

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

**February 21, 2017**  
**Tuesday**  
**3:00 P.M.**

**REGULAR BOARD OF DIRECTORS' MEETING**

Recording Secretary: Divina Portades

**I. CALL TO ORDER**

Chair Reiser called the Regular Meeting of the Board of Directors to order at 3:02 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. *Pledge of Allegiance*  
Chair Reiser led the Board in the Pledge of Allegiance.

B. *Roll Call*  
*Board Members Present:*  
Janet Reiser, Chair  
Susan Reeves, Vice Chair (*via teleconference*)  
Sisi Cooper, Treasurer (*arrived at 3:08 p.m.*)  
Bettina Chastain, Secretary  
Jim Henderson, Director (*arrived at 3:06 p.m.*)  
Harry Crawford, Director  
Stuart Parks, Director (*via teleconference*)

*Guests and Staff in Attendance:*

Lee Thibert	Connie Owens	Todd McCarty
Dustin Highers	Arthur Miller	Phil Steyer
Brian Hickey	Mark Fouts	Nick Horras
Sherri Highers	Jon Sinclair	Taylor Crocker
Tyler Andrews	Teresa Kurka	Jean Kornmuller
Bill Bernier	Tom Schulman	Mark Johnson
James Mullican		

C. *Safety Minute*  
Taylor Crocker, Safety Specialist discussed “*Avalanche Hazards*” and responded to questions from the Board.

*Director Henderson arrived at 3:06 p.m.*

*Director Cooper arrived at 3:08 p.m.*

## II. APPROVAL OF THE AGENDA

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

## III. PERSONS TO BE HEARD

- A. *Wholesale Customer and Member Comments*  
None

## IV. CONSENT AGENDA

- A. *Board Calendar*
- B. *Training and Conferences*
  - i. *2017 NRECA Legislative Conference, April 23-25, 2017, Washington DC (Deadline for conference and hotel registration is March 20, 2017)*
  - ii. *Gettysburg Leadership Experience for Co-Op Leaders, May 9-11, 2017, Gettysburg, PA (Deadline for conference and hotel registration is April 6, 2017)*
  - iii. *Gettysburg Leadership Experience for Co-Op Leaders, September 12-14, 2017, Gettysburg, PA (Deadline for conference and hotel registration is August 10, 2017)*
- C. *Minutes*
  - i. *January 26, 2017, Regular Board of Directors' Meeting (Quezon-Vicente)*
- D. *Director Expenses*

Director Chastain moved and Director Cooper seconded the motion to approve the consent agenda as written. The motion passed unanimously.

*Director Reeves designated Director Crawford to sign for her expense report.*

*Director Parks designated Director Cooper to sign for his expense report.*

## V. CEO REPORTS AND CORRESPONDENCE

- A. *Touchstone Energy Training Discussion (Andrews)*  
Tyler Andrews, Vice President, Member and Employee Relations, discussed the Touchstone Energy Training and responded to questions from the Board.
- B. *Sale of Surplus Property at Retherford Substation (Bernier)*  
Bill Bernier, Vice President, Power Delivery, discussed the Sale of Surplus Property at Retherford Substation and responded to questions from the Board.
- C. *Chugach Dam Safety Overview (D. Highers)*  
Dustin Highers, Director, Power Supply Technical Services, presented the Chugach Dam Safety Overview and responded to questions from the Board.
- D. *Capital Credit Member Notification (Andrews)*  
Tyler Andrews, Vice President, Member and Employee Relations and Lee Thibert, Chief Executive Officer (CEO), discussed the Capital Credit Member Notification and responded to questions from the Board.

## **VI. DIRECTOR REPORTS**

*A. Alaska Railbelt Cooperative Transmission & Electric Company (ARCTEC) Report*

Lee Thibert, CEO reported on the February 17, 2017, ARCTEC Meeting.

*B. Board Committee Reports (Audit and Finance, Operations & Governance)*

Director Cooper stated that there was no Audit and Finance Committee meeting to report on.

Director Chastain reported on the January 25, 2017, Operations Committee meeting and that on the next Operations Committee meeting, the Committee will discuss BRU. Director Chastain stated that the upcoming CEO Evaluation Workshop is scheduled on March 10, 2017.

Chair Reiser discussed the upcoming Strategic Planning meeting scheduled for April 11-12, 2017.

Director Reeves stated that there was no Governance Committee meeting to report on.

*C. Other Meeting Reports*

Director Cooper reported on the February 13, 2017, REAP Public Policy Committee and Members meeting.

