

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
1 p.m. – December 21, 2023 – Glennallen, Alaska
A G E N D A

Page No.

| | | |
|----|---|----|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | |
| | 1. Changes to Consent Agenda | 3 |
| | 2. Minutes of Board Meeting – November 16, 2023 | 4 |
| | 3. Community Foundation Monthly Report..... | 10 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 16 |
| E. | EXECUTIVE SESSION | |
| | 1. Union Negotiations..... | 17 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 19 |
| | b. Chief Operating Officer | 22 |
| | c. Chief Executive Officer | 26 |
| | 2. Financial Statements | 30 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report..... | 44 |
| | 2. CEO Performance Evaluation | 45 |
| | 3. Bylaws Amendments..... | 46 |
| | 4. Director Training/Travel | 48 |
| | 5. Demand Charge | 49 |
| | 6. Agenda Item Requests | 51 |
| | 7. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
December 21, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Andy Hess
Lon Rake
Jeff Saxe
Will Stark
Dan Stowe
Jan Maslen

Directors Absent

Others Present

Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Wayne McKinzey – CVEA
Lindsay Malone – CVEA
Sara Horvath – CVEA
Jason Hoke – Member

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 1:01 p.m. in the Glennallen Board Room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with all directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – November 16, 2023
3. CVEA Community Foundation Monthly Report

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Vice President Delaquito seconded.

Motion passed.

E. EXECUTIVE SESSION

MOTION Vice President Delaquito moved the board go into executive session to discuss union negotiations, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Treasurer Stark seconded.

Motion passed.

Into executive session at 1:04 p.m.
Out of executive session at 1:53 p.m.

Recess taken at 1:53 p.m.
Back in session at 2:04 p.m.

F. SAFETY MINUTE

CEO Matthews reminded everyone to be cautious of winter driving conditions. Watch for icy or snow packed roads and road closures. Be prepared and have your winter gear and emergency supplies with you. President Rake encouraged everyone to look into LED headlights for winter driving.

G. RECOGNITION OF GUESTS

President Rake recognized Copper Basin member, Jason Hoke, and thanked him for attending.

H. MEMBERS' COMMENTS

Copper Basin member Jason Hoke provided the board with concerns regarding winter power outages and future opportunities for development in the Copper Basin.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt updated the board on the Senior Giving Program success. She presented the board with the draft of the new email newsletter, *Behind the Switch: A Newsletter Edition*, which would be released January 2024. Mrs. Scheidt reported that work for the annual meeting and scholarships had begun.

Ms. Horvath provided information on board nominations.

- b. Chief Operating Officer – Mr. McKinzey provided the board with an update on the Allison Creek and Solomon Gulch generation. He informed the board that the system is currently running on Cogen and Solmon Gulch Hydro power generation.

Mr. McKinzey provided an update on the VMT Intertie with Alyeska and provided a demonstration of fuse cutouts.

Mr. McKinzey responded to inquiries in regard to competitive bidding and the Solomon Gulch Substation Relocation project.

- c. Chief Executive Officer – CEO Matthews provided an update on winter outages and thanked staff for their hard work and the continued efforts to keep the lights on.

CEO Matthews updated the board on internal promotions at the co-op to include Mrs. Howard, who was promoted to the Admin & HR Manager position, and Mrs. Geib, who was promoted to Staking Tech.

CEO Matthews provided information on various legislative matters and provided a detailed presentation of the legislative brochure.

Recess taken at 3:56 p.m.
Back in session at 4:07 p.m.

2. Financial Statements

CEO Matthews referred to the October 2023 Financial Statements included in the board packet. CEO Matthews responded to inquiries regarding changes in asset values, grant funding, and budget billing.

J. OTHER BUSINESS

1. Work Session Report

An executive session was held earlier in the agenda to discuss union negotiations for the outside union contract. No action was necessary as a result of the executive session.

2. CEO Performance Evaluation

The CEO Performance Evaluation will take place January 18 at the regular board meeting with the full Board of Directors.

3. Bylaws Amendments

Mrs. Scheidt asked if the board had any recommended revisions to the Bylaws for the 2024 annual meeting. Staff had no recommended revisions and none were provided by the board. Mrs. Scheidt said amendments by petition from the membership were due January 11, 2024. If any proposed amendments are received from the membership, they would be presented to the Board at the February 15 board meeting.

4. Director Training/Travel

Director Maslen provided a verbal report on her experience at the NRECA CCD Winter School in Nashville. She provided a summary of what she learned and reported that it was an amazing experience.

5. Demand Charge

The board reviewed the presentation provided by CEO Matthews regarding demand charges. There were no questions.

5. Agenda Item Requests

A tour of the new Solomon Gulch Substation will be offered to the board prior to the January 18 board meeting.

K. EXECUTIVE SESSION

No executive session was needed.

L. DIRECTOR/CEO COMMENTS

Director Hess thanked everyone for a great meeting. He said he is very proud of CEO Matthews for being a great leader and teacher. He appreciates her willingness to provide information and explain things in an understandable way.

Treasurer Stark thanked staff for everything they do to keep the lights on; he appreciated all it takes to make it happen.

Vice President Delaquito said it was a great meeting as always. She thanked Mr. McKinzey for the presentation on fuse cutouts. She thanked CEO Matthews and her team for all their work and information to help the board learn more. She reported it has been really great to be a part of a good organization with great leadership.

Director Maslen congratulated CEO Matthews on a seamless transition to CEO. She thanked Mrs. Jorgenson-Owen for her work on the senior citizen holiday parties, Mrs. Scheidt for her work on the newsletter, and Mr. McKinzey for his demonstration on fuse cutouts.

Director Kildal thanked everyone for a good meeting. He appreciated all the information and congratulated CEO Matthews on doing a great job in her new role as CEO.

Director Saxe said thanked everyone for a great meeting and wished everyone a Merry Christmas. He gave major kudos to the linemen and everyone who assisted in getting that power back on. Director Saxe thanked Mrs. Scheidt for the outage communications.

Secretary Stowe thanked everyone for a good meeting. He congratulated CEO Matthews on a smooth transition into her new role. Secretary Stowe commented that the operations department did a great job getting the power back on during the winter outages. He thanked everyone for everything they do.

President Rake thanked staff for their work during the winter power outages and for the information on fuse cutouts. He congratulated CEO Matthews on doing a great job in her new role. He thanked Mrs. Scheidt for her work on the senior holiday parties, stating that it was a great event for the communities.

CEO Matthews thanked the board for the continued support on the work that goes on behind the scenes at CVEA. She thanked staff for their hard work and member input during the outages.

M. ADJOURNMENT

President Rake adjourned the meeting at 4:28 p.m.




Secretary

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
10 a.m. – November 16, 2023 – Valdez, Alaska
A G E N D A

Page No.

| | | |
|----|--|-----|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | |
| | 1. Changes to Consent Agenda | 3 |
| | 2. Minutes of Board Meeting – October 12, 2023 | 4 |
| | 3. Engineering Report | 11 |
| | 4. Safety and Regulatory Compliance Report | 12 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 14 |
| E. | WORK SESSION – EXECUTIVE SESSION..... | 15 |
| | 1. 2024 Budget | 16 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 66 |
| | b. Chief Operating Officer | 70 |
| | c. Chief Executive Officer | 75 |
| | 2. Financial Statements | 79 |
| J. | OTHER BUSINESS | |
| | 1. 2024 Budget Work Session Report..... | 93 |
| | 2. Capital Credit Policy Review and Retirement..... | 94 |
| | 3. Director Training/Travel | 102 |
| | 4. Preventative Electric Equipment | 106 |
| | 5. Agenda Item Request | 127 |
| | 6. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS | |
| | 1. Monthly Report | 128 |
| | 2. 2024 Community Foundation Program | 133 |
| | 3. Financial Statements | 135 |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
November 16, 2023

Directors Present

Lon Rake
Yvette Delaquito
Jan Maslen
Dan Stowe
Andy Hess
Will Stark
Jeff Saxe

Directors Absent

Paul Kildal

Others Present

Jaime Matthews – CVEA
Wayne McKinzey – CVEA
Sharon Scheidt – CVEA
Lindsay Malone – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 10:01 a.m. on November 16, 2023, in the Valdez board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with Directors Saxe and Vice President Delaquito participating via videoconference, Director Maslen expected to join shortly, and Director Kildal absent, all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – October 12, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Vice President Delaquito seconded.

Motion passed.

E. WORK SESSION

MOTION Secretary Stark moved to go into executive session to discuss the 2024 Budget, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Hess seconded.

Motion passed.

Into executive session at 10:03 a.m.

Director Maslen joined at 10:06 a.m.

Recess taken at 11:02 a.m.

Back into executive session at 11:08 a.m.

Out of executive session at 11:41 p.m.

F. SAFETY MINUTE

Mr. McKinzey reminded everyone of how slick it with the change in temperatures, rain, and snow. Make sure to wear your ice cleats, practice caution driving, and beware of black ice.

G. RECOGNITION OF GUESTS

There were no guests.

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

a. Director of Communications – Mrs. Scheidt updated the Board of the Senior Giving Program details in each district and invited the Board to join in participation in the event. She reported that the activity program, 12 Days of Holiday Adventure, begins December 12 and is advertised in member communications. Mrs. Scheidt reminded the Board that as we discontinue *Ruralite Magazine* for member communications, CVEA will now keep members informed with CVEA's new *Behind the Switch: A Newsletter Edition*. The newsletter launches January 2024 for member communications.

b. Chief Operating Officer – Mr. McKinzey updated the Board on the status of the hydro plants as CVEA ties in the new Solomon Gulch Substation. He updated the Board on the recently hired Valdez Power Plant Operator Trainees, Mr. Lee Burke, and Mr. Alex Reed.

Mr. McKinzey responded to inquiries regarding a timeline for the Solomon Gulch Substation Relocation Project, the Solomon Gulch Lake level, and financial responsibilities of damaged CVEA property.

c. Chief Executive Officer – CEO Matthews updated the Board on the findings of the recent OSHA citation. It was determined that CVEA received the wrong citation,

which resulted in a discounted fine, Ultimately, CVEA volunteered to participate in the zero-cost Voluntary Safety Inspection program, which will eliminate the fine. She reminded the Board that the Co-op levelized rates for winter power generation and that it continues to be communicated to the membership.

CEO Matthews and Mr. McKinzey responded to inquiries regarding the status of the Valdez Marine Terminal (VMT) Intertie.

Recess taken at 12:04 p.m.
Back into session at 12:26 p.m.

2. Financial Statements

CEO Matthews referred to the September 2023 Financial Statements included in the board packet for questions; there were none. She noted that the 2024 budget includes the authorization to move \$\$1,069,901 in grant funds to the R&R Fund in 2023.

J. OTHER BUSINESS

1. Work Session Reports

An executive session work session was conducted earlier in the agenda. The draft 2024 Budget was reviewed in detail. CEO Matthews reviewed the revisions to the Capital Work Plan noted in the board packet.

MOTION Treasurer Stark moved to approve the 2024 Budget as presented on November 16, 2023.

Director Maslen seconded.

Motion passed.

2. 2022 Capital Credit Policy Review and Retirement

CEO Matthews reviewed the criteria for estate retirements and the limit of \$20,000 annually as established in Policy 305. She discussed retiring capital credits for several estates due to members passing over the last several years.

MOTION Treasurer Stark moved to approve a capital credit retirement in the amount of \$775,000 and an additional \$42,374 in estate retirements for 2023.

Secretary Stowe seconded.

Motion passed.

3. Director Training/Travel

CEO Matthews referred to the board packet for information regarding the NRECA PowerXchange in March 2024.

MOTION Treasurer Stark moved to approve expenses for Director Rake to attend the 2024 NRECA PowerXchange and pre-conference director education in San Antonio, Texas.

Director Maslen seconded

Motion passed.

4. Preventive Electric Equipment

CEO Matthews reviewed key points in her memo and presentation of preventative electric equipment to include information on CVEA tariff provisions, the importance of working with a certified electrician, and investment in a whole home surge protection device.

5. Agenda Item Request

It was requested that demand charges and cutouts be added to the agenda for the December board meeting.

K. EXECUTIVE SESSION

No executive session was necessary.

L. DIRECTOR/CEO COMMENTS

Director Maslen stated it was an excellent meeting and thanked everyone for their work on the budget. She said she appreciates all the work and details included in the budget. She thanked staff for their research and education on preventative electrical measures and appreciated the team keeping the membership in mind.

Vice President Delaquito thanked everyone for their work that goes into the meetings and the work on the budget. She appreciates the team providing education to the Board and the membership.

Director Saxe thanked CEO Matthews and Mrs. Malone for their hard work on the budget this year. He appreciates staff looking after the membership wholeheartedly.

Director Hess said it was a good meeting. He appreciated all the work and research the team does. He stated he knows the co-op is in good hands.

Treasurer Stark thanked for keeping the lights on this month and thanked staff for the hard work on the budget.

