

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

**November 25, 2019
Fairbanks, Alaska**

	The regular meeting of the Board of Directors of Golden Valley Electric Association, Inc. was held in the Employee/Board Meeting Room in the Operations Building on November 25, 2019.
PRESENT	<p><u>Directors:</u> Tom DeLong, Chairman; Gary Newman, Vice Chairman; Bill Nordmark, Treasurer; John Sloan, Secretary; Rick Schikora; Chris Bunch and Dave Messier.</p> <p><u>Staff:</u> Cory Borgeson, President & CEO; John Burns, Vice President & General Counsel; William Kirkenir, Vice President Strategic Development; Patrick Dolan, Cash & Capital Credits Supervisor; Cori Taylor, Administrative Assistant and Susan Redlin, Executive Administrative Assistant.</p> <p><u>Members:</u> District 2: Mike Craft, Diane Preston, Richard Theilmann and Gene Therriault District 3: Alison Carter District 4: James Schwarber District 7: Terry Hinman</p> <p><u>Guests:</u> Lorali Simon/Usibelli Coal Mine</p>
CALL TO ORDER	Chairman DeLong called the meeting to order at 5:01 p.m.
EXECUTIVE SESSION	<p>At 5:02 p.m., without objection, the board convened into executive session to discuss certain legal and financial issues (Railbelt Agreements and Review Attorney Reports), the immediate knowledge of which could have an adverse impact on GVEA.</p> <p>At 6:30 p.m., without objection, the board came out of executive session and Chairman DeLong declared a 5-minute break.</p>
RECONVENE THE MEETING	At 6:35 p.m., Chairman DeLong reconvened the meeting. Messrs. Dolan and Kirkenir, members and guests joined the meeting.

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	At 6:39 p.m., Mr. Kirkenir left the meeting.
SAFETY MOMENT	Mr. Sloan spoke about holiday safety tips.
STAFF PRESENTATION	Mr. Dolan gave a presentation entitled "GVEA Capital Credits." The board asked questions, which Mr. Dolan answered. Shortly after the presentation, Mr. Dolan left the meeting.
MEMBER COMMENTS	<p>Mr. Hinman commented on climate change, increased radio frequencies and PM2.5 air pollution.</p> <p>Mr. Craft's commented on Alaska Environmental Power, the Fairbanks economy, PM2.5 air pollution and Alaska's State Implementation Plan (SIP).</p> <p>Mr. Theilmann suggested GVEA stop clearing snow off the panels at the GVEA Solar Farm and spoke about fuel cells as a replacement for GVEA's Battery Energy Storage System (BESS).</p> <p>Mr. Schwarber expressed his support for renewable energy, spoke about photovoltaic solar systems and asked GVEA to consider on-bill financing and increasing the net-metering cap.</p> <p>Mr. Therriault thanked GVEA for the capital credits presentation, spoke about the Solarize Fairbanks meeting held on November 14, 2019 and encouraged GVEA to consider on-bill financing, Property Assessed Clean Energy (PACE) financing, energy efficiency loans and the Rural Energy Savings Program (RESP).</p> <p>Ms. Preston thanked GVEA for the capital credits presentation and asked GVEA to consider investing capital credit funds in wind and solar projects instead of sending checks to members.</p>
MAC REPORT	Mr. Hinman reported on the November 13, 2019 MAC Meeting.
APPROVAL OF THE AGENDA AND	Mr. Schikora moved to approve the Agenda and adopt the Consent Agenda. Mr. Newman seconded the motion. Following discussion, the motion passed.

