

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

July 18, 2001

**BOARD OF DIRECTORS’
MEETING MINUTES**

President Davison convened the regular meeting of the Board of Directors of Chugach Electric Association, Inc. at 4:10 p.m. on Wednesday, July 18, 2001 in the boardroom of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

The following board members were present:

Bruce Davison – President
Red Boucher – Vice President
Jeff Lipscomb – Treasurer
Chris Birch - Secretary
Dave Cottrell – Director
Pat Jasper – Director
Pat Kennedy – Director

The following employees, members, and guests attended:

Gene Bjornstad	Lori Kirkendall	Bill Stewart
Connie Owens	Lee Thibert	Mary Tesch
Katrina Storjohann	Mike Massin	Sherry McKay
Paula Neas-Arnold	Brian Hickey	Gayle Knepper
Dwight Dial	Dave Smith	John Cooley
Jim Borden	Kathy Harris	Ron Vecera
Ken Thomas	Jim Borden	Jim Topolski
Bill Bernier	Patti Bogan	Alan Vandiver
Bobby Zamarron	James Dodson	Scott Dennis
Robert Poe	Mike Pauley	John See

President Davison led the Board and audience in the Pledge of Allegiance.

I. EXECUTIVE SESSION

None.

II. APPROVAL OF AGENDA

Director Kennedy moved and Director Jasper seconded the motion to approve the agenda as presented. President Davison stated that Agenda Item IX.B. General Manager’s Evaluation would be postponed until the next Board Meeting on August 22, 2001. The motion to approve the agenda as amended passed unanimously.

III. APPROVAL OF CONSENT AGENDA

Director Jasper moved and Director Boucher seconded the motion to approve the Consent Agenda.

A. Calendar of Events – July through December 2001

- Operations Committee meeting scheduled July 23, 2001, 4:00 p.m.
- Finance Committee meeting scheduled for August 8, 2001 was rescheduled for August 21, 2001, 4:00 p.m.

B. Minutes – June 20, 2001

No changes.

C. Proposed Write-Off of Accounts Receivable – Other

Resolution proposing write-offs of uncollectible accounts receivable – other, totaling \$13,995.79 for the period ending April 30, 2001.

D. Proposed Write-Off of Accounts Receivable - Electric

Resolution proposing write-offs of uncollectible accounts receivable – electric, totaling \$121,514.45 for the period November 1, 2000 to April 30, 2001.

The motion passed 6-0. President Davison abstained from voting because of a potential conflict.

IV. PERSONS TO BE HEARD

A. Wholesale Customer Comments

None.

B. Member Comments

None.

V. GENERAL MANAGER'S REPORT

A. General Manager, Gene Bjornstad, reported to the Board on the following topics:

1. Beluga 7
2. ABB11D Hot Gas Sections
3. Inspections and Overhauls on the North Slope Phillips Frame 3's
4. Joint Trench Agreement
5. Management Presentation on Activity-Based Budgeting
6. U-96-37: 2000 Test-Year Rate Case
7. Power Supply Development for GVEA Proposal
8. ML&P Gas Pricing Settlement
9. Purchased Fuel Costs – presented by John Cooley
10. Danger Tree Presentation – presented by Chris O'Brien
11. New Web Page – presented by Bill Stewart

VI. CORRESPONDENCE

- A. None

VII. DIRECTORS' REPORTS

A. **President's Report**

None.

B. **MAC Report**

None.

C. **Committee Reports**

Director Lipscomb gave a brief report on the Finance Committee meeting that was held on June 11, 2001.

Director Boucher gave a brief report on the Technology Committee meeting that was held earlier in the afternoon.

D. **ARECA Report**

Director Jasper gave a brief report on the ARECA meeting.

E. **Meeting Reports**

Director Cottrell gave a brief report on the ML&P Commission meeting held earlier in the day.

Director Jasper gave a brief report on the MEA meeting held on July 9, 2001.

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

A. **May 2001 Financial Report**

Katrina Storjohann gave a brief report on the May 2001 financial statements.

B. **General Manager's Evaluation**

Postponed until next Board meeting.

C. **Directors' Expenses**

Director Kennedy moved and Director Lipscomb seconded the motion to approve directors' expenses as submitted. Director Jasper requested that mileage for the MEA board meeting be added to her expenses. President Davison requested the Technology Committee meeting be removed from his expense report. The motion to approve directors' expenses as amended passed unanimously.

X. DIRECTORS' COMMENTS

- **Director Jasper** - A Michigan co-op just got the General Mills' contract through competition taking place in that sector of the United States.
- **Director Boucher** – Would like to see a back-up plan for finances.
- **Director Cottrell** – None.
- **Director Kennedy** - Has a new job as an Executive Director Child Advocacy Center with Eklutna Tribal Center.
- **Director Lipscomb** – Thanked staff for their support of the Finance Committee.
- **Director Davison** - Was pleased with the discussion that took place during the Technology Committee meeting and thanked Red Boucher for his efforts.
- **Director Birch** – Wanted to commend Chris O'Brien on his work with the Forest Service. Asked if staff was looking into the RFP for providing power to Fort Richardson.

XI. EXECUTIVE SESSION

Director Kennedy moved and Director Jasper seconded the motion that pursuant to A.S. 10.25.175(c)(3) the Board go into executive session to discuss the Rabbit Creek and Omnibus litigation with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

The board took a ten-minute recess at 5:35 p.m. and then adjourned into executive session.

XII. ADJOURNMENT

At 6:45 p.m., the Board adjourned from executive session. The motion to adjourn was unanimous and the meeting adjourned at 6:46 p.m.

Chris Birch, Secretary

Date Approved: August 22, 2001