Secretary Stowe thanked CEO Matthews and staff for all the work on the budget and breaking it down the way they do for the Board.

President Rake thanked staff for their time and effort in all they do. He thanked staff for their work on the budget and breaking it down for the Board. He wished everyone a happy Thanksgiving.

CEO Matthews thanked the Board for their input today. She stated a lot of staff time went into creating a responsible budget to guide the 2024 finances. She ensured staff is working hard on

projects, hiring, and day to day operations with the membership in mind. She wished everyone a happy Thanksgiving.

M. ADJOURNMENT

President Rake adjourned the meeting at 12:57 p.m.


Secretary



N. CVEA COMMUNITY FOUNDATION BUSINESS

In accordance with the Copper Valley Electric Association, Inc. Community Foundation Bylaws, Section 5, Meetings: *All regular meetings of the Board of Directors will coincide with scheduled meetings of the CVEA Board of Directors. CVEACF action items will be presented on the CVEA Board of Director agenda as CVEACF Business.*

Vice President Maslen was appointed chair due to technical issues with President Delaquito's internet availability. Vice President Maslen called the CVEA Community Foundation Regular Meeting to order at 12:58 p.m. in the Glennallen board room.

Secretary/Treasurer Stark established a quorum.

1. Monthly Report

Mrs. Scheidt updated the Board of the Contribution Season award recipients were notified and checks will be distributed in December. She provided the Board with compliments received from the nonprofits regarding the contribution season donations.

2. 2022 Program

Mrs. Scheidt referred to her written report which included the recommended funding for the 2024 program. She reviewed the amounts allotted for each program. Mrs. Scheidt noted the increase in the donation amount for Contribution Season for local nonprofit organizations to the Board.

MOTION Director Rake moved to approve the 2024 CVEA Community Foundation Budget of \$51,605 and the program recommendations as presented.

Director Stowe seconded.

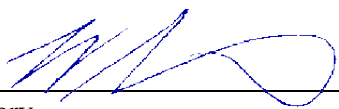
Motion passed.

3. Financial Statements

CEO Matthews referred to the financial statements included in the board packet. She noted the 2023 scholarships have been dispersed and the nonprofit grants continued to be paid out.

Vice President Maslen adjourned the meeting at 1:12 p.m.




Secretary

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
9 a.m. – October 12, 2023 – Glennallen, Alaska
A G E N D A

| | | |
|----|---|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 3 |
| | 2. Minutes of Board Meeting – August 17, 2023 | 4 |
| | 3. Engineering Report | 12 |
| | 4. Safety and Regulatory Compliance Report | 17 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 23 |
| E. | WORK SESSION – EXECUTIVE SESSION | |
| | 1. CFO Replacement | 24 |
| | 2. 2024 Capital Work Plan | 25 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 27 |
| | b. Chief Operating Officer... .. | 35 |
| | c. Chief Executive Officer | 41 |
| | 2. Financial Statements | |
| | a. July | 48 |
| | b. August | 61 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Reports | 75 |
| | 2. Employee Handbook Policy 208 | 76 |
| | 3. Write Offs..... | 77 |
| | 4. Director Training/Travel | 80 |
| | 5. Agenda Item Requests | 89 |
| | 6. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS | |
| | 1. Monthly Report | 90 |
| | 2. Bylaws Amendment | 96 |
| | 3. Financial Statements | 104 |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
October 12, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Andy Hess
Lon Rake
Jeff Saxe
Jan Maslen
Will Stark

Directors Absent

Dan Stowe

Others Present

Jaime Matthews – CVEA
Wayne McKinzey – CVEA
Sharon Scheidt – CVEA
Lindsay Malone – CVEA
Sara Horvath – CVEA
Darin Sauls – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 9:02 a.m. in the Glennallen board room.

B. PROOF OF QUORUM

Due to Secretary Stowe's absence, Director Saxe was appointed Secretary Pro Tem and reported a quorum was established with Vice President Delaquito and Secretary Stowe absent and all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – August 17, 2023
3. Engineering Reports
4. Safety and Regulatory Compliance Reports

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Director Maslen seconded.

Motion passed.

E. WORK SESSION

MOTION Director Maslen moved to go into executive session to discuss the CFO replacement and 2024 Capital Work Plan, the immediate knowledge of which would clearly have an adverse effect on the finances of the Cooperative.

Treasurer Stark seconded.

Motion passed.

Into executive session at 9:05 a.m.

Recess taken at 9:39 a.m.

Back in executive session at 9:46 a.m.

Engineering Manager Darin Sauls joined the meeting at 9:46 a.m.

Vice President Delaquito joined the meeting at 10:13 a.m.

Recess taken at 11:25 a.m.

Back into session at 11:34 a.m.

Out of executive session at 12:24 p.m.

Recess taken at 12:24 p.m.

Back in session at 12:48 p.m.

F. SAFETY MINUTE

CEO Matthews reminded everyone that October is Fire Prevention Month. Check your electrical outlets and do not overload them. Be cautious when starting up woodstoves for the upcoming winter season.

G. RECOGNITION OF GUESTS

There were no guests.

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt updated the Board on transitioning away from Ruralite in 2024 to an alternate method of communication with CVEA Membership.

Mrs. Scheidt reported that Operator Matt Craig will be leading the middle school science presentations at the schools, while Kyle Anderson will be guiding the tours, and Sarah Jorgenson-Owen will be coordinating.

Mrs. Scheidt stated that Pumpkin Patch is quickly approaching, which is supporting 16 local nonprofits this year. Alyeska is supporting the event by matching donations up to \$1000 in each district. Various organizations have contacted Mrs. Scheidt to volunteer at the event. It had proven to be a great community event that is enjoyed by all attendees.

Mrs. Scheidt responded to inquiries on the middle school science program.

- b. Chief Operating Officer – Mr. McKinzey updated the Board on the status of NECA temps while CVEA works on recruiting linemen. He continued to provide an update on new hires and staffing of the power generation and operations departments.

Mr. McKinzey discussed a recent rigging training for the operations and power generations departments. He commented on the numerous compliments from the trainer about CVEA having a dynamic team that works very well together.

Mr. McKinzey responded to various inquiries regarding the Solomon Gulch Lake level, Cogen, and recent power outages.

- c. Chief Executive Officer – CEO Matthews provided the Board with an update on the CEO transition which included one-on-one meetings with staff, native allotments, and legislative updates. She also informed the Board of insurance updates regarding the Co-op's new broker, Parker, Smith & Feek. All insurance policies were renewed October 1.

CEO Matthews informed the Board of some changes made to CVEA's business credit card account. It was recently discovered that two former employees were still on the account. Staff moved forward with replacing former employees on the account to Lindsay Malone.

CEO Matthews reviewed several topics presented at the APA Annual Meeting. The topics discussed included oral drug screening, grant funding, rotational linemen schedules, and Roadbelt Intertie.

CEO Matthews responded to questions regarding native allotments.

2. Financial Statements

CEO Matthews referred to key components of the July and August 2023 Financial Statements included in the board packet. She reported CVEA will receive \$1,069,901 in 242 Hydro Incentive Funding in 2023 in addition to the Cogen Debt Reimbursement in the amount of \$337,776. There were no questions.

J. OTHER BUSINESS

1. Work Session Reports

An executive session work session was conducted earlier in the agenda to discuss the CFO replacement and 2024 Capital Work Plan. CEO Matthews presented the organization chart to the Board to review changes in duties and titles, creating a HR & Admin Manager position. Staff presented the 2024 Capital Work Plan to the Board and reviewed priorities of the ten-year projected forecast of projects for the co-op. No action was required as a result of the work session.

2. Employee Handbook Policy 208

CEO Matthews reviewed CVEA Employee Handbook Policy 208 with the Board. Policy 208 refers to the hiring of relatives. It was suggested that language was added to the policy to specify that employees cannot work for/supervise/manage a relative in the same department. Previous language prevented relatives of employees from working at CVEA entirely.

MOTION Treasurer Stark moved to approve the proposed changes to Policy 208 as reflected in the memo presented to the Board.

Director Maslen seconded.

Motion passed.

3. Write Offs

Every October or November, CEO Matthews and Mrs. Malone review write-off amounts with the Board. This is the amount members owe in the 60+ day past due category who have left the system or have been disconnected. This year write-offs total \$8,073.75.

MOTION Treasurer Stark moved that staff be directed to write off \$8,073.75 for uncollectible sale of electricity; that staff be directed to pursue collection of written amounts; and further, that amounts written off be offset against capital credits.

Director Kildal seconded.

Motion passed

4. Director Training/Travel

Directors provided verbal reports on their highlights of attending the APA Annual Meeting in Valdez in August.

Director Hess provided a verbal report on his attendance of the NHA Alaska Meeting in Anchorage in September.

CEO Matthews reviewed key training opportunities and discussed 2024 events of interest in preparation of the Board's budget in 2024. Formal authorization for approval of expenses would be requested closer to each event.

MOTION Treasurer Stark moved to approve expenses for Director Maslen to attend the 2023 NRECA Winter School for Directors in Nashville, Tennessee.

Director Saxe seconded.

Motion passed.

5. Agenda Item Recommendations

President Rake requested preventative maintenance and equipment for electric fire/damage be added to the November agenda.

K. EXECUTIVE SESSION

No executive session as necessary.

L. DIRECTOR/CEO COMMENTS

Director Hess stated it was a good meeting. He thanked everyone for the information and is grateful for an excellent Board of Directors for working together with the members in mind.

Vice President Delaquito said it was a great meeting and apologized for being late. She reported it was a great meeting and thanked Mrs. Scheidt and the staff for all their work on the Pumpkin Patch. She thanked Mr. McKinzey and Mr. Sauls for all their information and insight today.

Treasurer Stark thanked everyone for the work they put into the board meetings and said it was greatly appreciated. He thanked staff for their work on the budget and capital work plan.

Director Maslen said it was a good meeting and she appreciated all the work put into the APA Annual Meeting. She thanked everyone for a great meeting and all the work staff put into the capital work plan and budget.

Director Kildal thanked CEO Matthews, Mr. McKinzey, and Mr. Sauls for their information on the capital projects and preparation for the budget. He stated it was a great meeting.

Director Saxe reported it was a great meeting with a lot of valuable information provided. He thanked Mrs. Scheidt for her dedication and hard work to making the Pumpkin Patch a success.


President Rake thanked everyone for their time. He stated it is truly a pleasure to be a part of a excellent team and organization. He thanked staff for their dedication and behind-the-scenes work that goes into developing a budget and sticking to it.

CEO Matthews thanked everyone for their efforts today. She said it was great for everyone to attend the APA Annual Meeting. She reported it has been exciting to be able to attend various conferences and be a leader in the industry. She said it is fantastic to see everyone work so well together and thanked the Board for their support.

M. ADJOURNMENT

President Rake adjourned the meeting at 2:15 p.m.




Secretary

N. CVEA COMMUNITY FOUNDATION BUSINESS

In accordance with the Copper Valley Electric Association, Inc. Community Foundation Bylaws, *Section 5, Meetings: All regular meetings of the Board of Directors will coincide with scheduled meetings of the CVEA Board of Directors. CVEACF action items will be presented on the CVEA Board of Director agenda as CVEACF Business.*

Vice President Maslen called the CVEA Community Foundation Regular Meeting to order at 2:16 p.m.in the Glennallen board room.

Secretary/Treasurer Stark established a quorum.

1. 2022 Contribution Season

Mrs. Scheidt summarized work conducted by the Contribution Season Committee and referred to the Board to the scoring summary and funding recommendation included in the board packet. Overall, there was \$59,161 in eligible requests and the Committee recommended \$28,762 to distribute amongst the nonprofits.

MOTION Director Hess moved to approve the committee's contribution recommendation as submitted.

Director Rake seconded.

Motion passed.

2. CVEA Community Foundation Bylaws

At the August board meeting, revisions to Foundation Policies F101 and F201 were approved by the Board. To ensure that the changes were allowed per the Bylaws, it was determined an amendment was necessary.

MOTION Treasurer/Secretary Stark moved to approve the Community Foundation Bylaws as amended.

President Rake seconded.

Motion passed.

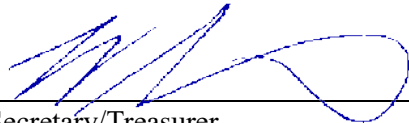
3. Financial Statements

Mrs. Matthews gave a verbal report on the financial statements. There were no questions.

ADJOURNMENT

Vice President Maslen adjourned the meeting at 2:23 p.m.




