

**GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.
BOARD OF DIRECTORS'
MEETING MINUTES**

**April 27, 2021
Fairbanks, Alaska**

	<p>The Regular Meeting of the Board of Directors of Golden Valley Electric Association, Inc. was held on April 27, 2021. Due to COVID-19 and the need for social distancing, the meeting was held virtually via Microsoft Teams.</p>
<p>PRESENT</p>	<p><u>Directors:</u> Tom DeLong, Chairman; John Sloan, Vice Chairman; Dave Messier, Treasurer; Gary Newman, Secretary; Chris Bunch, Rick Solie and Brad Benson.</p> <p><u>Staff:</u> John Burns, President & CEO; Ron Woolf, Chief Financial Officer; Naomi Morton Knight, Acting Director of Engineering Services; Josh Davis, Director of Operations; Abbigail Dillard, Acting Director of Member Services; Reagan Russell, Director of Human Resources; Sarah Villalon, Controller; Dean Ojala, Safety Compliance Officer; Meadow Bailey, Director of External Affairs/Public Relations; Kathy Mattila, Senior Accountant and Susan Redlin, Executive Administrative Assistant.</p> <p><u>Members:</u> District 2: Cathy Walling and Richard Theilmann. District 4: James Schwarber and Ben Loeffler. District 7: Todd Adams, Julia Hnilicka and Kirk Martakis.</p> <p><u>Consultant:</u> Ivan Moore, Alaska Survey Research.</p>
<p>CALL TO ORDER</p>	<p>Chairman DeLong called the meeting to order at 3:30 p.m.</p>
<p>EXECUTIVE SESSION</p>	<p>At 3:31 p.m., without objection, the board convened into executive session to discuss personnel issues (CEO Contract), the immediate knowledge of which could have adverse impacts on GVEA.</p> <p>At 4:10 p.m. Mr. Burns joined the meeting.</p> <p>At 4:30 p.m., without objection, the board came out of executive session.</p>
<p>EXECUTIVE SESSION</p>	<p>At 4:32 p.m., without objection, the board re-convened into executive session with select invited staff to discuss personnel, legal and financial issues (2021 Employee Survey; Form 12; COVID Update; Pension Plan Administrative Committee; March 2021 Power Supply Report and</p>

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EXECUTIVE SESSION (Continued)	<p>Attorney Reports), the immediate knowledge of which could have adverse impacts on GVEA.</p> <p>Messrs. Davis, Moore and Woolf, and Mesdames. Bailey, Dillard, Knight, Mattila, Redlin, Russell, and Villalon joined the meeting.</p> <p>At 5:15 p.m., Mr. Moore departed the meeting.</p> <p>At 5:45 p.m., Ms. Mattila departed the meeting.</p> <p>At 6:27 p.m., Mr. Newman moved to come out of executive session. Mr. Sloan seconded the motion. The motion passed.</p>
BREAK	Chairman DeLong declared a 3 minute break.
OPEN SESSION	At 6:30 p.m., the board convened into open session; members and staff (Ojala and Strle) joined the meeting.
SAFETY MOMENT	Messrs. Burns and DeLong shared spring driving safety tips. Mr. Bunch talked about bicycle safety.
EDUCATIONAL PRESENTATIONS	<p><u>Carbon Reduction Update Presentation</u> Ms. Knight gave a PowerPoint presentation entitled “Policy 7.6: Carbon Reduction Goals – Semi-Annual Update”. The board asked questions regarding the presentation, which Ms. Knight answered.</p> <p><u>Quarterly Safety Report Presentation</u> Mr. Ojala gave a PowerPoint presentation entitled “Quarterly Safety Report.” The board asked questions regarding the presentation, which Mr. Ojala answered.</p>
MEMBER COMMENTS	<p><u>Member Comments</u> Mr. Schwarber thanked GVEA and the board for transitioning towards more renewable energy. He commented on a recent educational class he attended on air source heat pumps that GVEA co-sponsored with the Cold Climate Housing Research Center and Solarize Fairbanks. He encouraged the board to continue to expand renewables and said he looks forward to the upcoming Annual Meeting.</p> <p>Mr. Martakis said he was impressed with the recent educational class on heat pumps. He also commented on a number of items: the current rate paid to SNAP producers; GVEA’s Request For Proposal for renewable energy projects; GVEA’s support for ReCharge Alaska; and</p>

