

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

**October 28, 2019  
Fairbanks, Alaska**

	<p>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 October 28, 2019.</p>
<p><b>PRESENT</b></p>	<p><b><u>Directors:</u></b> Tom DeLong, Chairman; Gary Newman, Vice Chairman; Bill Nordmark, Treasurer; John Sloan, Secretary (<i>via telephone</i>); Rick Schikora; Chris Bunch and Dave Messier.</p> <p><b><u>Staff:</u></b> Cory Borgeson, President &amp; CEO; John Burns, Vice President &amp; General Counsel; Bill Kirkenir, Vice President Strategic Development (<i>via telephone</i>); Leo Quiachon, Vice President Engineering Services; Dan Bishop, Manager Engineering Services; Keith Palchikoff, Senior Engineer; Nathan Minnema, Engineer III and Susan Redlin, Executive Administrative Assistant.</p> <p><b><u>Members:</u></b>  District 1: Tristan Glowa, Martha Raynolds, Patricia Rivera and Phillip Wight.  District 2: Andrew Boyle, Savannah Fletcher, Mike Musick, Gene Therriault and Richard Theilmann.  District 3: Alison Carter.  District 4: Mike Bradley, Sharon Alden and Suzanne Rich.</p> <p><b><u>Guests:</u></b> Liz Greig</p>
<p><b>CALL TO ORDER</b></p>	<p>Chairman DeLong called the meeting to order at 5:07 p.m.</p>
<p><b>EXECUTIVE SESSION</b></p>	<p>At 5:08 p.m., without objection, the board convened into executive session to discuss certain legal and financial issues (GVEA Fuel Supply, Annual Lease Review and Attorney Reports), the immediate knowledge of which could have an adverse impact on GVEA.</p> <p>At 5:50 p.m., Mr. Kirkenir departed the meeting.</p> <p>At 6:32 p.m., without objection, the board came out of executive session, and Chairman DeLong declared a 5-minute break.</p>

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<b>RECONVENE THE MEETING</b>	At 6:36 p.m., Chairman DeLong reconvened the meeting. Members and staff joined the meeting.
<b>SAFETY MOMENT</b>	Mr. Newman spoke about cybersecurity.
<b>STAFF PRESENTATION</b>	Mr. Minnema gave a presentation entitled "GVEA PV System Project." The board asked questions, which Mr. Minnema answered.
<b>MEMBER COMMENTS</b>	<p>Mr. Theilmann commented on solar tracking and congratulated GVEA for its clearing efforts.</p> <p>Mr. Boyle's comments related to ground-source heat pumps.</p> <p>Ms. Greig encouraged GVEA to expand its solar farm, to research electric car charging stations, to decommission Healy Unit 1 and to expand the HomeSense Program.</p> <p>Mr. Musick referenced two books and an article for the board to read: (<u>The Green New Deal</u>, <u>On Fire</u> and "Countywide Sustainability Plan Under Way.") He encouraged management to sign the Railbelt Reliability Council (RRC) Memorandum of Understanding (MOU), to double the size of GVEA's solar farm, to double the size of GVEA's Battery Energy Storage System, and to use Goodcents round-up funding for energy efficiency upgrades.</p> <p>Ms. Aiden's comments related to the RRC MOU, increasing renewables, implementing electric car charging stations and broadband.</p> <p>Ms. Rich spoke in favor of shifting from fossil fuels to cleaner energy and installing electric car charging stations.</p> <p>Ms. Rivera spoke about the proposed Road Belt Transmission Line and the possibilities for roof-top solar partnerships.</p> <p>Ms. Reynolds commented on heat pumps, using connections from other utilities to support GVEA's base load instead of coal and the importance of signing the RRC MOU.</p>

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<b>MEMBER COMMENTS (Continued)</b>	<p>Mr. Glowa spoke about GVEA's request for a quote to perform a CO<sub>2</sub> reduction study, the Fairbanks North Star Borough Climate Change Task Force, a youth climate strike at West Valley High School and UAF's new Climate Scholars Program and the potential to partner with GVEA.</p> <p>Mr. Wight commented on GVEA's solar project and a future carbon reduction study. He spoke in favor of low carbon base load, utilizing the cleanest power, cooperating with other Railbelt utilities and implementing regional electric car charging stations.</p> <p>Ms. Fletcher said she appreciated the solar presentation. She asked that GVEA's HomeSense Program address heating homes effectively and provide information on solar and added that she is eager for GVEA to sign the RRC MOU.</p>
<b>MAC REPORT</b>	Mr. Bradley reported on the October 9, 2019 MAC Meeting.
<b>APPROVAL OF THE AGENDA AND ADOPTION OF THE CONSENT AGENDA</b>	<p>Mr. Schikora 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"> <li>• Approval of the September 23, 2019 Regular Board Meeting Minutes.</li> <li>• Review of the Safety Officer's September 2019 Report.</li> </ul>
<b>FAR COMMITTEE: APPROVE THE 2020 GVEA BUDGET</b>	As Chairman of the FAR Committee, Mr. Schikora moved to approve the 2020 Budget. Mr. Borgeson gave an overview of the proposed budget. Following discussion the Motion passed.
<b>SELECT ARECA EDUCATION FOUNDATION ANNUAL VOLUNTARY PORTFOLIO ELECTION</b>	Mr. Messier moved to select Portfolio B for GVEA's investments in the ARECA Education Foundation. Mr. Newman seconded the motion. The motion passed.