Secretary/Treasurer

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
12 p.m. – August 17, 2023 – Glennallen, Alaska
A G E N D A

| | | |
|----|--|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – July 20, 2023 | 2 |
| | 3. Safety and Regulatory Compliance Report | 9 |
| | 4. Engineering Report | 12 |
| | 5. Community Foundation | 14 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 30 |
| E. | WORK SESSION – Legislative Updates from Larry Markley | |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 31 |
| | b. Chief Operating Officer | 34 |
| | c. Chief Financial Officer | 39 |
| | d. Chief Executive Officer | 42 |
| | 2. Financial Statements | 44 |
| J. | OTHER BUSINESS | |
| | 1. Resolution 23-02 – APA Designate & Alternate | 57 |
| | 2. Resolution 23-03 – Delegation of Authority to CEO | 59 |
| | 3. Resolution 23-04 – First National Bank Alaska | 60 |
| | 4. Solomon Gulch DNR Reclamation / Land Use Fees | 62 |
| | 5. Strategic Plan Update | 64 |
| | 6. Director Training/Travel | 70 |
| | 7. Landlord Tenant Discussion | 72 |
| | 8. Board Political Involvement | 79 |
| | 9. Agenda Item Request | 81 |
| | 10. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS | |
| | 1. Monthly Report | 82 |
| | 2. Foundation Policies | |
| | a. Foundation Policy F101- Scholarship Program | 83 |
| | b. Foundation Policy F201- Contribution Program | 88 |
| | 3. Foundation Bylaws | 92 |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
August 17, 2023

Directors Present

Lon Rake
Yvette Delaquito
Dan Stowe
Jeff Saxe
Jan Maslen
Andy Hess

Directors Absent

Paul Kildal
Will Stark

Others Present

Travis Million – CVEA
Wayne McKinzey – CVEA
Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 12:12 p.m. in the Glennallen board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with Treasurer Stark and Director Kildal absent.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda. Hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – July 20, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report
5. Community Foundation

D. APPROVAL OF AGENDA

MOTION Director Saxe moved to approve the agenda as presented.

Vice President Delaquito seconded.

Motion passed.

E. WORK SESSION – Legislative Update from Larry Markley

CEO Million introduced Lobbyist, Larry Marley, to the Board of Directors. Mr. Markley has been advocating on behalf of CVEA, on both the state and federal levels, since 2010. He noted the importance of utilities having a presence in Washington, D.C., and Juneau to advocate and inform the delegation on current issues and evolving projects. Mr. Markley covered key topics such as the Cogen Debt Reimbursement, MMR nuclear project, hydro incentives, the Roadbelt intertie, and projects that can benefit the entire state.

F. SAFETY MINUTE

Mrs. Scheidt reminded everyone of back-to-school safety. Kids will be walking, biking, and getting dropped off to school. Make sure to watch for kids while driving and be patient with buses and kids getting on and off the bus.

G. RECOGNITION OF GUESTS

There were no guests.

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications– Mrs. Scheidt reported the August member tour was a success with 20 members participating. There were all positive responses on the post tour survey. She informed the board there would be several more tours in August for the APA Annual Meeting.

Mrs. Scheidt updated the board on the MMR nuclear project press release that was sent out for the August 30 virtual meeting.

- b. Chief Operating Officer – Mr. McKinzey updated the board on the I&C Tech and Operations Manager positions. The new Valdez Power Plant Operator Trainee, Alex Reed, starts on September 11.

Mr. McKinzey updated the board on the pole erosion issue that was recently discovered. Staff looked into the cause of erosion and will develop a solution. He updated the board on projects covered in the capital budget.

Mr. McKinzey reported on recent bird strikes at Solomon Gulch. He informed the board CVEA has a temporary solution that includes stationing fake owls to deter birds until the new substation is complete.

- c. Chief Financial Officer – Mrs. Matthews referred to her written report for questions. She had been working on broker services with Parker, Smith and Feek to prepare for insurance renewals in October.

Mrs. Matthews reminded the board that CVEA would receive the Cogen Debt Reimbursement and Hydro Incentive grant this year which were both unbudgeted. She briefed the board regarding the next board meetings, which would include the capital work plan in October and the budget in November.

Mrs. Matthews responded to an inquiry regarding demand charges for small commercial members.

- d. Chief Executive Officer – CEO Million reported he and Mrs. Matthews have been meeting to review CEO duties as his departure from CVEA approaches.

CEO Million updated the board on the sale of a MET tower to KB Energy. He reported CVEA had no plans to use the MET towers again and reminded the board that the co-op still owns one MET tower that is being loaned to Ahtna.

CEO Million updated the board on CVEA’s Safety Week. Chief Plant Operator, Kyle Anderson, provided a tour of Solomon Gulch, which included a demonstration of stream gaging. There were many activities and safety reminders throughout the week to include a safety picnic in Valdez.

Recess taken at 1:34 p.m.
Back in session at 1:42 p.m.

2. Financial Statements

Mrs. Matthews referred to key components of the June financial statements. There were no questions on the financial statements included in the board packet.

J. OTHER BUSINESS

1. Resolution 23-02 – APA Designate & Alternate

With the anticipated departure of CEO Million from the co-op, there is a vacancy on the APA Board of Directors which will need to be filled by the CEO or a director.

MOTION Director Saxe moved to approve Resolution 23-02 – APA Designate and Alternate as amended, designating Mrs. Matthews as APA Representative and President Rake as alternate Representative to APA.

Vice President Delaquito seconded.

Motion passed.

2. Resolution 23-03 – Delegation of Authority to CEO

A resolution was required to delegate authority to Mrs. Matthews as she transitioned to CVEA CEO on September 1, 2023.

MOTION Director Saxe moved to approve Resolution 23-03 – Appointment of CEO and Delegation of Authority as presented.

Director Maslen seconded.

Motion passed.

3. Resolution 23-04 – First National Bank Alaska

With the departure of CEO Million, a change in bank signers was required, removing CEO Million and adding COO, Mr. McKinzey.

MOTION Director Saxe moved to approve Resolution 23-04 – FNBA Accounts as presented.

Director Maslen seconded.

Motion passed.

4. Solomon Gulch DNR Reclamation / Land Use Fees

CVEA was recently informed of backpay owed to DNR for land use fees for the Solomon Gulch Hydro plant.

MOTION Director Saxe moved to approve the payment of outstanding land use fees in the amount of \$585,000 with the amount coming from the R&R fund.

Vice President Delaquito seconded.

Motion passed with one opposition.

MOTION Director Maslen moved for staff to pursue a surety bond option for the reclamation amount for 2023 and pursue other options for 2024.

Vice President Delaquito seconded.

Motion passed.

5. Strategic Plan Update

CEO Million referred to the strategic plan. He noted the co-op is exactly where it is expected to be regarding the achievement of strategic plan goals. He reviewed the progress of financial strength, maintaining and improving reliability, being the employer of choice, and reducing dependence on diesel fuels. There is continued opportunity to make progress on the goals for the remainder of 2023.

6. Director Training/Travel

MOTION Director Saxe moved to approve expenses for Vice President Delaquito to attend online director training 921.1 – Risk Oversight – The Board’s Role in Risk Management in November 2023.

Director Maslen seconded.

Motion Passed.

MOTION Director Saxe moved to approve expenses for Director Maslen to attend online director training 2620 – Board Operations and Process in October 2023.

Vice President Delaquito seconded.

Motion passed.

7. Landlord Tenant Discussion

Mrs. Matthews reported Customer Service Supervisor, Joyanna Hoffman, provided information on the tariff requirements for landlord/tenant applications. The application gives the landlord the option for automatic reconnect if disconnected to avoid disruption in service.

8. Board Political Involvement

CEO Million referred to Board Policies 106 and 207.2, which outlines political involvement in regard to your affiliation with CVEA. In conclusion, staff and board members may not use their position at the co-op for political purposes. He also noted that CVEA cannot endorse one candidate/party one way or another and that the co-op must provide equal opportunities for all parties.

9. Agenda Item Request

No agenda item requests for the October board meeting.

K. EXECUTIVE SESSION

No executive session was necessary.

L. DIRECTOR/CEO COMMENTS

Director Saxe thanked everyone for the meeting today and appreciated the information on the landlord/tenant application. He wished CEO Million luck on his next adventure.

Director Hess stated he is glad Mr. Markley was present to provide legislative updates. He stated it was great that he sees the importance of being active in the pursuit of the Roadbelt Intertie. He thanked everyone for a great meeting.

Director Maslen reported it was great to meet Mr. Markley and receive information on the Roadbelt Intertie. She noted it was important to not lose footing with that opportunity.

Vice President Delaquito stated it was a great meeting as always. She stated it is important to play a role in the Roadbelt Intertie. It was great to have Mr. Markley and found his input valuable.

President Rake stated it has been a pleasure to work with CEO Million over the years. He wished him the best in his next adventure.

Mrs. Matthews thanked the board for their support as she transitions to CEO. She is looking forward to the opportunity and is looking forward to the APA Annual Meeting in Valdez next week.

CEO Million reported it was great to have Mr. Markley visit to meet with the board. He stated Mr. Markley is a great advocate and is a huge benefit to the co-op. CEO Million thanked the board and stated it has been a pleasure to work with all of them over the years. He is confident he is leaving the co-op in great hands with Mrs. Matthews.

M. ADJOURNMENT

Vice President Delaquito adjourned the meeting at 2:53 p.m.




Secretary

N. CVEA COMMUNITY FOUNDATION BUSINESS

President Delaquito called the meeting to order at 2:54 p.m.

Vice President Maslen reported a quorum was established with Secretary/Treasurer Stark and Director Kildal absent.

1. Monthly Report

Mrs. Scheidt referred to key components of the monthly report. She reminded the board that the Contribution Committee is seeking volunteers, with Director Rake and Vice President Maslen volunteering. She reported that the Contribution Committee received 16 contribution requests, with an August 17 deadline.

Mrs. Scheidt updated the board on the Idaho Youth Rally. Communications and Marketing Specialist, Jorgenson-Owen, chaperoned the youth. Mrs. Scheidt reported Mrs. Jorgenson-Owen was an excellent chaperone and a great time was had by all. Mrs. Jorgenson-Owen will have her first article in Ruralite with a focus on the Idaho Youth Rally.

2. Foundation Policies

a. Foundation Policy F101- Scholarship Program.

Per discussion at the June board meeting, an amendment of Policy F101 was brought before the board to give authority to the CEO to adjust amounts and numbers of scholarships. The CEO will report said changes to the board at the following board meeting. The amendment also gives the CEO authority to appoint volunteers to the scholarship selection committees.

MOTION

Director Maslen moved to approve CVEACF Policy F101 - Functions of The Copper Valley Electric Association Community Foundation Scholarship Programs as amended.

Director Hess seconded.

Motion passed.

b. Foundation Policy F201- Contribution Program

As discussed at the June board meeting, a new policy was deemed necessary for the Contribution Program to be consistent with the Scholarship Program. Policy F201 was drafted to provide guidelines for the nonprofit Contribution Program, which would solidify how the committee functions.

MOTION

Director Saxe moved to approve CVEACF policy F201 – Functions of the Copper Valley Electric Association Community Foundation Nonprofit Contribution Program.

Director Maslen seconded.

Motion passed.

3. Foundation Bylaws

Suggested bylaw changes were provided to the board in relation to Policy F101 and F201, to be consistent with the amended policies. The suggested changes will be brought back before the board for approval at a later board meeting.

President Delaquito adjourned the meeting at 3:10 p.m.



Janice Y Maslen
Secretary/Treasurer

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
11 a.m. – July 20, 2023 – Valdez, Alaska
A G E N D A

| | | |
|----|---|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – June 15, 2023 | 2 |
| | 3. Safety and Regulatory Compliance Report | 8 |
| | 4. Community Foundation | 10 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 11 |
| E. | WORK SESSION – Executive Session | |
| | 1. CEO Transition Planning | 13 |
| | 2. Power Supply..... | 14 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 15 |
| | b. Chief Operating Officer | 19 |
| | c. Chief Financial Officer | 24 |
| | d. Chief Executive Officer | 28 |
| | 2. Financial Statements | 40 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report | 53 |
| | 2. CEO Position Description | 54 |
| | 3. Broker Recommendation | 65 |
| | 4. Director Training/Travel | 67 |
| | 5. Agenda Item Request | 69 |
| | 6. | |
| K. | DIRECTOR/CEO COMMENTS | |
| L. | ADJOURNMENT | |
| M. | CVEA COMMUNITY FOUNDATION BUSINESS (if necessary) | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
July 20, 2023

Directors Present

Yvette Delaquito
Andy Hess
Lon Rake
Jan Maslen
Will Stark
Dan Stowe
Paul Kildal
Jeff Saxe

Directors Absent

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA
Mitch Majeski – Peak Solutions

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 11:00 a.m. in the Valdez board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with all directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda. Hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – June 15, 2023
3. Safety and Regulatory Compliance Report
4. Community Foundation

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as amended.

Vice President Delaquito seconded.

Motion passed.

E. WORK SESSION – EXECUTIVE SESSION

MOTION Director Maslen moved that the Board go into executive session to discuss the CEO Transition Planning, Power Supply, and Personnel, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Secretary Stowe seconded.

Motion passed.

Into executive session at 11:02 a.m.

Out of executive session at 12:11 p.m.

Recessed at 12:12 p.m.

Back in session at 12:37 p.m.