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<p>MEMBER COMMENTS (Continued)</p> <p>MEMBER ADVISORY COMMITTEE (MAC) REPORT</p>	<p>the possibility of a future EV charging station on the GVEA campus in Fairbanks.</p> <p><u>MAC Report</u> Mr. Loeffler reported on the April 14, 2021 MAC Meeting.</p>
<p>EXTEND THE MEETING</p>	<p>At 7:31 p.m., Mr. Newman moved to extend the meeting for up to one hour. Mr. Messier seconded the motion. The motion passed.</p>
<p>APPROVAL OF THE AGENDA AND ADOPTION OF THE CONSENT AGENDA</p>	<p>Chairman DeLong requested to removed Item 7.4 (CEO Contract) from the Agenda and Mr. Sloan asked that an Alaska Power Association Report be added to Item 9 (On-Going Reports) on the Agenda.</p> <p>Mr. Newman moved to approve the amended Agenda and adopt the Consent Agenda. Mr. Sloan seconded the motion. The motion passed.</p> <p>The Consent Agenda included:</p> <ul style="list-style-type: none"> • Approval of the March 16, 2021 Special Board Meeting Minutes. • Approval of the March 22, 2021 Regular Board Meeting Minutes. • Review of the Safety Compliance Officer's March 2021 Report. • Approval of Resolution No. 107-21: Authorizing Association Right-of-Way Agents to Sign Right-of Way Permit Applications and Other Land-Related Application Documents. • Approval of Resolution No. 108-21: Authorizing GVEA's President & CEO and Director of Engineering to Sign Rights-of-Way Leases, Permits, Easements and Other Land-Related Documents on Behalf of GVEA.
<p>FAR COMMITTEE RECOMMENDATIONS: APPROVAL OF RESOLUTION NO. 104-21: ACCEPTING THE 2020 AUDIT OF THE ASSOCIATION'S FINANCIAL STATEMENTS AND RELATED RECORDS</p>	<p>As Chairman of the Finance, Audit & Rate (FAR) Committee, Mr. Messier moved to approve Resolution No. 104-21: Accepting the 2020 Audit of the Association's Financial Statements and Related Records:</p> <p style="text-align: center;">BE IT RESOLVED by the Board of Directors of Golden Valley Electric Association, Inc. that the audit of the Association's Financial Statements and associated records for calendar year 2020 made by BDO USA, LLP, Certified Public Accountants, having duly been reviewed and recommended by the Finance, Audit and Rate Committee, is hereby accepted and ordered transmitted to the Rural Utilities Service, Co-Bank, Key Bank, National Rural Utilities Cooperative Finance Corporation and the Regulatory Commission of Alaska.</p> <p>The motion passed.</p>

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<p>APPROVAL OF RESOLUTION NO: 105-21: ALLOCATING 2020 MARGINS</p>	<p>Chairman DeLong introduced Resolution No. 105-21: Allocating 2020 Margins:</p> <p style="padding-left: 40px;">WHEREAS, Golden Valley Electric Association, Inc. (Association) desires to allocate 2020 Margins in the amount of \$17,855,279 to members as required by the Internal Revenue Code for 501(c)(12) tax status; and</p> <p style="padding-left: 40px;">WHEREAS, the Board of Directors pursuant to the Association Bylaws is directed to allocate capital credits and to distinguish between Operating Margins and Non-Operating Margins; and</p> <p style="padding-left: 40px;">WHEREAS, the Board of Directors has reviewed for 2020 the Association's financial position, results of operations, financial statements and the audit report of the Association's auditors; and</p> <p style="padding-left: 40px;">THEREFORE, BE IT RESOLVED, by the Board of Directors of the Association, to allocate all of the 2020 Operating Margins in the amount of \$13,938,061 to Association members on a patronage basis; and</p> <p style="padding-left: 40px;">BE IT RESOLVED, to allocate a portion of the 2020 Non-Operating Margins of \$975,905 which represents Margins allocated to GVEA from related organizations to Association members on a patronage basis; and</p> <p style="padding-left: 40px;">BE IT RESOLVED, to allocate \$2,941,313 representing the remaining portion of 2020 Non-Operating Margins as Class B Patronage Capital.</p> <p>Mr. Bunch moved to approved Resolution No. 105-21. Mr. Solie seconded the motion. Following discussion, the motion passed.</p>
<p>APPROVAL OF RESOLUTION NO. 106-21: CHANGING THE COMPOSITION OF THE ADMINISTRATIVE COMMITTEE FOR THE GVEA RETIREMENT PLAN</p>	<p>Chairman DeLong introduced Resolution No. 106-21: Changing the Composition of the Administrative Committee for the GVEA Retirement Plan:</p> <p style="padding-left: 40px;">WHEREAS, Section 3.6(b) of the Golden Valley Electric Association Retirement Plan (2018 Restatement), as amended by Amendment No. 1, (the "Plan") provides that the Administrative Committee members shall be GVEA's Chief Executive Officer, Chief Financial Officer, Vice-President & General Counsel, and such other members as may be appointed from time to time by GVEA; and</p> <p style="padding-left: 40px;">WHEREAS, there have been changes within GVEA's management structure that have created a vacancy on the Administrative Committee; and</p> <p style="padding-left: 40px;">WHEREAS, the Board has received a recommendation from GVEA's CEO & President, CFO and outside ERISA Counsel that the vacancy should be filled by GVEA's Director of Human Resources; and</p>

