

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

September 18, 2002

**BOARD OF DIRECTORS’
MEETING MINUTES**

President Davison convened the regular meeting of the Board of Directors of Chugach Electric Association, Inc. at 4:03 p.m. on Wednesday, September 18, 2002, in the boardroom of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

The following board members were present:

Bruce Davison, President
Jeff Lipscomb – Treasurer
Chris Birch – Secretary
Red Boucher – Director (by phone)
Sam Cason – Director (arrived at 4:08 p.m.)
Pat Jasper – Director

Dave Cottrell, Vice President, was absent from the meeting.

The following employees, members, and guests attended:

Bill Bernier	Carol Johnson	Bill Stewart
Patti Bogan	Dan Kennedy	Katrina Storjohann
John Cooley	Lori Kirkendall	Mary Tesch
Mike Cunningham	Mike Massin	Lee Thibert
Leonard Deal	Sherri McKay	Ken Thomas
Brad Evans	Connie Owens	Ron Vecera
Joe Griffith	Mike Pauley	Jody Wolfe
Dan Helmick	Shelly Schmidt	

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

I. EXECUTIVE SESSION

None.

II. APPROVAL OF AGENDA

Director Jasper moved and Director Lipscomb seconded the motion to approve the agenda. The motion passed unanimously. (Director Cason was not present for this vote.)

III. APPROVAL OF CONSENT AGENDA

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

A. Calendar of Events

September - December, 2002

Add: Joe Griffith Leave, September 20, 2002 and September 27, 2002

B. Minutes – August 21, 2002

No changes.

C. July 2002 Financials

No changes.

The motion to approve the Consent Agenda passed unanimously. (Director Cason was not present for this vote.)

IV. PERSONS TO BE HEARD

A. Wholesale Customer Comments

None.

B. Member Comments

None.

(Director Cason arrived at this point of the meeting.)

V. GENERAL MANAGER'S REPORT

The following topics were included in the General Manager's report:

- Fuel and Purchase Power presented by John Cooley, Manager, Power Control
- August 2002 Safety Statistics presented by Ken Thomas, Manager, Safety
- August 2002 Financials presented by Mike Cunningham, CFO
- 2002 Annual Inspection of Unit 7 presented by Brad Evans, Executive Manager, Energy Supply
- Cable Restoration and Replacement (Talus West) presented by Mike Massin, Director, Engineering Services
- NRECA Credentialed Cooperative Director (CCD)
- American Express payments no longer accepted
- 1994 Ballot returned to Chugach

VI. CORRESPONDENCE

None.

VII. DIRECTORS' REPORTS

- #### **A. President's Report** – President Davison reported that he and Director Cottrell recently had a very cordial meeting with Larry DeVilbiss, President of MEA.

B. Committee Reports

- Director Lipscomb reported on the September 11, 2002, Finance Committee meeting where they forwarded for recommendation to the Board the Capital Credits Policy and also scheduled meetings for 2003 budget planning.
- President Davison reported on the September 10, 2002, Operations Committee meeting where they proposed changes to the Outlet, prioritized topics for the planning workshop scheduled for October 18, 2002, and proposed bylaw changes for referral to the Board.

C. ARECA Report

- Director Jasper reported on the September 16, 2002, ARECA meeting where she participated on the committee for renaming ARECA.

D. Meeting Reports

- Director Jasper gave a brief report on the September 9, 2002, Matanuska Electric Association board meeting.

VIII. UNFINISHED BUSINESS

None.

IX. New Business

A. Early Retirement of Discounted Capital Credits

Director Lipscomb moved and Director Birch seconded the motion to adopt the resolution to implement a new capital credits retirement plan that includes early, discounted retirement of capital credits for estates and other former members, subject to a favorable private letter ruling by the Internal Revenue Service. The motion passed unanimously.

B. Directors' Expenses

Director Jasper moved and Director Lipscomb seconded the motion to approve directors' expenses. Director Lipscomb noted for the record that Directors Birch and Cason submitted \$1,000 estimated expenses (transportation, lodging, car rental from the ARECA Annual meeting in Sitka). Their receipts had been submitted previously to Dianne Hillemeier and the amounts would be corrected prior to submission to the accounting department for payment. Director Jasper noted that a \$36 transportation expense for attending an August MEA meeting was omitted on her last expense report and requested that it be added to this month's report for a total expense reimbursement of \$672. President Davison approved the addition. The motion to approved expenses as modified passed with five in favor and one abstention (Director Boucher).

X. DIRECTORS' COMMENTS

Director Davison – No comments.

Director Boucher – Stated that he met with the director of MediaLab about power line technology during his trip to Boston. Upon his return, he would like to call a Technology Committee meeting to update everyone on his findings.

Director Birch – Stated that, with regard to workers' compensation and some of the injury reports presented today, he would like to see what Chugach could do to improve its standing against the national average. Whether it's more education, better training, or better equipment, he would like to see what could be done to bring Chugach closer to the norm.

Director Lipscomb – Stated that he is anxiously awaiting the safety vests previously approved for distribution.

Director Jasper – No comments.

Director Cason – No comments.

XI. EXECUTIVE SESSION

None.

XII. ADJOURNMENT

At 5:45 p.m., Director Jasper moved, and Director Birch seconded the motion, to adjourn. The motion passed unanimously.

Chris Birch, Secretary

Date Approved: October 16, 2002