F. SAFETY MINUTE

CEO Million reminded everyone of the risk of drowning in rivers, lakes, and ocean in Alaska. People get complacent and forget how cold the rivers and lakes are. Take precautions to avoid aquatic tragedies.

G. RECOGNITION OF GUESTS

President Rake welcomed Mitch Majeski with Peak Solutions to the meeting.

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

a. Director of Communications – CEO Million provided updates for Mrs. Scheidt in lieu of her absence. He reviewed several key points of the Director of Communications board report: the new recruitment process for CVEA, public communications regarding the status of the MMR project, and the member tour which will occur August 12 in Valdez.

b. Chief Operating Officer – Mr. McKinzey reported the construction on Solomon Gulch Substation progress is going well; the underground work is almost complete. He reported the line crews are working together very well

and continue to be productive. Tower 130-3 has been successfully moved north due to the erosion of the bank from Moose Creek.

Mr. McKinzey reported that Chris Fingal was selected to fill the Operator Trainee position for the Glennallen Diesel Plant and started July 20.

Mr. McKinzey responded to an inquiry regarding the cause of a recent power outage.

- c. Chief Financial Officer – Mrs. Matthews updated the Board on the plan to implement Call Capture, which gives members the opportunity to select an initial option to direct them to the proper channel/person.

The CVEA fuel contract for Valdez was bid out and North Pacific Fuel will maintain the fuel contract until all fuel contracts are bid out in 2024. This will put all fuel contracts on the same schedule.

Mrs. Matthews reported in June, she and CEO Million attended the CFC Forum in Seattle. She stated it was a great event. While in Seattle, they also met with Marsh to discuss insurance and risk management.

Mrs. Matthews responded to an inquiry regarding fuel contracts for CVEA diesel plants.

Recessed at 1:08 p.m.

Back in session at 1:15 p.m.

- d. Chief Executive Officer – CEO Million updated the Board on CVEA's safety culture. He explained where CVEA rates compared to the industry's average for the workers compensation modification factor. CVEA is currently the lowest it has ever been at a .77 which is significantly below the industry average at a 1.0; meaning CVEA has less workers compensation claims and is substantially safer compared to the industry average.

CEO Million provided the Board with an update on several grants the co-op will be receiving in the near future, to include the Cogen Debt Reimbursement and the Hydroelectric Production Incentive Program.

CEO Million reviewed the letter he wrote to legislators regarding the DNR invoicing issues. He consulted with general counsel and requested timely invoicing going forward from DNR. Legislators have also requested more information to further investigate the invoicing issues.

In June, CEO Million attended the APA Federal Legislative Conference in Washington D.C. He updated the Board on grant funding opportunities for the co-op and how CVEA could utilize them. While in D.C., CEO Million attended CVEA specific meetings with Senator Murkowski and staff, Senator Sullivan's staff, and Representative Peltola's staff.

CEO Million responded to inquiries regarding an OSHA inspection and grant funding for raising the Solomon Gulch spillway.

2. Financial Statements

Mrs. Matthews referred to the May 31, 2023, Financial Statements included in the board packet and pointed out key aspects.

J. OTHER BUSINESS

1. Work Session Report

CVEA scheduled a press release for the MMR and USNC project to update the membership on where the co-op is on the project.

As a result of the executive session, a motion was necessary to move forward with the recruitment of a new position as part of the succession planning for the Communications and Controls Engineer position.

MOTION Vice President Delaquito moved to approve the recruiting and hiring of the I&C Tech position.

Treasurer Stark seconded.

Motion passed.

2. CEO Position Description

CEO Million reviewed the recommended revisions to the CEO position description with the Board, which mainly focused on the organization chart of employees and solidifying and maintaining the work culture of CVEA.

MOTION Vice President Delaquito moved to approve the revisions to the CEO position description as presented.

Treasurer Stark seconded.

Motion passed.

3. Broker Recommendations

Mrs. Matthews updated the Board on the process of bidding out brokerage services for CVEA to ensure the co-op is provided the best support and insurances with a broker's expertise.

MOTION Treasurer Stark moved to appoint Parker Smith & Feek as CVEA's broker effective August 1, 2023.

Director Maslen seconded.

Motion passed.

4. Director Training/Travel

Ms. Horvath distributed travel packets to directors scheduled to attend the Alaska Power Association Annual Meeting in Valdez in August.

Information was provided to the Board regarding the upcoming National Hydropower Association Alaska Regional Meeting scheduled for September 12 in Anchorage. Directors Hess and Maslen requested authorization to attend the NHA meeting.

MOTION Treasurer Stark moved to approve travel and expenses for Directors Hess and Maslen to attend the 2023 NHA Alaska Regional Meeting on September 12, 2023, in Anchorage, Alaska.

Vice President Delaquito seconded.

Motion passed.

5. Agenda Item Requests

At the June board meeting it was requested to discuss Director Policy 114. There was no action needed as a result of the discussion.

It was requested New Member Applications and Board Political Involvement be added to the agenda for the August board meeting.

6. Landlord/Tenant Electric Services

The Board discussed the application process for new member services for landlords and tenants. The new member packet will be brought before the Board at the August board meeting for review.

K. DIRECTOR/CEO COMMENTS

Director Hess thanked everyone for their attentiveness and said that he is thankful to be part of a good board that is heading in a good direction.

Treasurer Stark said as always thanks to everyone for their hard work and for keeping the lights on.

Director Maslen thanked staff for their excellent work when responding to an outage at her house. She thanked the team for keeping the lights on. She is excited to be part of an effective team, building strong relationships, and she thanked staff for CVEA making it a goal to be the employer of choice.

Director Kildal said good meeting, thanked staff for keeping the lights on and keeping the co-op going strong.

Director Saxe reported it was a good meeting and thanked CEO Million for the plant tour. He said that the substation is looking great, and all the work has been completed in a nice and tidy manner.

Secretary Stowe said it was a great meeting. He reported he was thankful for Mitch, with Peak Solutions, for providing leadership training to management staff. It is nice to see the co-op run smoothly.

Vice President Delaquito thanked everyone for their professionalism and diversity. She stated is important and valuable to have varying opinions and to maintain respect amongst each other.

President Rake thanked everyone for a great meeting. He also thanked Mitch for the leadership training; it is setting CVEA on a pedestal for being the employer of choice. He reported he is impressed by the detailed work the crew completed with the Solomon Gulch Substation relocation project.

CEO Million thanked the Board for their support as it allows the staff to do what they do every day. He said it was great to take the Board on the plant tour. CEO Million reported nothing is slowing down at the co-op as construction season is in progress, CVEA Safety Week begins July 24, and then the APA Annual Meeting in Valdez starts August 22.

Mrs. Matthews thanked the Board for all their support. She stated she is thankful for Mitch to be here to help the co-op move forward during the transition.

L. ADJOURNMENT

President Rake adjourned the meeting at 2:33 p.m.




Secretary

M. CVEA COMMUNITY FOUNDATION BUSINESS

No Community Foundation meeting was required.

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
11 a.m. – June 15, 2023 – Glennallen, Alaska
A G E N D A

| | | |
|----|--|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – May 18, 2023 | 2 |
| | 3. Engineering Report | 8 |
| | 4. Safety and Regulatory Compliance Report | 10 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 17 |
| E. | WORK SESSION – EXECUTIVE SESSION | |
| | 1. Personnel..... | 19 |
| | 2. CEO Replacement..... | 19 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 20 |
| | b. Chief Operating Officer | 23 |
| | c. Chief Financial Officer | 27 |
| | d. Chief Executive Officer | 32 |
| | 2. Financial Statements | 35 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report | 48 |
| | 2. Director Training/Travel | 49 |
| | 3. Agenda Item Request | 51 |
| | 4. | |
| K. | DIRECTOR/CEO COMMENTS | |
| L. | ADJOURNMENT | |
| M. | CVEA COMMUNITY FOUNDATION BUSINESS | |
| | 1. Annual Meeting | 52 |
| | 2. Conflict of Interest Statement..... | 53 |
| | 3. Election of Officers..... | 59 |
| | 4. Financial Statements | 68 |
| | 5. Draft Resolution – Bank Account Signers | 71 |
| | 6. Other Business | |
| | a. Monthly Report | 71 |
| | b. Program Discussion | 72 |
| | c. Foundation Committees Discussion | 74 |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
June 15, 2023

Directors Present

Yvette Delaquito
Andy Hess
Paul Kildal
Lon Rake
Jeff Saxe
Will Stark
Jan Maslen
Dan Stowe

Directors Absent

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Wayne McKinzey – CVEA
Sharon Scheidt – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 11:03 a.m. in the Glennallen board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum with Vice President Delaquito absent, all other directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda. Hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – May 18, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Director Saxe seconded.

Motion passed.

E. WORK SESSION – EXECUTIVE SESSION

MOTION Treasurer Stark moved that the Board go into executive session to discuss personnel and CEO replacement, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Hess seconded.

Motion passed.

Into executive session at 11:04 a.m.

Vice President Delaquito joined the meeting.

Treasurer Stark left the meeting.

Out of executive session at 3:07 p.m.

F. SAFETY MINUTE

Mr. McKinzey reminded everyone of the importance of being extra cautious and patient when driving in the summer. There are tourists sightseeing and not paying attention which can add extra risk with tourists that are unfamiliar with driving in Alaska.

G. RECOGNITION OF GUESTS

There were no guests.

H. MEMBERS' COMMENTS

There were no member or guest comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt did not have any updates to her report.
- b. Chief Operating Officer – Mr. McKinzey updated the Board on being 100-percent hydro this month. The Chief Plant Operator for the diesel plants interviews took place yesterday and the job was offered to and accepted by Jason Shiell today. Mr. McKinzey responded to an inquiry regarding the anchor issue with Moose Creek flooding/erosion in the Copper Basin.
- c. Chief Financial Officer – Mrs. Matthews reported that CVEA is 100-percent hydro this month so there were no fuel costs. There was only one bid received back for the Valdez fuel contract, which was North Pacific Fuel. Crowley, who CVEA currently holds the contract, did not bid. CEO Million and Mrs. Matthews have

been meeting with insurance brokers to bid out insurance brokerage services. Recommendations will be brought back to the Board for approval in July.

Mrs. Matthews responded to a question regarding janitorial contract bids.

- d. Chief Executive Officer – CEO Million reported the State legislature sent the budget to the governor yesterday. The Cogen Debt Reimbursement remains in the budget unless the governor line-item vetoes it.

CEO Million updated the Board on the DNR Reclamation Fund for the Four Dam Pool. The new contract to dissolve the Reclamation Fund with SEAPA and Kodiak Electric Association will be executed June 22. CVEA was contacted by DNR regarding a land use agreement for Solomon Gulch, which the co-op did not know existed. The land use agreement fee has not been paid since 2009 as DNR did not send any invoices. DNR will not charge late fees but is requesting backpay.

Directors commented on the importance of contacting legislators regarding the issue of never being invoiced or contacted in regard to paying the land use agreement fee.

2. Financial Statements

Mrs. Matthews referred to the April Financial Statements included in the board packet and pointed out key elements.

- J. OTHER BUSINESS

1. Work Session Report

No action was needed as a result of the executive session.

2. Director Training/Travel

In preparation for the upcoming APA Annual Meeting in Valdez August 22 – 25, Ms. Horvath requested a motion to approve expenses for directors that wished to attend. Directors attending the Alaska Power Association Annual Meeting were asked to notify Ms. Horvath whether their spouse/companion would participate in the meeting events, it is \$175 registration fee plus a platform fee. The additional fee would be the responsibility of each director attending. Ms. Horvath asked that each attending director notify her by August 1 to allow sufficient time for completion of the registrations.

MOTION Director Kildal moved to approve the expense for 6 directors to attend the 984.10 – The Road to Resilience director training on August 23 in Valdez, Alaska during the APA Annual Meeting.

Director Saxe seconded.

Motion passed.

MOTION Vice President Delaquito moved to approve the expenses for four Glennallen directors to attend the 2023 APA Annual Meeting on August 22 – 25 in Valdez, Alaska.

Director Saxe seconded.

3. Agenda Item Requests

No items were requested at the May board meeting.

A tour of Solomon Gulch and Allison Creek was requested prior to the July board meeting. Director Kildal requested Policy 114 be discussed at the July board meeting.

K. DIRECTOR/CEO COMMENTS

Secretary Stowe said it was a good meeting, long but a very productive meeting.

Director Maslen said it was a great meeting and it is good to be back.

Director Hess said it was a great meeting.

Director Kildal said congratulations to Jaime and looks forward to working with her. He thanked everyone for a good meeting.

Vice President Delaquito said it was a great meeting and feels great to be a part of the Board and making important decisions for the co-op. It was a long meeting, but time well spent. She extended her thanks to the great staff for everything they do and continue to do. She thanked CEO Million for his great leadership over the last few years.

Director Saxe said it was a great long meeting and it was very productive. He thanked everyone for their time.

President Rake said it was a great meeting today. The meeting will help the Board move forward in a positive direction. It is summertime so get out there and enjoy it, have fun, and be safe.

