Parks seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1), and (3) 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) 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 7:26 p.m.

X. NEW BUSINESS

A. *Approve IMO Work Plan and Budget* (Fouts)*

Director Hollis moved and Director Parks seconded the motion that the Board of Directors approve the IMO Work Plan and Budget of \$39,549,159 and authorize the Chief Executive Officer to spend no more than \$14,383,662 before the RCA decision on the acquisition of ML&P pursuant to the resolution. The motion passed unanimously.

B. *Golden Valley Electric Association (GVEA) MOU** (Miller/Clarkson)*

Director Morse moved and Director Crawford seconded the motion that the Board of Directors authorize the Chief Executive Officer to execute the Memorandum of Understanding between Chugach Electric Association, Inc. and Golden Valley Electric Association, Inc. The motion passed unanimously.

XI. DIRECTOR COMMENTS

Director comments were made at this time.

XII. ADJOURNMENT

At 7:35 p.m., Director Morse moved and Director Hollis seconded the motion to adjourn. The motion passed unanimously.

Chair Chastain and Director Henderson were not present at the time of the vote.

/ss/

Stuart Parks, Secretary

Date Approved: July 30, 2019