

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE
MEETING MINUTES

August 8, 2008

Committee Members in Attendance: Jim Nordlund, Chair
Alex Gimarc
Janet Reiser
Rebecca Logan

Other Directors Present: Elizabeth Vazquez
Jeff Lipscomb

Guests in Attendance: Bruce Scott (MEA)
Eleanor Andrews (AUL)
Clifford Kirkland

Staff in Attendance:

Brad Evans	Paul Risse	Ed Jenkin	Lee Thibert
Connie Owens	Phil Steyer	Carol Johnson	Teresa Kurka
Patti Bogan			

Recording Secretary: Jennifer McDonald, Legal Secretary

I. CONVENE MEETING

Chair Nordlund convened the Operations Committee meeting at 5:03 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. EXECUTIVE SESSION

None.

III. APPROVAL OF AGENDA

Chair Nordlund inadvertently skipped this item and went back to it after Agenda Item IV.

Director Logan moved and Director Gimarc seconded the motion to approve the Agenda. The motion passed unanimously.

IV. APPROVAL OF MINUTES

a. July 9, 2008

Director Logan moved and Director Reiser seconded the motion to approve the Operations Committee Meeting minutes of July 9, 2008. The motion passed unanimously.

V. CUSTOMER COMMENTS

- a. Wholesale Customer Comments*
None.
- b. Retail Customer Comments*
None.

VI. Urban League Presentation (Electric Deposit Assistance)

Eleanor Andrews, Board Chair of the Anchorage Urban League gave an overview of the Utility Assistance Program offered through the Anchorage Urban League and asked Chugach for a grant in the amount of \$25,000 which will match the grant approved by ML&P. The Committee asked some questions and stated it would meet with Brad Evans to see how it would like to proceed. Chair Nordlund stated this item will be on an upcoming Operations Committee Agenda for further discussion.

VII. Chugach Election Campaign Finance Reform

Director Reiser moved and Director Logan seconded the motion that the Operations Committee recommend to the Board of Directors to direct the CEO to research campaign disclosure requirements that have been adopted by other cooperatives, non-profit organizations and public elected bodies that could possibly be applied to Chugach, including the enforcement mechanisms for those requirements. Furthermore, that the CEO research other campaign finance requirements as mentioned in the discussion above, including the enforcement mechanisms for such requirements. The results of the research will be presented to the Board for consideration and in turn to the Bylaws and/or Elections Committees.

Director Logan offered a friendly amendment to change the words “disclosure requirements” in the first sentence to “finance reforms”. Director Reiser accepted the amendment.

Director Lipscomb asked, in the last sentence of the motion, if the Committee wanted the research to go to the Board or back to the Operations Committee? The Committee agreed it would go back to the Operations Committee.

Director Gimarc offered a friendly amendment to the friendly amendment to drop the word “finance” to allow for broader types of disclosures. The Committee unanimously accepted Director Gimarc and Director Logan’s amendments.

The amended motion is as follows: Move that the Operations Committee recommend to the Board of Directors to direct the CEO to research campaign finance reforms that have been adopted by other cooperatives, non-profit organizations and public elected

bodies that could possibly be applied to Chugach, including the enforcement mechanisms for those requirements. Furthermore, that the CEO research other campaign reforms as mentioned in the discussion above, including the enforcement mechanisms for such requirements. The results of the research will be presented to the Operations Committee for consideration.

The amended motion passed unanimously.

VIII. Proposed Changes to Nominating Committee Procedures

Director Logan stated there is a Draft Discussion Paper in the Committee packet regarding Proposed Changes to the Nominating Committee Procedures for the Operations Committee to review and stated there would be items on the September Operations Committee Agenda for further discussion and possible action.

IX. Improving the Election Process

Director Lipscomb stated that there is a Draft Discussion Paper in the Committee packet regarding Improving the Election Process for the Operations Committee to review.

X. Revisions to Board Policy 113 – Procedures for Board of Director Meetings

Director Logan moved and Director Gimarc seconded the motion that the Operations Committee recommend to the Board of Directors that it approve the revised Board Policy 113, Procedures for Board of Directors Meetings. The motion passed unanimously.

XI. Correspondence

None.

XII. Director Comments

*Director Vazquez was not present at this time as she had to leave the meeting early.
Director Vazquez is not a member of the Operations Committee.*

Director Lipscomb: “I have to think of a lot of comments because I didn’t think I was going to get out of here until 8:00 so my next appointment is not until 8:00 so I’m trying to make up two hours. It’s amazing. My only comments would Brad make sure that folks are working safely and doing quality work and I think – I’ll also add from the Finance Committee where I had no comments – congratulations to Brad and staff and all the employees – I think it shows that we are we are doing well, we’re getting a lot of money for our investment – getting a lot out of it and running it with few people yet we continue to provide high quality service and I think that is commendable for the organization. Thank you.”

Director Reiser: “No comments.”

Director Logan: “Well, the Urban League presentation brings up an interesting subject that I think that we should be prepared to deal with in the budget process and that is anticipating that with rising costs and an economy where people are starting to be laid off and higher unemployment we’re going to have members who cannot pay

their electric bills or make their deposits. So I think that we need to prepare for that and we need to responsibly either change that policy or develop some type of policy that allows us to do that – to help our most needy members. And so it would be good if we were prepared to do that in the October budget discussions.”

Director Gimarc: “No comments.”

Chair Nordlund: “I have no comments other than thank you to the Committee for moving along here tonight.”

XIII. Executive Session

Director Logan moved and Director Gimarc seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) the Operations Committee go into executive session 1) to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The matter to be discussed is an Update on Replacement Generation/Utility Restructuring. The motion passed unanimously.

The Committee paused for a break at 5:50 p.m. and then went into executive session at 6:00.

The Committee reconvened in open session at 7:14 p.m.

XIV. Municipal Power Authority Ordinance (Chugach Comments)

No action taken.

XV. Adjourn

Director Logan moved and Director Reiser seconded the motion to adjourn. The meeting adjourned at 7:15 p.m.