CEO Million said he appreciates the Board and the process they have been going through. He has received the information the Board requested for review. He thanked the Board for their support and looks forward to the APA Annual Meeting. Get out and play this summer.

L. ADJOURNMENT

President Rake adjourned the meeting at 3:52 p.m.

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors back to order at 4:45 p.m. in the Glennallen board room.

Secretary Stowe reported a quorum with Treasurer Stark absent, all other directors present.

CEO Million informed staff the Board tendered an offer to a candidate for the CEO position, pending legal review of the contract.

President Rake adjourned the meeting at 4:47 p.m.


Secretary



N. CVEA COMMUNITY FOUNDATION BUSINESS

In accordance with the Copper Valley Electric Association, Inc. Community Foundation Bylaws, Section 5, Meetings: *All regular meetings of the Board of Directors will coincide with scheduled meetings of the CVEA Board of Directors. CVEACF action items will be presented on the CVEA Board of Director agenda as CVEACF Business.*

Vice President Rake called the CVEA Community Foundation Regular Meeting to order at 3:53 p.m. in the Glennallen Board Room. Secretary/Treasurer Delaquito established a quorum.

1. Annual Meeting

Mrs. Scheidt referred to the agenda included in the board packet.

2. Conflict of Interest Statement

Conflict of Interest Statements were distributed to the Board for signatures.

3. Election of Officers

Elections were conducted via the nomination process and the results were as follows: Director Delaquito, President; Director Maslen, Vice President; Director Stark, Secretary/Treasurer.

CEO Million turned the meeting over to President Delaquito.

4. Financial Statements

Mrs. Matthews reviewed key points of the financial statements included in the board packet and reviewed the foundation balance.

5. Draft Resolution – Bank Account Signers

Resolution 23-01 was required due to the change in officers for the Foundation.

MOTION Director Kildal moved to approve Resolution 23-01, *First National Bank Alaska Account*.

Vice President Rake seconded.

Motion passed.

6. Other Business

a. Monthly Report

Mrs. Scheidt reported the foundation will be looking for volunteers for the Contributions Committee soon. If any directors are interested let Sharon know.

b. Program Discussion

Mrs. Scheidt informed the Board that there are only a few nonprofit organizations requesting money from the Foundation and a lack of students applying for scholarships in recent years.

The Senior Giving Program is currently funded by the CVEA Community Support fund, which leaves little funds left to support other community needs. It is an option to move the Senior Giving Program to become a core element of the Foundation rather than keeping it under the CVEA Community Support. If there are any other additional programs/events that the Board would like to see as part of the Foundation as it grows, it will be brought back for discussion at the November board meeting.

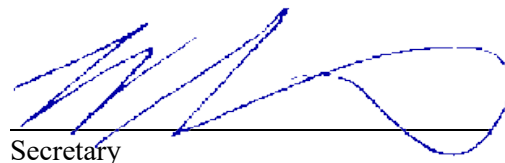
Directors commented on how great the Senior Giving Program is. Mrs. Scheidt responded to inquiries regarding the application process.

c. Foundation Committees Discussion

Mrs. Scheidt referred the Board to her written report which provided an overview and historical information on the program structure and how committees are formed. After discussion, staff was directed to revise policy on how the committees are structured and bring back to the Board for approval in November.

Vice President Rake adjourned the meeting at 4:42 p.m.




Secretary

COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
11:00 a.m. – May 18, 2023 – Valdez, Alaska
A G E N D A

| | | |
|----|--|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – April 20, 2023 | 2 |
| | 3. Engineering Report | 8 |
| | 4. Safety and Regulatory Compliance Report | 10 |
| | 5. Community Foundation | 12 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 14 |
| E. | WORK SESSION - EXECUTIVE SESSION | 15 |
| | 1. CEO Replacement | 16 |
| F. | ORGANIZATION OF BOARD | 17 |
| | 1. Ratification of Elections | |
| | 2. Oath of Office Signatures | |
| | 3. Designate Temporary Chair | |
| | 4. Election of Officers | |
| G. | SAFETY MINUTE | |
| H. | RECOGNITION OF GUESTS | |
| I. | MEMBERS' COMMENTS | |
| J. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications..... | 21 |
| | b. Chief Operating Officer..... | 24 |
| | c. Chief Financial Officer | 28 |
| | d. Chief Executive Officer | 32 |
| | 2. Financial Statements | 36 |
| K. | OTHER BUSINESS | |
| | 1. Work Session Report | 49 |
| | 2. Tariff | 50 |
| | 3. Director Committee Appointments | 52 |
| | 4. Director Training/Travel | 53 |
| | 5. Agenda Item Request | 59 |
| | 6. | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS (if necessary) | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
May 18, 2023

Directors Present

Dan Stowe
Andy Hess
Paul Kildal
Lon Rake
Jeff Saxe
Will Stark

Directors Absent

Yvette Delaquito
Jan Maslen

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 11:01 a.m. in the Valdez board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with Vice President Delaquito, Director Kildal and Director Maslen absent, all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda. Hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – April 20, 2023
3. Engineering Report
4. Safety and Loss Regulatory Compliance Report
5. Community Foundation

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Director Hess seconded.

Motion passed.

E. WORK SESSION - EXECUTIVE SESSION

MOTION Treasurer Stark moved that the Board go into executive session to discuss the CEO replacement, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Saxe seconded.

Motion passed.

Into executive session at 11:02 a.m.

Director Kildal joined the meeting from the Glennallen board room.

Recess taken at 11:52

Back in executive session at 12:02 p.m.

Out of executive session at 1:10 p.m.

Recess taken at 1:10 p.m.

Back in session at 1:16 p.m.

F. ORGANIZATION OF THE BOARD

1. President Rake turned the meeting over to CEO Million.

CEO Million reported that in the Valdez District 1,559 ballot packages were mailed to active members. There were 242 envelopes returned; 220 were validated and counted. The results were as follows:

| | |
|-----------|-----|
| Jeff Saxe | 220 |
|-----------|-----|

The Valdez District membership re-elected Mr. Saxe to a three-year term.

CEO Million reported that for the Copper Basin District, 1,213 ballot packages were mailed to active members. There were 257 envelopes returned; 250 were validated and counted. The results were as follows:

| | |
|------------|-----|
| Jan Maslen | 242 |
|------------|-----|

The Copper Basin District membership elected Mrs. Maslen to a three-year term.

MOTION Treasurer Stark moved to ratify the election results as presented. Furthermore, upon ratification, elected Directors will be appointed to the CVEA Community Foundation Board of Directors for the duration of their term.

Director Hess seconded.

The motion passed.

2. Oath of Office

The Director's Oath of Office was distributed to and signed by all directors present.

3. Designation of Temporary Chair

In accordance with Policy 114, CEO Million presided as temporary chair for the purpose of electing the Board President.

4. Election of Officers

Through the written ballot process, Director Rake was elected President. At President Rake's request, CEO Million facilitated the remaining officer elections. Written ballots were taken for the offices of Vice President, Secretary, and Treasurer. The election results were as follows: Director Delaquito, Vice President, Director Stowe, Secretary; Director Stark, Treasurer.

The meeting was turned over to President Rake.

G. SAFETY MINUTE

CEO Million reminded everyone that construction season is in full force. It is important to slow down and pay attention to construction zones and utility workers in the right of way.

H. RECOGNITION OF GUESTS

There were no members present.

I. MEMBERS' COMMENTS

There were no member or guest comments.

J. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt was absent and had no updates for the Board. There were no questions.
- b. Chief Operating Officer – Mr. McKinzey reported Allison Creek came online on May 18 and CVEA's generation is now 100-percent hydro. He updated the Board on the Valdez Chief Plant Operator submitting his resignation and May 18 is his last day. Mr. McKinzey also reported that the Glennallen Lineman Foreman, Craig Knobel, submitted his resignation and his last day is June 1.

Mr. McKinzey responded to inquiries on the significance of colder water temperatures at Solomon Gulch, which ultimately resulted in a slower melt rate

delaying hydrogeneration by approximately a week. He also responded to inquiries regarding the replacement of glycol and broken conduit.

- c. Chief Financial Officer – Mrs. Matthews reviewed the change of rates with the Board in May and anticipates shifting to 100-percent hydro by June. Mrs. Matthews and Mr. Stahley met with CRNA and Ahtna, per their request, to discuss grants available to tribes to increase grid stability and resiliency.

Mrs. Matthews met with several brokerage agencies regarding risk management which CVEA will be bidding out. She will get proposals from brokers and bring them back to the Board in July, for renewal in October. Mrs. Matthews responded to inquiries on potential savings for insurance costs.

Mrs. Matthews updated the Board on the online auction for the digger derrick. The top bidder backed out and it was sold to the next highest bidder, Richard Allaire.

Secretary Stowe extended a thank you to Mrs. Matthews for working with Glennallen students on job applications and interviews. President Rake inquired what it would cost to extend power to Tiekel River Lodge.

- d. Chief Executive Officer – CEO Million updated the Board on current legislation. He summarized that the legislature went into special session to review the budget, which needs to be finalized by July 1. He reviewed electric utility bills that passed through the Senate and House this year, noting that the Cogen debt reimbursement has not been vetoed from the budget at this time.

CEO Million briefed the Board on the APA membership withdrawing from REAP membership. Several utilities, including Chugach Electric, withdrew membership as well. CEO Million reported Chugach Electric is currently having their Board of Director's election. REAP is funding candidates to run for their Board which is against Chugach Electric's policies, as Chugach Electric was providing funding to REAP through its membership.

CEO Million updated the Board that they will hear back the week of May 22 regarding the current arbitration hearing.

CEO Million provided the Board with an update on a current OSHA investigation. The investigation was for a referral inspection for unsafe conditions at the substations with improper labeling in the Copper Basin. However, this is something CVEA has been working on and has been in the process of fixing.

CEO Million summarized the DNR Reclamation, which is the last item connecting Solomon Gulch to the Four Dam Pool. Since 2009, CVEA has tried to separate from the Four Dam Pool reclamation fund to do their own reclamation fund with DNR. DNR has opened the door to having a contract for single reclamation funds. It requires the utilities to get a quote from a contractor on what it would cost to return the dam to its natural state; this would be the amount required to have in an individual reclamation fund.

MOTION Treasurer Stark moved to approve CEO Million to execute DNR 2nd amendment for the Solomon Gulch Reclamation.

Secretary Stowe seconded.

Motion passed.

2. Financial Statements

Mrs. Matthews referred to the March 31, 2023, Financial Statements included in the board packet. She updated the Board that CVEA borrowed money on May 5 and was able to get a good interest rate, which saved about \$30,000. Mrs. Matthews responded to an inquiry in regard to switching from autopay with a credit card to ACH.

K. OTHER BUSINESS

1. Work Session Report

An executive session work session was held earlier in the meeting to discuss the CEO replacement. No motions were needed as a result of the executive work session.

2. Tariff

Mrs. Matthews provided an update on the tariff, which has been reviewed by the lawyer. There was one complimentary member comment after the public comment deadline.

MOTION Treasurer Stark moved to approve tariff changes as noticed on March 1, 2023.

Secretary Stowe seconded.

Motion passed.

3. Director Committee Appointments

As discussed during the CEO Evaluation executive session at the January Board Meeting, in lieu of having a separate CEO Evaluation Committee meeting, the Committee will comprise of the entire Board of Directors and the CEO Evaluation will be held and discussed at the January board meeting, during executive session. Appointments are not necessary for the CEO Evaluation Committee. The Committee will be conducted by the current Board of Directors Chairperson.

MOTION Director Hess moved to waive Policy 205.

Director Saxe seconded.

Motion passed.

4. Director Training/Travel

There are no new updates for any upcoming training or travel. The Board was provided a list of NRECA Director Education courses for the Board's reference. Mrs. Horvath reminded the Board of the APA Annual Meeting in August in Valdez.

3. Agenda Item Requests

No topics were requested for future discussion.

L. DIRECTOR/CEO COMMENTS

Secretary Stowe said it was a good executive session and a long meeting. He appreciated the reports.

Treasurer Stark thanked the staff for all the work going into the meetings and for keeping the lights on.

Director Hess said it was a productive meeting. The team discussed a lot of good topics and believes the co-op is heading in the right direction with upcoming transitions.

Director Kildal had no comment.

Director Saxe said it was a good meeting and there was a lot to be discussed today. He thanked everyone for their work and information.

President Rake said great meeting, great topics, and the executive session was great. Summer is finally here so get out and enjoy it and be safe.

CEO Million said he is grateful for the staff and all the work they do to make things happen. He gave a shout out to Mrs. Scheidt and Mrs. Jorgenson-Owen for their hard work on the annual meeting. CEO Million thanked the Board for the great executive session and the support in going in the right direction with upcoming changes.

M. ADJOURNMENT

President Rake adjourned the meeting at 2:43 p.m.