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<p>ADOPTION OF THE CONSENT AGENDA</p> <p>APPROVAL OF THE AGENDA AND ADOPTION OF THE CONSENT AGENDA (Continued)</p>	<p>The Consent Agenda included:</p> <ul style="list-style-type: none"> • Approval of the October 28, 2019 Regular Board Meeting Minutes. • Review the Third Quarter 2019 Board/CEO Expenses.
<p>APPROVE RESOLUTION NO. 114-19: EARLY RETIREMENT OF CAPITAL CREDITS</p>	<p>Chairman DeLong introduced Resolution No. 114-19:</p> <p style="text-align: center;">EARLY RETIREMENT OF CAPITAL CREDITS</p> <p>WHEREAS, the Golden Valley Electric Association, Inc. (GVEA) Board has determined that the financial condition of GVEA will not be impaired, nor will the terms of GVEA's mortgage with RUS or the terms with GVEA's obligations with other lenders be impaired by making early capital credit retirements; and</p> <p>WHEREAS, GVEA's 2020 Approved Budget designates \$6,000,000 for Capital Credit Retirements; and,</p> <p>WHEREAS, Policy 5.3 (G) allows early retirement of Capital Credits for 1) those of voluntarily dissolved corporations that have been duly documented by the appropriate state authority and that have been offered by the president of the corporation or other authorized official or successor for the corporation; 2) those of corporations which have been duly liquidated through the federal bankruptcy laws and which have an appropriate order of the bankruptcy court that effectively discharges the corporation of its debts and permits the assignment of the liquidated corporation's capital credits; 3) those of members' purchasing power under a non-firm purchase agreement; 4) any member whose delinquency in paying their utility bill has caused the Association to discontinue electric service to that member; or 5) any member who has terminated their membership with the Association and who desires to retire their capital credits at the discount rate in effect at that time.</p> <p>NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of GVEA that up to \$1,400,000 of the approved 2020 capital credit budget shall be authorized for early discounting and retirement of Capital Credits to: 1) those of voluntarily dissolved corporations that have been duly documented by the appropriate state authority and that have been offered by the president of the corporation or other authorized official or successor of the corporation; 2) those of corporations which have been duly liquidated through the federal bankruptcy laws</p> <p>and which have an appropriate order of the bankruptcy court that effectively discharges the corporation of its debts and permits the assignment of the liquidated corporation's capital credits; 3) those of members' purchasing power from GVEA under a non-firm purchase agreement; 4) satisfy (fully or partially), the outstanding debt owed by disconnected former members to GVEA (in excess of 90 days); and, 5) any member who has terminated their membership with the Association and who desires to retire their capital credits at the discount rate in effect at that time.</p> <p>Mr. Schikora moved to approve Resolution 114-19. Mr. Bunch seconded the motion. Following discussion, the motion passed.</p>

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REVIEW SAFETY OFFICER'S OCTOBER 28, 2019 REPORT	Mr. Schikora moved to let the record reflect that the board reviewed the Safety Officer's October 2019 Report. Mr. Nordmark seconded the motion. Following discussion, the motion passed.
APPROVE 2020 BOARD MEETING DATES AND BOARD TRAVEL	Mr. Nordmark moved to approve the 2020 board meeting dates and board travel. Mr. Newman seconded the motion. Following discussion, the motion passed.
BREAK	At 8:07 p.m., Chairman DeLong declared a break. The meeting resumed at 8:17 p.m.
ADMINISTRATIVE COMMITTEE RECOMMENDATIONS	<p>As Chairman of the Board's Administrative Committee, Mr. DeLong moved to approve proposed updates to Policy 2.8.5 (Board Document Retention Policy); Policy 3.6: (Non-Bargaining Employee Benefits); Policy 7.2: (Member Request Policy); Policy 9.2: (Tobacco Use Policy); and, Policy 9.3: (Video Surveillance).</p> <p>Mr. Newman moved to amend Policy 2.8.5, Section II (E) to add the following language:</p> <p>"All GVEA provided materials in whatever format, whether originals or copies, not destroyed or deleted by the director and not otherwise available to GVEA members, shall be returned to GVEA's Vice President & General Counsel or the Executive Administrative Assistant within 45 days of a director's last day of service."</p> <p>Mr. Sloan seconded the motion. Following discussion and a vote, the amendment failed.</p> <p>After further discussion, the motion to approve Policy 2.8.5 as originally proposed passed.</p> <p>Mr. Schikora then moved to approve the remaining policies en masse, Mr. Sloan seconded the motion. Following discussion, Policies 3.6, 7.2, 9.2 and 9.3 were approved en masse.</p>