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<b>REVIEW THE SEPTEMBER 2019 RESIDENTIAL SURVEY</b>	Mr. Borgeson gave an overview of the September 2019 Residential Survey. The board asked several questions regarding the survey which Mr. Borgeson answered.
<b>BREAK</b>	At 8:22 p.m., Chairman DeLong declared a break. The meeting resumed at 8:30 p.m.
<b>EXTEND MEETING</b>	At 8:30 p.m., Chairman DeLong extended the meeting for 30 minutes.
<b>2020 BOARD RETREAT STRATEGIC PLANNING</b>	Chairman DeLong reported that the full board will be responsible for planning the 2020 Board Retreat and 2020 Strategic Planning Session.
<b>APPROVE RESOLUTION NO. 113-19: REDEFINING THE GVEA RETIREMENT PLAN—PLAN ADMINISTRATOR</b>	<p>Chairman DeLong introduced Resolution No. 113-19:</p> <p style="text-align: center;"><b>REDEFINING THE GOLDEN VALLEY ELECTRIC ASSOCIATION RETIREMENT PLAN, PLAN ADMINISTRATOR</b></p> <p><b>WHEREAS</b>, Article 2, Definitions, Section 2.24 of the Golden Valley Electric Association Retirement Plan (The Plan) currently states that the term “Plan Administrator” means GVEA’s chief financial officer (or equivalent position), or if the chief financial officer is unable to perform the functions of the Plan Administrator for any reason, such other officer or officers as the Chair of GVEA’s Board of Directors shall designate on an interim basis;</p> <p><b>WHEREAS</b>, since pension plan administration often requires financial, legal, and management expertise, GVEA has determined that the role of Plan Administrator would be better served if it was performed by more than solely the chief financial officer;</p> <p><b>NOW THEREFORE BE IT HEREBY RESOLVED</b>, that Article 2, Section 2.24 of GVEA’s Retirement Plan is herewith amended to read as follows:</p> <p style="padding-left: 40px;">Plan Administrator means GVEA’s Chief Financial Officer, Chief Executive Officer, and Vice-President &amp; General Counsel (or equivalent positions), or if any or all of these three positions are unable to perform the functions of Plan Administrator for any reason, then such other officer or</p>

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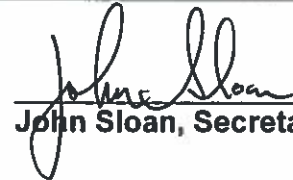
<p><b>APPROVE RESOLUTION NO. 113-19: (Continued)</b></p>	<p>officers as the Chair of GVEA’s Board of Directors shall designate on an interim basis.</p> <p>Mr. Schikora moved to approve Resolution 113-19. Mr. Messier seconded the motion. Following discussion, the motion passed.</p>
<p><b>ON-GOING REPORTS</b></p> <p><b>EXTEND MEETING</b></p>	<p><b>ARECA INSURANCE EXCHANGE (AIE) REPORT</b> – Mr. Schikora reported on the AIE Insurance Workshop that was held on October 9, 2019.</p> <p><b>ARCTEC REPORT</b> – Messrs. Borgeson and DeLong reported on the October 24, 2019 ARCTEC board meeting.</p> <p>At 9 p.m., Mr. Schikora moved to extend the meeting for 30 minutes. Mr. Newman seconded the motion. The motion passed.</p> <p><b>MAC REPORT</b> – Mr. DeLong reported on the October 9, 2019 MAC Meeting.</p> <p><b>NRECA REGION 7 &amp; 9 REPORT</b> – A written report on the 2019 NRECA Region 7 &amp; 9 meeting was submitted jointly by Gary Newman and Cory Borgeson and was included in the board packet.</p>
<p><b>MANAGEMENT REPORTS</b></p>	<p><b>CEO REPORT</b> – Mr. Borgeson reported on the following:</p> <ul style="list-style-type: none"> <li>• The 2020 NRECA CEO Close-Up will feature a presentation (given by him and Chip Steensma/Caterpillar) on the CIT Team that addressed the safe restart of Healy Unit 2.</li> <li>• Healy Unit 2 received Top Plant recognition in the August 2019 edition of <i>Power Magazine</i>.</li> <li>• Capital Credit checks will be mailed the week of November 11, 2019.</li> <li>• The installation of AMI meters is nearing full completion.</li> </ul> <p><b>FINANCIAL REPORTS/FORM 7</b> – The September 2019 Form 7 was included in the board packet.</p> <p><b>PROGRESS REPORTS</b> – The board asked several questions regarding the Progress Reports included in the board packet, which Mr. Borgeson answered.</p>

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<b>DIRECTOR COMMENTS</b>	Mr. Sloan commented on a recent outage at Harding Lake and shared a member's concern that there is a weakness in the power line in that area.  Chairman DeLong spoke about FERC Order 841 and possible implications for energy storage technologies in wholesale electricity markets.
<b>ADJOURNMENT</b>	At 9:30 p.m., without objection, Chairman DeLong declared the meeting adjourned.

  
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Tom DeLong, Chairman

  
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John Sloan, Secretary

  
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Susan K. Redlin, Recording Secretary