Secretary

DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Janice Maslen, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: _____

Janice Maslen

Date: June 15, 2023

ACKNOWLEDGEMENT

Subscribed and sworn to me this 15th day of June 2023, in Glennallen, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of June 15, 2023, lawfully assembled.

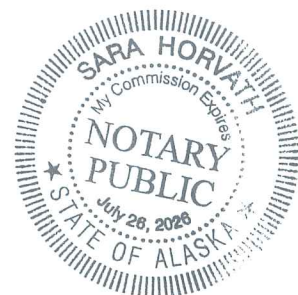
Notary Name

Sara Horvath

Notary Signature

[Signature]

Notary Seal



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Yvette Delaquito, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: _____

Date: _____

6/12/2023

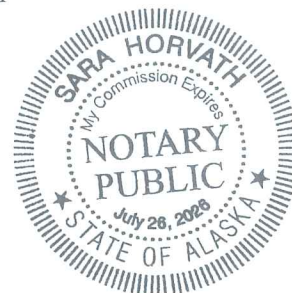
ACKNOWLEDGEMENT

Subscribed and sworn to me this 12 day of June, 2023, in Glennallen, Alaska,
at Copper Valley Electric Association, Inc., lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Daniel Stowe the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: Daniel Stowe

Date: May 18, 2023

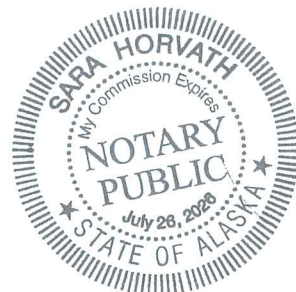
ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Jeff SAXE, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: _____

Jeff Saxe

Date: May 18, 2023

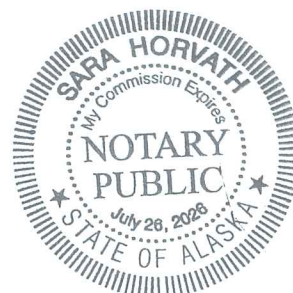
ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

Sara Horvath
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Paul Kildahl, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: Paul Kildahl

Date: May 18, 2023

ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Andrew Hess the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: _____

Date: May 18, 2023

ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Will Stark, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: _____

Date: May 18, 2023

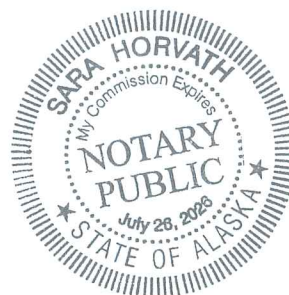
ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



DIRECTOR'S
OATH OF OFFICE

STATE OF ALASKA
Third Judicial District

I, Lon Rake, the undersigned, as an elected director of Copper Valley Electric Association, Inc., (CVEA) do solemnly swear that I will fairly, impartially, and to the best of my ability, perform my duties to protect and preserve the assets of this Corporation, so help me God.

I further swear:

1. That I am a member in good standing of CVEA;
2. That I am a bona fide resident of the district from which elected;
3. That I am not in any way employed by or financially interested in a competing enterprise or business primarily selling electric energy or supplies or services to CVEA;
4. That I will inform the Board of Directors of CVEA immediately if any of the conditions recited in paragraphs 1 through 3, above, should change;
5. That I will uphold the Code of Director Conduct and will disclose to the Board of Directors any action inconsistent with the Code of Director Conduct;
6. That I will at all times uphold, and act in accordance with, the policies and procedures of CVEA, as may from time to time be amended or supplemented; and
7. That in connection with my service on the Board of Directors of CVEA, I will at all times act in accordance with all applicable laws, and in good faith, in a manner I reasonably believe to be in the best interests of CVEA, and with care, including reasonable inquiry, that an ordinarily prudent person in a like position would use under similar circumstances.

Signature: Lon D. Rake Date: May 18, 2023

ACKNOWLEDGEMENT

Subscribed and sworn to me this 18th day of May 2023, in Valdez, Alaska, at the Copper Valley Electric Association, Inc. Board of Director's meeting of May 18, 2023, lawfully assembled.

Sara Horvath
Notary Name

Notary Seal

[Signature]
Notary Signature



COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
12 p.m. – April 20, 2023 – Glennallen, Alaska
A G E N D A

| | | |
|----|---|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – March 16, 2023 | 2 |
| | 3. Engineering Report | 7 |
| | 4. Safety and Regulatory Compliance Report | 11 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 17 |
| E. | WORK SESSION – EXECUTIVE SESSION | 18 |
| | 1. Native Allotment | 19 |
| | 2. Personnel Matters | 20 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications..... | 21 |
| | b. Chief Operating Officer | 24 |
| | c. Chief Financial Officer | 27 |
| | d. Chief Executive Officer | 34 |
| | 2. Financial Statements | 38 |
| | 3. Annual Meeting Update | 51 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report | 54 |
| | 2. Safety Program Update | 55 |
| | 3. Director Training/Travel | 56 |
| | 4. Agenda Item Request – <i>Down To Earth</i> | 59 |
| | 5. | |
| K. | EXECUTIVE SESSION | 60 |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS (if necessary) | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
April 20, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Andy Hess
Lon Rake
Jeff Saxe
Mark Shorten
Will Stark
Dan Stowe

Directors Absent

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 12:03 p.m. in the Glennallen board room.

B. PROOF OF QUORUM

Secretary Stowe established a quorum with all Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – March 16, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as presented.

Director Saxe seconded.

Motion passed.

E. WORK SESSION

MOTION Secretary Stowe moved that the Board go into executive session to discuss the native allotment and personnel matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Shorten seconded.

Motion passed.

Into executive session at 12:05 p.m.
Out of executive session at 12:52 p.m.

Recess taken at 12:52 p.m.
Back in session at 12:55 p.m.

F. SAFETY MINUTE

Mrs. Horvath reminded everyone of the importance of summer preparedness. It is always a good idea to have a plan for flooding and wildfires as summer approaches. Make sure you are aware of animals while out hiking or camping. Bring whistles, an air horn, or bear spray for protection. This is also a great time to check your first aid kit. Make sure medications are not expired and all supplies are replenished. If traveling, bring extra water on trips. It is also pothole season, so it is a good time to check your spare tire.

G. RECOGNITION OF GUESTS

President Rake welcomed Copper Basin Member Shannon Saavedra to the board meeting.

H. MEMBERS' COMMENTS

Copper Basin Member Shannon Saavedra wanted to learn more information regarding the rate increase and how CVEA directors are handling their fiscal responsibility. She inquired about what measures can be made to capital expenditures and operational costs to help offset high maintenance costs.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt said there was a small error in her report regarding Ruralite. The May issue will highlight electrical safety month and the June issue will focus on the annual meeting. The communications department trailer has arrived and will be getting it all geared up before the annual meeting. She encouraged everyone to fill out the Co-op Connections survey, as they are re-evaluating the program. The deadline for the survey is May 18 and there are prizes. Director Saxe commented on Co-op Connections.

CVEA's Pumpkin Patch won second place for *Best Event* at the NRECA Spotlight on Excellence award. It will also be a featured event at the NWPPA NIC Conference. CVEA's annual Pumpkin Patch will occur October 14 in Copper Basin and October 21 in Valdez.

Adjustments have been made to cvea.org. Tariff and MMR have both moved to the *About Us* section on the webpage. The construction calculator has launched on the website, under *Member Services* section for residential members to calculate a guestimate for construction projects. Sharon responded to questions regarding the construction calculator.

- b. Chief Operating Officer – Mr. McKinzey updated the Board on the switchgear for the Solomon Gulch substation relocation project. Linemen and Operators have been working together on the installation of materials and it is going very well.

Mr. McKinzey responded to inquiries regarding purchasing transformers from South Korea and the relicensing of Solomon Gulch. Vice President Delaquito commented on the successful promotion of Nathaniel Severs to Lineman Apprentice.

- c. Chief Financial Officer – Mrs. Matthews updated the Board that April rates look similar to March rates. It is hopeful CVEA will transition back to hydro soon with spring melting.

Mrs. Matthews referred to her written report regarding CVEA receiving a fraudulent direct deposit change request. The employee was paid right away and CVEA is working with the bank to recover the money. Additional protocols have been implemented to eliminate this risk in the future.

Mrs. Matthews reviewed commercial members paying bills with credit cards via auto pay, which has no cap. In a year, it could potentially cost at least \$45,000 in credit card fees to the membership. The accounting team has added an auto pay via ACH option to pull from bank accounts. If credit card fees become too burdensome to the membership, CVEA can consider charging a fee to offset credit card fees. Vice President Delaquito commented on how credit card fees can add up to be a substantial cost to a business.

Mrs. Matthews reviewed her trip to the NRECA PowerXchange. She attended various sessions on grant funds, tax credits, simplifying rates, and communications. It was a great opportunity and was glad she attended.

Mrs. Matthews reviewed how CVEA is working with members regarding the rate change. CVEA is offering impact statements to show members how their bills will change. There will be a booth at the annual meeting, and we will provide a sign-up sheet for impact statements.

Mrs. Matthews responded to inquiries regarding budget billing and tax credits.

- d. Chief Executive Officer – CEO Million referred to his written report for a legislative update on several bills geared toward the electric utility industry. CEO Million traveled to Juneau in March to testify with AVEC and Inside Passage regarding issues that rural electrical utilities are currently facing. Several utilities testified that their co-op does not collect enough in rates to replace and maintain projects in place. CEO Million further testified on the importance of preventative

work and maintenance on projects to continue to enhance CVEA's reliability rather than relying on grants.

CEO Million updated the Board on the DNR permit status for Allison Creek. It is starting to make progress so CVEA can move forward with surveying to get a land lease for Allison Creek. CEO Million responded to inquiries regarding the roadbelt and a carbon tax.

Recess taken at 2:20 p.m.
Back in session at 2:30 p.m.

2. Financial Statements

Mrs. Matthews referred to the February 2023 Financial Statements for questions and pointed out some key points. Mrs. Matthews reviewed grants CVEA will be applying for this year but is not reflected in the financial statements. Mrs. Matthews responded to an inquiry regarding grant opportunities to raise the Solomon Gulch Spillway.

Mr. McKinzey responded to an inquiry regarding the frequency of seismic studies required by FERC.

3. Annual Meeting Update

Mrs. Scheidt reviewed the status of annual meeting preparation activities. Ballots were due April 25, 2023, and the C&E Committees final meeting would be April 26, 2023. The annual meeting is Tuesday, May 2 in Valdez and Thursday, May 4 in the Copper Basin. Mrs. Scheidt reported CVEA received 10 percent of ballots in each district, so it should be a valid election.

J. OTHER BUSINESS

1. Work Session Report

President Rake reported no action was required from the executive session.

1. CEO Million referred to his presentation of CVEA's safety program. He summarized goals and how it has impacted CVEA's safety culture and that there is a consistent decreasing trend in injuries reported.

2. Director Training/Travel

Mrs. Horvath provided information and update agenda for the NWPPA Annual Meeting that is hosted in Anchorage. No directors expressed interest in attending.

4. Agenda Item Request

At the March board meeting, Director Rake requested a clip of *Down to Earth* featuring geothermal heat in Iceland be shown at the April board meeting.

Recess taken at 3:35 p.m.
Back in session at 3:50 p.m.

K. EXECUTIVE SESSION

MOTION Treasurer Stark moved that the Board go into executive session to discuss personnel matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Stowe seconded.

Motion passed.

Into executive session at 3:51 p.m.
Out of executive session at 4:07 p.m.

L. DIRECTOR/CEO COMMENTS

Director Kildal said it was a good meeting. He thanked CEO Million for all his work and said it was good to get to know Director Shorten during his term. Director Kildal thanked Mrs. Scheidt and gave her kudos for all her hard work on the annual meeting.

Director Shorten said it was a very good meeting and appreciates everything he's learned being on the Board. It has been good to see how a good operation runs. Director Shorten stated he would like to rerun when he is able to dedicate more time to being on the Board.

Director Hess said he echoed what everyone else said. It was a great meeting, and it is good to be able to discuss ideas and bounce them off each other. He reported he is having a great time on the Board and appreciates everyone's patience.

Vice President Delaquito said as always, it was a great meeting. She thanked Mrs. Scheidt for always providing co-op updates. Vice President Delaquito thanked Mrs. Matthews for fiscal responsibility and updates on grants. She Appreciates CEO Million's legislative updates and all the money CVEA is saving the members with the excellent safety program.

Treasurer Stark said it was a great meeting and it was great to get to know and serve with Director Shorten. He thanked the staff for keeping the lights on.

Director Saxe said it was a great meeting and was glad to attend in person. He enjoys being on the Board and it was great serving with Director Shorten. Director Saxe thanked CEO Million, Mrs. Matthews, Mr. McKinzey and Mrs. Scheidt for all their work.

Secretary Stowe thanked all the staff for providing updates on the co-op as well as the legislative updates. He wanted to say a big thank you to the office staff, field workers, and management for all the do. Secretary Stowe echoed what President Rake said, it has been pleasure to serve with Director Shorten and good luck on his future.

