

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

**April 26, 2022
Fairbanks, Alaska**

	<p>The Regular Meeting of the Board of Directors of Golden Valley Electric Association, Inc. was held on April 26, 2022 in the Employee/Board Meeting Room located in the Operations Building. Due to the on-going COVID related concerns, members were asked to attend the meeting virtually, as were any unvaccinated/unboosted GVEA staff.</p>
PRESENT	<p><u>Directors:</u> Tom DeLong, Chair; John Sloan, Vice Chair (<i>virtual</i>); Dave Messier, Treasurer (<i>virtual</i>); Gary Newman, Secretary; Chris Bunch, Rick Solie and Todd Adams.</p> <p><u>Staff:</u> John Burns, President & CEO; Sarah Villalon, Chief Financial Officer (<i>virtual</i>); Abbigail Dillard, Director of Member Services (<i>virtual</i>); Reagan Russell, Director of Human Resources; Dan Bishop, Acting Director of Engineering Services; Josh Davis, Director of Operations; Chris Forrest, Acting Director of Power Supply; Pete Sarauer, Power Systems Manager (<i>virtual</i>); John Kelly, Gas Turbine Plant Manager; Naomi Morton Knight, Environmental Officer; Nathan Minnema, Senior Engineer; Kathryn Strle, Controller; Meadow Bailey, Director of External Affairs/Public Relations; Ashley Bradish, Public Relations Specialist and Susan Redlin, Executive Administrative Assistant.</p> <p><u>Members Who Shared Comments/MAC Report:</u> District 2: Herb Butler, Philip Martin, Sean McGuire, Richard Theilmann and Phil Wight. District 4: Kenzley Defler and Jim Schwarber. District 5: Joshua Knicely.</p> <p><u>Consultants:</u> Mike Sassman, NRECA.</p> <p><u>Others Attendees:</u> Chena Newman, Matt Perkins and Keith Palchikoff.</p>
CALL TO ORDER	<p>Chair DeLong called the meeting to order at 5:01 p.m.</p>
EXECUTIVE SESSION	<p>At 5:02 p.m., without objection, the board convened into executive session to discuss certain legal and financial issues (Affirmative Action Plan Report and Review; Strategic</p>

**GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.
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EXECUTIVE SESSION (Continued)	<p>Generation Discussion; March 2022 Power Supply Report and Attorney Reports) the immediate knowledge of which could have an adverse impact on GVEA.</p> <p>At 6:26 p.m., without objection, the board came out of executive session.</p>
OPEN SESSION	<p>At 6:32 p.m., the board convened into open session, and members joined the meeting.</p>
SAFETY MOMENT	<p>Mr. Messier spoke about COVID-19 cases trending up in Fairbanks and nationwide, and reminded everyone to mask up, exercise appropriate hygiene, and be safe.</p>
PRESENTATION: 2021 MEMBER SURVEY RESULTS	<p>Ms. Bailey, along with Mr. Sassman, gave a presentation on GVEA's 2021 Member Survey. The survey indicated that although the overall survey results were positive, members are most concerned with high electric rates. The board asked several questions, which Ms. Bailey and Mr. Sassman answered.</p>
OVERVIEW OF THE UPCOMING 2022 ANNUAL MEMBERS' MEETING	<p>Ms. Bradish gave an overview of the upcoming 2022 Annual Members' Meeting.</p>
ANNOUNCEMENT FROM CHAIR DELONG: PUBLIC INFORMATION SESSION TO DISCUSS HEALY UNIT 1	<p>Chair DeLong welcomed members to the meeting. He reported that a public session is scheduled for Wednesday, May 18 at 6:30 p.m. in the Westmark Gold Room to discuss the decision on whether to retire Healy 1, or install selective catalytic reduction controls. A meeting will also be scheduled in Healy although the date had not yet been confirmed. Mr. DeLong advised that the goal of the meetings is to share information with the membership about the Healy 1 decisional process, the scope and complexity, the modeling that has been done to date and that continues to be done, and the various assumptions and risk factors that need to be considered. Chair DeLong said that public comments will be accepted during the meeting. He emphasized that no decision on Healy 1 has yet been made, that no decision will be made by the board until after the public</p>