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APPROVE NOMINATING COMMITTEE APPLICANTS FOR DISTRICTS 1, 2 AND 3	<p>Mr. Sloan moved to approve the Nominating Committee applicants for Districts 1, 2 and 3:</p> <p><u>District 1:</u> Anna Robison; Larry Chenaille; Nichole Gentz; Ellarae Miner; Leo Rasmussen; Ralph Snodgrass and Philip Wight.</p> <p><u>District 2:</u> Carol Colp; Karm Singh; Richard Theilmann; Laura Jacobs; JoAnn Matheny; Landis Mathis-Booker and Geneva Preston.</p> <p><u>District 3:</u> Alyssa Norris; Brian Beal; Esther Cunningham; Debra Kinnard; Paul Tritt; Shannon Vargas and Charles Westby</p> <p>Mr. Nordmark seconded the motion. Following discussion, the motion passed.</p> <p>Messrs. DeLong, Schikora and Messier abstained from the vote based on the fact that their respective board seats are the three that are up for election.</p>
ON-GOING REPORTS EXTEND MEETING	<p>ALASKA POWER ASSOCIATION REPORT – Mr. Sloan reported on the November 19, 2019 APA Budget Committee meeting.</p> <p>ARECA INSURANCE EXCHANGE REPORT – Mr. Schikora reported on the ARECA Insurance Exchange (AIE) Executive Committee and Audit & Risk Committee meeting held on November 19, 2019.</p> <p>ARCTEC REPORT – Mr. DeLong reported on the October 24, 2019 ARCTEC Board meeting.</p> <p>At 8:57 p.m. Mr. Newman moved to extend the meeting 30 minutes. Mr. Bunch seconded the motion. The motion passed.</p> <p>GOOD&ENTS REPORT – Mr. DeLong reported on the November 19, 2019 Good&ents meeting.</p> <p>MAC REPORT – Mr. Schikora reported on the November 13, 2019 MAC Meeting.</p>

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<p>MANAGEMENT REPORTS</p>	<p>CEO REPORT – Mr. Borgeson gave updates on:</p> <ul style="list-style-type: none"> • GVEA's United Way Campaign • Recent meetings: Intertie Management Committee and Bradley Lake Project Management Committee • The 2019 NWPPA Engineering & Operations (E&O) Conference CEO Panel • The 2020 NRECA CEO Conference • The implementation of random drug testing for all GVEA employees • Upcoming Quarterly Power Talks • The Electrostatic Precipitator Pilot Program • Snow removal from panels at GVEA's Solar Farm <p>FINANCIAL REPORTS/FORM 7 – The October 2019 Form 7 was included in the board packet.</p> <p>PROGRESS REPORTS – The board asked several questions regarding the progress reports included in the board packet - which Mr. Borgeson answered.</p>
<p>DIRECTOR COMMENTS</p>	<p>Mr. Nordmark invited the board to a reception on January 28, 2019 during the 2020 APA Legislative Conference.</p> <p>Mr. Schikora commented on Goodcents, encouraged the board to participate in GVEA's United Way Campaign and spoke about an article in the Fairbanks Daily News Miner titled "What Killed The World's Giants." He also mentioned that some flights from Anchorage to Fairbanks have been fully booked, leaving only first class seats available.</p> <p>Mr. Bunch suggested the Member Advisory Committee (MAC) be tasked with researching the possibility of installing charging stations along the Parks Highway and asked what the IBEW provides as far as safety training for employees coming out of the hall.</p> <p>Mr. Messier suggested the MAC be tasked with researching the possibility of increasing GVEA's net metering limit and asked for GVEA to research the RESP Program.</p>

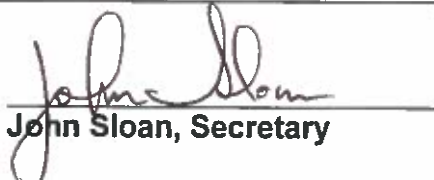
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DIRECTOR COMMENTS (CONTINUED)	<p>Mr. Sloan said he was glad that 30 GVEA employees attended the 2019 NWPPA E&O Conference.</p> <p>Mr. Newman asked that a presentation on GVIMS be given at a future board meeting and gave accolades to GVEA employee Staci Quinlan for returning a purse she found at the grocery store.</p> <p>Mr. DeLong commented on NRECA's 2020 Annual Meeting and beneficial electrification. He also asked that GVEA consider increasing the net metering limit.</p>
ADJOURNMENT	At 9:32 p.m., without objection, Chairman DeLong declared the meeting adjourned.


12/16/2019

Tom DeLong, Chairman



John Sloan, Secretary



Cori Taylor, Recording Secretary