President Rake said it has been a pleasure to serve with Director Shorten and he was a great choice to be on the Board. He thanked all staff, field staff, and management for all they do. He hopes the board can continue to work with management cohesively to keep being productive.

CEO Million said thank you for working together well during the executive session. He appreciated the comment from the member who said it was enjoyable to see how great staff, management, and Board work together during a Board meeting. CEO Million thanked Director Shorten for his work on the Board. It is sad to see him go, but it has been great to work with him. Thank you.

M. ADJOURNMENT

President Rake adjourned the meeting at 4:18 p.m.


Secretary



COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
12 p.m. – March 16, 2023 – Valdez, Alaska
A G E N D A

| | | |
|----|---|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Board Meeting – February 16, 2023 | 2 |
| | 3. Engineering Report | 9 |
| | 4. Safety and Regulatory Compliance Report | 11 |
| | 5. Community Foundation Report | 13 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 17 |
| E. | WORK SESSION – Executive Session Motion | 18 |
| | 1. Board Policy Review | 19 |
| | 2. 2022 Audit Report | 20 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 44 |
| | b. Chief Operating Officer | 47 |
| | c. Chief Financial Officer | 50 |
| | d. Chief Executive Officer | 53 |
| | 2. Financial Statements | 55 |
| | 3. Annual Meeting Update | 83 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report | 86 |
| | 2. Director Training/Travel | 87 |
| | 3. Agenda Item Request – Electric Vehicles | 90 |
| | 4. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |
| N. | CVEA COMMUNITY FOUNDATION BUSINESS (if necessary) | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
March 16, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Jan Maslen
Lon Rake
Jeff Saxe
Will Stark
Dan Stowe

Directors Absent

Mark Shorten

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 12:02 p.m. in the Valdez board room.

B. PROOF OF QUORUM

Secretary Stowe established a quorum with Director Shorten absent and all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – February 16, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report
5. Community Foundation Report

D. APPROVAL OF AGENDA

MOTION Director Kildal moved to approve the agenda as amended, moving item E.1 Board Policy Review to item E.2, moving item E.2 2022 Audit Report to E.1, and adding item E.3 arbitration.

Secretary Stowe seconded.

Motion passed.

E. WORK SESSION – EXECUTIVE SESSION

MOTION Secretary Stowe moved that the Board go into executive session to discuss the Board Policy Review, 2022 Audit Report, and arbitration, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Hess seconded.

Motion passed.

Into executive session at 12:05 p.m.

Out of executive session at 1:18 p.m.

Recess taken at 1:18 p.m.

Back in session at 1:25 p.m.

F. SAFETY MINUTE

CEO Million reminded everyone to be aware of the spring thaw and freeze cycles. Be mindful of slick surfaces and unpredictable animals/people in the roadway as we transition to spring. It is important to be cautious this time of year when it snows, as it covers the ice causing a slipping hazard.

G. RECOGNITION OF GUESTS

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt did not have any updates. The Board inquired about the annual meeting and the importance of voting even when there is only one person running for the position.
- b. Chief Operating Officer – Mr. McKinzey updated the Board on the FERC license amendment and that the T-Line public comment period had close and had one comment submitted that was in support of removing the t-line from the license. The line replacement on the Duck Flats and Dayville Road project is behind schedule due to engineering delays. The surge arrestors in the transmission substations are at end of life, costing \$200,000 to replace, which was not budgeted for. However, CVEA will not be completing the feeder line upgrade, can utilize that budget for surge arrestors and will move forward with getting them replaced this year. Mr. McKinzey responded to inquiries about delaying feeder line upgrade.

- c. Chief Financial Officer – Mrs. Matthews referred to her written report. She provided an update regarding fluctuating rates due to Solomon Gulch Lake being lower than normal and higher fuel costs. However, CVEA received a carbon tax refund from Petro Star for about \$80,000 as the co-op was charged a tax that was not applicable to CVEA.
- d. Chief Executive Officer – CEO Million provided updates on numerous legislative matters. He reported that the MMR public meetings were held in both districts, which had a decent turnout. USNC will draft a PPA agreement with CVEA if they decide to move forward with the MMR. CEO Million interviewed with *Alaska Business Magazine* regarding the nuclear feasibility study and will provide the board with a draft when it is available. There will be public meetings on Monday, March 20, in both board rooms at 5:30 p.m. to update the community of the rate study process.

CEO Million responded to inquiries concerning the replacement of Alyeska's engineer, who was working on the VMT tie, and the timeframe for licensing nuclear power plants.

2. Financial Statements

Mrs. Matthews referred to the December 2022 and January 2023 Financial Statements for questions and pointed out key points.

3. Annual Meeting Update

Mrs. Scheidt reminded the Board of the dates for the annual meeting in each district. Nominations have closed and Jeff Saxe is running in Valdez and Jan Maslen in the Copper Basin. She said ballot packets will be compiled on March 28, mailed March 30, and the deadline for ballots to be returned is April 25.

J. OTHER BUSINESS

1. Work Session Report

CEO Million said he appreciated everyone's attention and participation in the work session discussions. Mrs. Matthews said she was appreciative for the Board's attention during the 2022 Audit Report work session.

MOTION Treasurer Stark moved to accept the 2022 Audit Report as presented.

Director Kildal seconded.

Motion passed.

MOTION Treasurer Stark moved to approve Board Policy 112 as modified in executive session.

Vice President Delaquito seconded.

Motion passed.

2. Director Training/Travel

Ms. Horvath reminded the Board that President Rake attended the NRECA PowerXchange Conference in Nashville at the beginning of March and would present a verbal report. President Rake summarized the pre-conference workshops he took prior to attending PowerXchange. He stated it was an eventful and busy few days and excellent information was provided. President Rake thanked the Board for the opportunity to attend.

Ms. Horvath referred to her written report if any Directors were interested on attending various conferences. No Directors indicated they were interested at this time.

3. Agenda Item Requests

At the February Board Meeting, it was requested by the Board to discuss electric vehicles and EV charging stations. CEO Million provided information on how EV charging stations determine rates to charge customers. CEO Million responded to Director Saxe's inquiry about changing tariff language for reselling electricity.

President Rake requested a clip of *Down to Earth*, which explores geothermal heat in Iceland, be shown at the April Board Meeting.

K. EXECUTIVE SESSION

No executive session as necessary.

L. DIRECTOR/CEO COMMENTS

Vice President Delaquito said it was a great meeting as always and stated the great audit results are reflective of a wonderful team with great management and oversight. She said it was a great meeting with lots of information.

Director Kildal said it was a good meeting. He thanked Mrs. Matthews for her work on the audit and keeping the co-op on track.

Director Hess said this was his first meeting with an audit and the auditors made him feel the co-op is on the right track. He said he has faith things are being done right and thanked everyone for all the work and information.

Director Saxe congratulated Mrs. Matthews and the accounting department on the good audit results. He thanked everyone for a good meeting and will hopefully see everyone in person for the April meeting.

Treasurer Stark thanked staff for everything that went into the meeting and thanked Mrs. Matthews for her work on the audit update.

Secretary Stowe thanked everyone and said we have a good team. He congratulated Mrs. Matthews on the great audit and thanked everyone for what they do.

President Rake said it was great to see CEO Million and Mrs. Matthews network with others in the industry at the NRECA PowerXchange. He thanked the Board for approving his attendance and thanked staff for all they do for the co-op.

CEO Million thanked Wayne for covering while he and Mrs. Matthews were in Nashville for the NRECA PowerXchange. He congratulated Mrs. Matthews and her team for another successful audit. CEO Million thanked everyone for all they do and reminded them it is time to start preparing for the annual meeting.

M. ADJOURNMENT

President Rake adjourned the meeting at 2:39 p.m.


Secretary



COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
12 p.m. – February 16, 2023 – Glennallen, Alaska
A G E N D A

| | | |
|----|--|-----------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page No.</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Regular Board Meeting – January 19, 2023 | 2 |
| | 3. Engineering Report..... | 7 |
| | 4. Safety and Regulatory Compliance Report..... | 9 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 11 |
| E. | WORK SESSION – EXECUTIVE SESSION | |
| | 1. CEO Succession Planning..... | 12 |
| F. | WORK SESSION | |
| | 1. Tariff Changes..... | 13 |
| G. | SAFETY MINUTE | |
| H. | RECOGNITION OF GUESTS | |
| I. | MEMBERS’ COMMENTS | |
| | 1. Copper Country Alliance Letters..... | 16 |
| J. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 27 |
| | b. Chief Operating Officer..... | 33 |
| | c. Chief Financial Officer | 36 |
| | d. Chief Executive Officer | 38 |
| K. | OTHER BUSINESS | |
| | 1. Work Session Report | 41 |
| | 2. Credentials & Elections Committee Appointments | 42 |
| | 3. Solomon Gulch Spillway Raise..... | 43 |
| | 4. Director Training/Travel | 60 |
| | 5. Agenda Item Requests | 62 |
| | 6. | |
| L. | EXECUTIVE SESSION (if necessary) | |
| M. | DIRECTOR/CEO COMMENTS | |
| N. | ADJOURNMENT | |
| O. | CVEA COMMUNITY FOUNDATION BUSINESS | |
| | 1. Scholarship Committee Appointments | 63 |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
February 16, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Andy Hess
Lon Rake
Jeff Saxe
Mark Shorten
Will Stark
Dan Stowe

Directors Absent

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 12:04 p.m. on February 16, 2023, in the Glennallen board room.

B. PROOF OF QUORUM

Secretary Stowe established a quorum with Directors Saxe and Kildal participating via videoconference, Director Shorten via teleconference, and all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – January 19, 2023
3. Engineering Report
4. Safety and Regulatory Compliance Report

D. APPROVAL OF AGENDA

MOTION Treasurer Stark moved to approve the agenda as modified, adding NWPPA Board vacancy as item K.6 to the agenda.

Director Saxe seconded.

Motion passed.

MOTION Vice President Delaquito moved to go into executive session to discuss CEO Succession Planning, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Treasurer Stark seconded.

Motion passed.

Into executive session at 12:07 p.m.

Out of executive session at 12:36 p.m.

E. WORK SESSION – EXECUTIVE SESSION

An Executive session was held to discuss CEO Succession planning. No action was taken as a result of the executive session.

F. WORK SESSION

A work session was held to discuss tariff changes. No action was made as a result of the work session.

G. SAFETY MINUTE

Mrs. Matthews presented about the importance of the balance of safety. She recalls being in in the Cayman Islands and seeing a utility truck driving down the road with a person in the bucket. Mrs. Matthews covered the importance of OSHA regarding safety requirements to reduce the number of accidents and lives lost.

H. RECOGNITION OF GUESTS

There were no guests.

I. MEMBERS' COMMENTS

Ruth McHenry of Copper River Alliance submitted a packet of information to include in the board packet regarding the Nuclear Feasibility Study.

J. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt provided an update regarding the annual meeting. Copper Basin district member Jan Maslen is running and has been approved to be on the ballot. Wade Sampson did not meet qualifications to run for the board as he is related to an employee. Incumbent Director Jeff Saxe is running in the Valdez district. She reminded staff of the importance of following the proper

protocol to get a nomination packet for members who would like to run for the Board.

Mrs. Scheidt responded to inquiries regarding director nominations.

- b. Chief Operating Officer – Mr. McKinzey provided an update on outage reports and how CVEA can reduce outages. He reported that surge arresters have failed in the substations, even though they were tested last year. Thirty surge arresters will need to be replaced, which was unexpected and not budgeted for.

Mr. McKinzey reported that Solomon Gulch Lake is lower than normal due to using more hydro in December and January to keep rates low during high usage months. He provided an update to the Board that Steve Williams was promoted to Power Generation Manager and two Power Generation Trainee candidates were offered positions and verbally accepted.

Mr. McKinzey responded to inquiries in regards to obtaining surge arresters.

- c. Chief Financial Officer – Mrs. Matthews provided an update that auditors will not be onsite this year as planned but is going well so far. She reminded the Board that there are no financials in the board packet this month as they are closing up 2022 financials. The auditors will present at the March board meeting once the audit is wrapped up. Mrs. Matthews responded to inquiries regarding auditor's responsibilities for CVEA.

Mrs. Matthews provided an update on rate increases and how CVEA will offset the 5-cent increase per kWh to level costs for members during for the winter months.

- d. Chief Executive Officer – CEO Million provided an update on the CEO Close-up he attended in January. A key point that was focused on is how rapidly the electric industry is changing and how to adapt and stay ahead of the changes. He talked about the challenges of changes in regulation regarding the type of steel used in transformers, which has led to prolonged lead time for materials.

CEO Million reported on his trip with Director Shorten to the APA State Legislative Conference in Juneau. During the breakout sessions, a common theme was the importance of working together and collaborating between the political parties as well as the House and the Senate.

CEO Million reported he was appointed by the Governor's staff to sit on the Alaska Broadband Advisory Board as the Rural Utility Representative.