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	<p>meetings, and that any decision that is ultimately made will be made during a public board meeting.</p>
MEMBER COMMENTS	<p>Mr. Knicely spoke about replacing Healy Unit 1 with renewable energy sources. He asked that the board invest in GVEA's future with renewables, instead of fossil fuels.</p> <p>Mr. McGuire encouraged the board to get away from fossil fuels and switch to renewables.</p> <p>Mr. Martin recognized that the board has a tough decision to make regarding Healy 1. He said that burning coal is not good for the earth, and said he hopes that Healy 1 will be retired. He encouraged the board to upgrade the Intertie to increase capacity.</p> <p>Mr. Schwarber said that GVEA is at a crossroads in deciding which path to take regarding its generation sources. He spoke in favor of beneficial electrician and beneficial generation that emits no carbon.</p> <p>Mr. Wight thanked the board for its leadership on community solar and electric vehicles. He encouraged GVEA to invest in a high-speed charging station in or near Delta Junction. He acknowledged the hard decision that the board is facing regarding Healy, and encouraged the board to make long-term investments in renewables.</p> <p>Ms. Defler asked the board to consider discontinuing the sign-up request for member comments at board meetings. She commented on the 2021 Member Survey and the additional amounts that members are willing to pay for renewables. She said the price for renewables is becoming more economic. She also said she is excited that the MAC is working on Community Solar.</p> <p>Mr. Theilmann said he is looking forward to the public meetings on the Healy 1. He commented on the 2021 Member Survey and said he is on the MAC Task Force committee that is working on community solar.</p>

**GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.
BOARD OF DIRECTORS'
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**April 26, 2022
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MAC REPORT	Mr. Butler reported on the April 13, 2022 MAC Meeting.
APPROVAL OF THE AGENDA AND ADOPTION OF THE CONSENT AGENDA	<p>Mr. Newman moved to approve the Agenda and adopt the Consent Agenda. Mr. Bunch seconded the motion. The motion passed.</p> <p>The Consent Agenda included:</p> <ul style="list-style-type: none"> • Approval of the March 22, 2022 Regular Board Meeting Minutes. • Approval of the March 24, 2022 Special Board Meeting Minutes. • Letting the record reflect that the board reviewed the First Quarter 2022 Board and CEO Expenses. • Appointing Director Newman to serve as GVEA's Voting Delegate at the 2022 CFC Annual Meeting.
FINANCE, AUDIT & RATE (FAR) COMMITTEE RECOMMENDATIONS	<p>Mr. Messier, Chair of the Finance, Audit & Rate (FAR) Committee, reported that the FAR Committee met on April 19 and that during the meeting the following items were presented and discussed: (1) GVEA's 2021 draft financial statements and Financial Audit as prepared by GVEA's staff and financial auditor; (2) the proposed 2021 Margins allocation; and, (3) a modification to GVEA's long-term investment allocation policy as relates the existing CoBank sinking fund. Mr. Messier also reported that following discussion on all matters, the FAR Committee moved and unanimously approved recommending for approval by the GVEA Board of Directors at the April 26, 2022 board meeting the following specific motions:</p> <ul style="list-style-type: none"> • Mr. Messier, as Chair of the FAR Committee, moved to approve Resolution No. 104-22: Accepting the 2021 Audit of the Association's Financial Statements. <p style="text-align: center;">Following discussion by the board the Motion passed.</p> <ul style="list-style-type: none"> • Mr. Messier, as Chair of the FAR Committee, moved to approve Resolution No. 105-22: Allocating 2021 Margins. <p style="text-align: center;">Following discussion by the board the motion passed.</p>

**GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.
BOARD OF DIRECTORS'
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**April 26, 2022
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<p>FINANCE, AUDIT & RATE (FAR) COMMITTEE RECOMMENDATIONS (Continued)</p>	<ul style="list-style-type: none"> • Mr. Messier, as Chair of the FAR Committee, moved to approve Resolution No. 106-22: Adopting the Recommended Modification to the Long-Term Investment Allocation Policy over the CoBank Sinking Fund. <p style="text-align: center;">Following discussion by the board the motion passed.</p> <p>Mr. Messier expressed appreciation on behalf of the FAR Committee and the board to all who worked so diligently on compiling the 2021 financial statements and in completing the 2021 Audit.</p>
<p>REVIEW THE SAFETY COMPLIANCE OFFICER'S MARCH 2022 REPORT</p>	<p>Mr. Bunch moved to let the record reflect that the board reviewed the Safety Compliance Officer's March 2022 Report. Mr. Newman seconded the motion. Following discussion, the motion passed.</p>
<p>REVIEW THE AFFIRMATIVE ACTION REPORT</p>	<p>Mr. Adams moved to let the record reflect that the board reviewed GVEA's Affirmative Action Report. Mr. Sloan seconded the motion. The motion passed.</p>
<p>ADMINISTRATIVE COMMITTEE RECOMMENDATIONS – POLICY MANUAL UPDATES</p>	<p>Mr. Newman, Chair of the Administrative Committee, reported that the committee met on April 14, 2022 to review proposed updates to certain GVEA policies and that the committee was recommending approval by the GVEA Board of Directors of updates to the following policies.</p> <ul style="list-style-type: none"> • Mr. Newman, as Chair of the Administrative Committee, moved that the board approve an update to Policy 1.2: GVEA's Mission and Values to add a vision statement to the policy. <p style="text-align: center;">Following discussion by the board the motion passed.</p> <p>Mr. Newman, as Chair of the Administrative Committee, moved that the board approve updates to the following policies:</p> <ul style="list-style-type: none"> • Policy 1.3.1: Whistleblower Policy • Policy 2.1: Authority and Function of Directors • Policy 2.1.1: Director's Conflict of Interest

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	<ul style="list-style-type: none"> • Policy 3.17: Records and Information Management • Policy 6.9: Legal Representation by General Counsel. <p>Following discussion, the motion passed.</p>
ON-GOING REPORTS	<p>BROADBAND COMMITTEE REPORT – Mr. Newman submitted a written report that was included in the board packet on the kick-off meeting that was held with NRTC on April, 9, 2022.</p> <p>MAC REPORT – Mr. Adams reported on the April 13, 2022 MAC Meeting.</p> <p>2022 NRECA DIRECTORS' CONFERENCE REPORT – Messrs. Newman and Messier submitted a written report that was included in the board packet on the 2022 NRECA Directors' Conference.</p> <p>NRECA DIRECTOR ADVISORY GROUP (DAG) COMMITTEE: Mr. Newman reported that the next DAG meeting is scheduled for June 1, 2022. The Director Compensation Toolkit to assist boards in establishing appropriate compensation is now available to NRECA members/directors. They are also beginning to look at a course that can help boards to determine how to evaluate an electric vehicle (EV) strategy for their cooperatives.</p> <p>SCHOLARSHIP COMMITTEE REPORT - Mr. Adams gave a report on the Scholarship Committee meeting that was held on April 14, 2022.</p>
MANAGEMENT REPORTS	<p>SNAP SUMMARY – The March 2022 SNAP Summary was included in the board packet.</p> <p>PROGRESS REPORTS – The board asked questions regarding progress reports included in the board packet, which Mr. Burns and staff answered.</p>
DIRECTOR COMMENTS	<p>Mr. Messier gave a shout-out to the board for developing a vision statement to be added to Policy 1.2: GVEA's Mission and Values.</p>

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DIRECTOR COMMENTS (Continued)	<p>Mr. Adams expressed his thanks to staff members who are working on the strategic generation directive.</p> <p>Mr. Bunch echoed Messrs. Adams' and Messier's comments.</p> <p>Mr. Sloan commended Messrs. Newman and Messier for their work as committee chairs on the Administrative and FAR committees and the recent meetings that have been held.</p> <p>Mr. Solie said the 2021 Member Survey was very impressive.</p> <p>Mr. DeLong commented on the presentation that was given at the March 2022 board meeting by Mike Bartch on GVEA's warehouses; he gave kudos to Mr. Bartch. He also commented very positively on a recent RE Magazine article that featured GVEA's PR Director Ms. Bailey.</p> <p>Mr. Newman reminded directors that as they review the policies that are included in board packets for informational purposes to forward any suggestions for updates to him. He echoed thanks to staff for all that they do.</p>
ADJOURNMENT	At 8:27 p.m., Mr. Newman moved to adjourn the meeting. Mr. Bunch seconded the motion. The motion passed.

5-24-2022


Tom DeLong, Chair



Gary Newman, Secretary



Susan Redlin, Recording Secretary