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<p>APPROVAL OF RESOLUTION NO. 106-21: CHANGING THE COMPOSITION OF THE ADMINISTRATIVE COMMITTEE FOR THE GVEA RETIREMENT PLAN (Continued)</p>	<p>WHEREAS, the Board believes that appointing the Director of Human Resources to fill the vacancy on the Administrative Committee is in the best interests of the Plan's participants.</p> <p>NOW THEREFORE BE IT HEREBY RESOLVED, that Section 3.6(b) of the Golden Valley Electric Association Retirement Plan (2018 Restatement), as amended by Amendment No. 1, is hereby amended to read as follows:</p> <p style="padding-left: 40px;">The Administrative Committee shall be GVEA's Chief Executive Officer, Chief Financial Officer, and Director of Human Resources and such other members as may be appointed from time to time by GVEA. Those additional members need not be officers, directors or employees of GVEA.</p> <p>Mr. Messier moved to approved Resolution No. 106-21. Mr. Benson seconded them motion. Following discussion, the motion passed.</p>
<p>ON-GOING REPORTS</p>	<p>ALASKA POWER ASSOCIATION (APA) REPORT – Mr. Sloan reported on APA efforts as relates to support of Senate Bill 110 and House Bill 29 which would protect Alaska Electric Utilities from liability for fire and other damage caused by vegetation outside of a utilities' right-of-way contacting a utilities' electric facilities.</p> <p>MAC REPORT – Mr. Bunch reported on the April 14, 2021 MAC meeting.</p> <p>SCHOLARSHIP AWARDS COMMITTEE REPORT – Mr. Solie reported on the Scholarship Committee's recent meetings wherein the committee reviewed and scored 64 scholarship applications. The seven scholarship recipients will be announced at the May 6, 2021 Annual Members' Meeting.</p>
<p>MANAGEMENT REPORTS</p>	<p>SNAP SUMMARY – The March 2021 SNAP Summary was included in the board packet.</p> <p>FINANCIAL REPORTS/FORM 7 – Financial reports and the draft March 31, 2021 Form 7 were included in the board packet.</p> <p>PROGRESS REPORTS – Progress reports were included in the board packet.</p> <p>2021 ANNUAL MEMBERS' MEETING – Ms. Bailey gave an update on the upcoming 2021 Annual Members' Meeting.</p>

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DIRECTOR COMMENTS	<p>Chairman DeLong commented on remarks he received from members thanking GVEA for co-sponsoring the recent educational classes that were held on air source heat pumps and solar PV systems.</p> <p>Mr. Bunch's comments related to the carbon reduction presentation and suggested that the board assist staff in identifying strategies to move GVEA's carbon reduction goal forward.</p> <p>Mr. Sloan shared his appreciation for staff and all they do.</p> <p>Mr. Newman shared his thoughts on recent RCA meetings, commented on recent hearings on HB 29 and SB 110 and reported on the topics that were discussed at NRECA President Jim Matheson's recent leadership town hall meeting. He also reported that he will be taking a rate making strategies class later in May 2021.</p> <p>Mr. Solie reflected on his first year as a GVEA board member. He commended staff for their efforts to always provide the board with educational information to assist the board in its decision-making.</p> <p>Mr. Messier thanked finance staff for their efforts on the 2020 audit; said that if any infrastructure funding is appropriated by Congress that Alaska utilities should be prepared to meet the opportunity. He also recognized Ms. Bailey and the Public Relations department for its efforts to increase member outreach.</p> <p>Mr. Benson's comments were related the member portal on GVEA's external website. He said he particularly likes the usage notification alerts he receives when his electric usages increases. He also said he is excited about a future EV charging station in Fairbanks.</p> <p>Chairman DeLong thanked the members in attendance for participating in the meeting.</p>
ADJOURN	At 8:16 p.m., Mr. Newman moved to adjourn the meeting. Mr. Bunch seconded the motion. The motion passed.

 5-25-2021
Tom DeLong, Chairman


Gary Newman, Secretary


Susan Redlin, Recording Secretary