

CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA

GOVERNANCE COMMITTEE MEETING

AGENDA

Susan Reeves, Chair  
Rachel Morse, Vice Chair

Harry Crawford  
Jim Henderson  
Bettina Chastain

---

**September 6, 2018**

**4:00 p.m.**

**Chugach Board Room**

---

- I. CALL TO ORDER
  - A. *Roll Call*
- II. APPROVAL OF AGENDA\*
- III. APPROVAL OF MINUTES\* (*scheduled*)
  - A. *May 12, 2016 (Portades)*
- IV. PERSONS TO BE HEARD
  - A. *Member Comments*
- V. NEW BUSINESS (*scheduled*)
  - A. *Review Bylaws and Policies (Committee)*
- VI. EXECUTIVE SESSION (*none*)
- VII. DIRECTOR COMMENTS
- VIII. ADJOURNMENT\*

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**May 12, 2016**  
**Thursday**  
**11:00 A.M.**

**GOVERNANCE COMMITTEE MEETING**

Recording Secretary: Divina Portades

**I. CALL TO ORDER**

Chair Reeves called the Governance Committee meeting to order at 11:03 a.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Roll Call*

*Committee Members Present:*

Susan Reeves, Chair  
Bruce Dougherty, Vice Chair  
Sisi Cooper, Director  
Jim Henderson, Director  
Janet Reiser, Director

*Other Board Members Present:*

Harry Crawford, Director  
Bettina Chastain, Director

*Guests and Staff in Attendance:*

Lee Thibert	Mark Johnson	Connie Owens
Sherri Highers	Tom Schulman	Tyler Andrews

*Director Cooper arrived at 11:04 a.m.*

**II. APPROVAL OF THE AGENDA**

Director Dougherty moved and Director Henderson seconded the motion to approve the agenda. The motion passed unanimously.

**III. APPROVAL OF MINUTES**

*A. November 24, 2015*

Director Henderson moved and Director Cooper seconded the motion to approve the November 24, 2015 meeting minutes. The motion passed unanimously.

**IV. PERSONS TO BE HEARD**

*A. Wholesale Customer and Member Comments*  
None

## V. NEW BUSINESS

### A. Board Policies Discussion

#### i. Review Draft - Proposed Revisions to Board Policies 126 and 106 (Committee)

Chair Reeves asked Mark Johnson, General Counsel and Tom Schulman, Legal Project Administrator to open this meeting and:

- a. Discuss the policies that have been completed other than Board Policies 126 and 106;
- b. Refresh the Committee on the revision of the board policies and provide a cross reference table showing the old and new policy numbers; and,
- c. Adopt the code of ethics as an official board policy.

Chair Reeves stated that the Committee will cover the three items above and focus on the Delegation of Authority from the Board to the Chief Executive Officer on the financial aspect.

Mark Johnson stated that a matrix table is provided in a binder showing the old and new policy numbers.

Tom Schulman gave an overview of what policies were reviewed, revised and adopted during the October 25, 2015 and November 24, 2015, Governance Committee Meetings.

Mr. Schulman stated that a binder provided contains the following:

- a. Cross Reference – showing the new and old policies and sorted by category and new numbers.
- b. Correspondence – showing all correspondence compiled in the last few months and in date order.
- c. Status Report – showing progress of the board policies being revised (redlined).
- d. Per the Committee's October request, the board policies were categorized by subject matter and grouped by number (i.e., 100, 200, 300, 400, 500 and 600).
- e. The entire packet has been numbered, so everyone can be in the same page.

Mr. Schulman addressed the November 9, 2015, memo from Chair Reeves and board policies (BP) that resulted from requests at the November 24, 2015, Governance Committee Meeting as follows:

- a. New BP 102 – Chugach will write a policy that meets the requirements and do not contradict the lenders, the Indenture and the Regulatory Commission of Alaska (RCA) regulations.

- b. New BP 103 – The Committee agreed to change “appraise” to “evaluate”. This will also change in BP 401.
- c. New BP 105 – In this policy, paragraph B has been eliminated and list of confidential documents are referenced in New BP 605.
- d. New BP 106 – The enforcement language has been incorporated in Section J of this new policy.
- e. New BP 203 – The general confidentiality policy has been incorporated in Section II of this new policy.
- f. New BP 207 – The Committee agreed to add a cross reference of Code of Ethics (New BP 100) to this new policy.
- g. New BP 208 – No discussion for this new policy.
- h. New BP 210 – No discussion for this new policy.
- i. New BP 508 – No discussion for this new policy.

The Committee had no further discussion for the new board policies. For the purpose of adopting the new board policies at the May 2016 Regular Board of Directors Meeting, the Committee requested a binder containing clean copy of the new policies.

The Committee had a lengthy discussion on Code of Ethics policy, potential Board violations and removal of the Board members by means of the Bylaws.

ii. *Proposed Revisions to Remaining Board Policies\*\* (Committee)*

The proposed revisions to remaining board policies by categories were discussed by the Committee, Lee Thibert, Sr. VP Strategic Development and Regulatory Affairs, Sherri Highers, CFO and VP Finance, Mark Johnson, General Counsel and Tom Schulman, Legal Project Administrator:

- a. Delegations – under this category, there are four (4) policies. At its November 24, 2015 meeting, the Committee accepted new Board Policies 402, 403 and 404. Mr. Johnson and Schulman gave an overview of the new Board Policy 401 and responded to questions from the Committee.
- b. Financial Management – under this category, there are five (5) policies. At its November 24, 2015 meeting, the Committee accepted one (1) one policy (New Number: BP 304 and later changed to BP 305) and old BP 110 was rescinded.

Ms. Highers gave an overview of new BP 301, BP 302, BP 303 and BP 304 and staff responded to questions from the Committee.

- c. Functional – under this category, there are eight (8) policies. At its November 24, 2015 meeting, the Committee deferred this category to the next Governance Committee Meeting. No discussion took place on this category.

- d. Member Relationships – under this category, there are five (5) policies. At its November 24, 2015 meeting, the Committee deferred this category to the next Governance Committee Meeting. No discussion took place on this category.

After lengthy discussion, Chair Reeves suggested a motion was in order.

Director Cooper moved and Director Henderson seconded the motion that the Governance Committee accept and forward to the Board of Directors edited versions of the Board Policies as amended by staff and the Governance Committee with a recommendation that these policies be approved and adopted by the Board of Directors. The motion passed unanimously, as amended by staff and the Committee.

**VI. EXECUTIVE SESSION**

None

**VII. DIRECTOR COMMENTS**

Director comments were made at this time.

**VIII. ADJOURNMENT**

At 1:25 p.m., Director Reiser moved and Director Dougherty seconded the motion to adjourn. The motion passed unanimously.

*Directors Cooper and Henderson were not present at the time of vote.*