Director Crawford reported on the February 6-8, 2017, Board trip to Juneau.

Director Henderson reported on the February 16 & 17, 2017, Nominating Committee meetings.

Director Reeves reported on the February 9, 2017 Bylaws Committee meeting.

The Board had a discussion on approaching the Election Committee to change the Bylaws on signing the application for service via “docu-sign” vs. “written”.

## **VII. UNFINISHED BUSINESS**

## **VIII. NEW BUSINESS**

*A. Approval of 2017 Master Election Judge\* (Kurka)*

Director Reeves moved and Director Henderson seconded the motion that the Board of Directors appoint Lawrence Camp as the 2017 Master Election Judge. The motion passed unanimously.

*B. Approval of 2017 Date of Record\* (Kurka)*

Director Chastain moved and Director Crawford seconded the motion that the Board of Directors set April 5, 2017, as the Date of Record for Chugach’s 2017 election. The motion passed unanimously.

C. *2017 Election Procedures\* (Kurka)*

Director Cooper moved and Director Chastain seconded the motion that the Board of Directors approve the 2017 Election Procedures as recommended by the Election Committee. The motion passed unanimously.

D. *Simplified Rate Filing (SRF): December 2016 Test Year\* (Kornmuller)*

Director Chastain moved and Director Crawford seconded the motion that the Board of Directors approve the resolution authorizing filing with the Regulatory Commission of Alaska, the Simplified Rate Filing described therein.

Jean Kornmuller, Manager, Regulatory Affairs and Arthur Miller, Executive Manager, Regulatory and External Affairs, discussed the Simplified Rate Filing – December 2016 Test Year and responded to questions from the Board.

After discussion, Chair Reiser called for a vote. The motion passed unanimously.

E. *Contract Award – DeBarr Substation Rebuild\* (Sinclair)*

Director Cooper moved and Director Henderson seconded the motion that the Board of Directors approve the resolution authorizing the Chief Executive Officer to execute a contract for the DeBarr Substation Rebuild in the amount not to exceed \$1,729,590.14 with Electric Power Constructors, Inc.

Lee, CEO gave an overview and asked Jon Sinclair, Sr. Manager, Transmission Substation Engineering, to discuss the Contract Award – DeBarr Substation Rebuild and responded to questions from the Board.

After discussion, Chair Reiser called for a vote. The motion passed unanimously.

F. *Adoption of Sustainability as a Business Management Philosophy\*\* (Miller/Board)*

Director Chastain moved and Director Cooper seconded the motion that the Board of Directors approve the resolution adopting sustainability as a core business philosophy by which financial, environmental and social measures are expressly considered in its overall performance, and to adopt sustainability to create greater business value and enhance Chugach's position as a long-term viable organization for the benefit of its members and the community.

Arthur Miller, Executive Manager, Regulatory and External Affairs, discussed Adoption of Sustainability as a Business Management Philosophy and responded to questions from the Board.

After discussion, Chair Reiser called for a vote. The motion passed unanimously.

**IX. EXECUTIVE SESSION**

- A. *Strategic Planning*
  - i. *HR Strategic Plan*
  - ii. *Anchorage IRP*
  - iii. *New Issues/Ideas*
    - a. *Annual Report*
  
- B. *Strategic Planning Committee Updates*
  - i. *Business Planning and Economic Development*
  - ii. *Communication/Engagement*
  - iii. *Renewable/Conservation Initiative*

At 4:38 p.m., Director Chastain moved and Director Crawford seconded the motion that pursuant to Alaska Statute 10.25.175 (c) (1) the Board of Directors go into executive session to discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The motion passed unanimously.

*The meeting reconvened in open session at 6:15 p.m.*

**X. NEW BUSINESS**

- G. *Strategic Planning Policies\*\* (Board)*

Arthur Miller, Executive Manager, Regulatory and External Affairs, discussed the Strategic Planning Policies and responded to questions from the Board.

Director Chastain moved and Director Crawford seconded the motion that the Board of Directors approve the Board Policy entitled, “Strategic Planning” and further move that the Board of Directors concur with the Operating Policy entitled, “Strategic Planning Process.”

After discussion, Chair Reiser called for a vote. The motion passed, 6 yes and Director Henderson abstain.

**XI. DIRECTOR COMMENTS**

Director comments were made at this time.

**XII. ADJOURNMENT**

At 6:24 p.m., Director Cooper moved and Director Crawford seconded the motion to adjourn. The motion passed unanimously.

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/ss/  
Bettina Chastain, Secretary  
Date Approved: March 22, 2017