CEO Million provided an update to the Board regarding Railbelt utility contracts with Hilcorp which will expire in the next five years. These contracts will not look like they have in the past as they are unsure about the having the supply of natural gas that is needed. CEO Million responded to inquiries regarding the Roadbelt intertie and grant funding.

Recess taken at 2:31 p.m.
Back in session at 2:38 p.m.

K. OTHER BUSINESS

1. Work Session Report

No work session report was needed as a result of the work session.

2. Credentials & Election Committee Appointments

Names of members who volunteered to serve on their respective C&E Committees were provided to the Board.

MOTION Vice President Delaquito moved to appoint Karen Hoefl, Shannon Saavedra, Charlene Nollner, Jenna Buck, and Ann Crow to the Copper Basin District Credentials and Election Committee, and to appoint Anna Bell Hand as an alternate in case a committee member is unable to server their commitment.

Treasurer Stark seconded.

Motion passed.

MOTION Treasurer Stark moved to appoint Myrna Dahl, Kate Goudreau, Jennie Sodergren, Karen Feero, and Kelly Brown to the Valdez District Credentials and Election Committee, and to appoint Bobby Gibbs as an alternate in case a committee member is unable to serve their commitment.

Secretary Stowe seconded.

Motion passed.

3. Solomon Gulch Spillway Raise

At the January board meeting, information was requested on the Solomon Gulch Spillway raise. CEO Million referred to the 2020 Solomon Gulch Pool Raise Evaluation – Project Status and Design Development Update presentation provided to the Board.

4. Director Training/Travel

Director Shorten provided a verbal report of the Alaska Power Association Legislative Conference which he attended in Juneau on January 31 – February 2. He provided a summary of key points he found interesting and encouraged any director to participate to gain broad knowledge of what is required on the legislative front. He thanked the Board for allowing him to participate. Director Shorten attended Consumer Centric Utility course which focused on how the electric utility is changing over time, from coal to hydro.

Ms. Horvath referred to the Director Training/Travel memo regarding any requests to attend Director education or conferences. No action was taken.

5. Agenda Item Requests

It was requested that electric vehicles be added to the agenda for the March board meeting.

6. NWPPA Board Seat

NWPPA is looking to fill a Board Member seat on their Board. The seat is for a Board Member of a NWPPA utility. There are approximately 20 – 25 individuals on the Board and they meet 3 times a year. Director Hess reported he would be interested in being nominated for the NWPPA Board Member seat.

L. EXECUTIVE SESSION

No executive session was necessary.

M. DIRECTOR/CEO COMMENTS

Director Shorten said it was a pretty good meeting and appreciated all the information. He wished he could attend in person but was glad to be able to call in.

Director Hess said it was a great meeting. He enjoyed all the input, and we have right Director of Communications to communicate the information to the public and said he is thankful for Mrs. Matthew's hard work. He said he believes the co-op is going in the right direction.

Director Kildal said it was a good meeting and he was glad to be able to videoconference in. Thanked CEO Million for the information regarding the Solomon Gulch spillway raise.

Vice President Delaquito said it was a great meeting. She reported she recently had some homeschool students come over and rave about the electricity tour and presentation for the homeschool program. Vice President Delaquito thanked Mrs. Matthews and her team for their hard work on the audit. She thanked Mr. McKinzey for the visuals in his board report to help her understand as a visual learner. She reported she is glad to be a part of a such a great co-op.

Director Saxe said it was a good meeting and appreciated the information the Solomon Gulch spillway raise. He wished staff luck with presenting the tariff change and rate change information at the annual meeting.

Secretary Stowe said it was a good meeting and said that staff has done great work to keep the Board informed. He said he speaks for the Board when he says he appreciates all the good hard work they put in for the co-op.

Treasurer Stark thanked everyone for all that is done to keep the lights on, and he is glad to be back.

President Rake echoed the other board member comments. He wished Mrs. Matthews luck with the audit and Mrs. Scheidt luck with annual meeting. President Rake thanked CEO Million, Mr. McKinzey, and Ms. Horvath for all the do for the co-op.

CEO Million said the Board covered it all. We are all working 100 percent and moving at a rapid pace at all times. Construction season is about to begin soon. He reported he is looking forward to attending NRECA PowerXchange with Mrs. Matthews and President Rake in a few weeks.

N. ADJOURNMENT

President Rake adjourned the meeting at 3:15 p.m.


Secretary



O. CVEA COMMUNITY FOUNDATION BUSINESS

In accordance with the Copper Valley Electric Association, Inc. Community Foundation Bylaws, Section 5, Meetings: *All regular meetings of the Board of Directors will coincide with scheduled meetings of the CVEA Board of Directors. CVEACF action items will be presented on the CVEA Board of Director agenda as CVEACF Business.*

Vice President Rake called the CVEA Community Foundation Regular Meeting to order at 3:16 p.m. in the Glennallen board room. Secretary/Treasurer Delaquito established a quorum.

1. Scholarship Committee Appointments

MOTION Secretary/Treasurer Delaquito moved to appoint Ramona Henspeter, Wendy Caldwell, and Sharron Ables to the Copper Basin District Scholarship Committee, and to appoint Gina Hoke to serve as an alternate in case a committee member is unable to serve their commitment

Director Stark seconded.

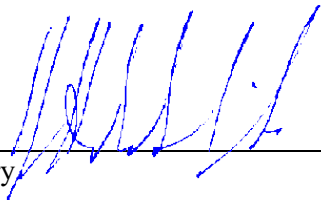
Motion passed.

MOTON Director Stark moved to appoint Stephanie Morgan, Ben Rush, and Rebecca Jeffries to the Valdez District Scholarship Committee, and to appoint Angela Reese to serve as an alternate in case a committee member is unable to serve their commitment.

Secretary/Treasurer Delaquito seconded.

Motion passed.

Vice President Rake adjourned the meeting at 3:18 p.m.

Secretary 



COPPER VALLEY ELECTRIC ASSOCIATION
Board of Directors Regular Meeting
10 a.m. – January 19, 2023 – Valdez, Alaska
A G E N D A

| | | |
|----|---|---------------|
| A. | CALL TO ORDER | |
| B. | PROOF OF QUORUM | |
| C. | CONSENT AGENDA | <u>Page #</u> |
| | 1. Changes to Consent Agenda | 1 |
| | 2. Minutes of Regular Board Meeting – December 15, 2022 | 2 |
| | 3. Safety and Regulatory Compliance Report | 8 |
| | 4. Community Foundation Monthly Report | 10 |
| D. | APPROVAL OF AGENDA | |
| | 1. Agenda Approval Memo | 13 |
| E. | WORK SESSION – EXECUTIVE SESSION..... | 14 |
| | 1. CEO Performance Evaluation..... | 15 |
| | 2. USNC Feasibility Update..... | 16 |
| F. | SAFETY MINUTE | |
| G. | RECOGNITION OF GUESTS | |
| H. | MEMBERS’ COMMENTS | |
| I. | REPORTS | |
| | 1. Management Reports | |
| | a. Director of Communications | 17 |
| | b. Chief Operating Officer..... | 20 |
| | c. Chief Financial Officer | 23 |
| | d. Chief Executive Officer | 28 |
| | 2. Financial Statements | 30 |
| J. | OTHER BUSINESS | |
| | 1. Work Session Report | 43 |
| | 2. Tariff Changes..... | 44 |
| | 3. ACRE/CARE Contribution | 64 |
| | 4. Director Training/Travel | 69 |
| | 5. Agenda Item Requests | 71 |
| | 6. | |
| K. | EXECUTIVE SESSION (if necessary) | |
| L. | DIRECTOR/CEO COMMENTS | |
| M. | ADJOURNMENT | |

REGULAR MEETING
CVEA BOARD OF DIRECTORS
January 19, 2023

Directors Present

Yvette Delaquito
Paul Kildal
Jan Maslen
Lon Rake
Jeff Saxe
Mark Shorten
Dan Stowe

Directors Absent

Will Stark

Others Present

Travis Million – CVEA
Jaime Matthews – CVEA
Sharon Scheidt – CVEA
Wayne McKinzey – CVEA
Sara Horvath – CVEA

A. CALL TO ORDER

President Rake called the regular meeting of the Copper Valley Electric Association Board of Directors to order at 10:09 a.m. in the Valdez board room.

B. PROOF OF QUORUM

Secretary Stowe reported a quorum was established with Director Saxe and Secretary Stowe participating via teleconference, Treasurer Stark absent, and all other Directors present.

C. CONSENT AGENDA

President Rake asked if any member wished to remove any item from the Consent Agenda; hearing no request President Rake declared the Consent Agenda approved as presented by general consent.

The items in the Consent Agenda are as follows:

1. Changes to Consent Agenda
2. Minutes of Regular Board Meeting – December 15, 2022
3. Safety and Regulatory Compliance Report
4. Community Foundation Monthly Report

D. APPROVAL OF AGENDA

MOTION Vice President Delaquito moved to approve the agenda as presented.

Director Kildal seconded.

Motion passed.

E. WORK SESSION

MOTION Vice President Delaquito moved to go into executive session to conduct the CEO Performance Evaluation, to discuss the USNC Feasibility update, and other matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative.

Director Shorten seconded.

Motion passed.

Into executive session at 10:12 a.m.

Recess taken at 11:06 a.m.

Back in executive session at 11:10 a.m.

Recess taken at 12:10 p.m.

Back in executive session at 12:25 p.m.

Out of executive session at 1:01 p.m.

F. SAFETY MINUTE

Mr. McKinzey encouraged everyone to think about the times they have successfully drove on slick roads or avoided hitting unexpected wildlife and to focus on the positive outcomes rather than only the failures. He shared the importance of being present, in the here and now, and focusing on the task at hand to avoid accidents.

G. RECOGNITION OF GUESTS

There were no guests.

H. MEMBERS' COMMENTS

There were no member comments.

I. REPORTS

1. Management Reports

All managers referred to their written report included in the board packet for questions.

- a. Director of Communications – Mrs. Scheidt updated the Board on upcoming deadlines for the annual meeting. She reported director nominations are coming up and incumbent Director Saxe has turned in his nomination packet. Director nomination packets are due February 9. Mrs. Scheidt reported the *Behind the Switch: An Office Story* is ready and will be played for the Board at the conclusion of the meeting.

President Rake and Vice President Delaquito thanked Sharon for the senior citizen event and commented on how enjoyable and successful it was for both districts.

Mrs. Scheidt responded to President Rake's suggestion regarding a public perception that CVEA is not utilizing hydro during winter months.

- b. Chief Operating Officer – Mr. McKinzey announced that Steve Williams was promoted to Power Generation Manager and will begin his new position on February 1. Mr. McKinzey reported there were 42 applications received for the Power Generation Trainee position and CVEA is moving forward with interviewing the top six candidates.

Mr. McKinzey responded to inquiries regarding outages.

- c. Chief Financial Officer – Mrs. Matthews provided an update on grant applications and interest rates. She reported staff are finalizing 2022 financials and preparing for auditors to be on sight in February.

Mrs. Matthews responded to an inquiry regarding temperature readings on the SmartHub. She reported SmartHub locations are pulled from the closest NOA weather station to your meter, which are currently located in Eureka, Gulkana airport, Valdez airport, Valdez City Central within the CVEA service area.

Mrs. Matthews provided information on rates and how they are stabilized with the overcollection over the winter months with fluctuating fuel rates. Mrs. Matthews referred to the board packet regarding capital credit retirements.

- d. Chief Executive Officer – CEO Million provided an update on the economics of the nuclear feasibility study. He reported that the podcast he participated in with NRECA was the most downloaded podcast they had in 2022. CEO Million provided an update on APA membership dues, which have increased, pushing CVEA slightly over budget.

CEO Million reported the senior citizen event went well in both districts and he received great feedback. He also provided an update on CVEA donating the award for the Copper Basin 300 Sportsmanship Award.

CEO Million will be in Juneau on January 30 through February 3 with Director Shorten to meet with Legislators to provide information on various topics related to CVEA.

2. Financial Statements

Mrs. Matthews referred to the November 2022 Financial Statements included in the board packet for questions and updated the Board. She responded to inquiries regarding CVEA assets and the longevity of the R&R fund.

J. OTHER BUSINESS

1. Work Session Reports

An executive session work session was conducted earlier in the agenda.

MOTION Vice President Delaquito moved to approve the CEO compensation changes as was discussed in the executive session work session on January 19, 2023.

Director Shorten seconded.

Motion passed.

2. Tariff Changes

Mrs. Matthews referred to the memo regarding tariff changes. At the February Board Meeting, Mrs. Matthews will provide a redline version of the tariff changes and draft presentation for the public meetings.

3. ACRE/CARE Contribution

CEO Million provided a review of what the Political Action Committees (PAC), Alaska CARE and ACRE, and how contributed funds are distributed. He provided an update that ACRE will be changing the name to The America's Electric Cooperative PAC. Directors submitted their contribution forms.

4. Director Training/Travel

Ms. Horvath referred the Board to information included in the board packet of upcoming training opportunities.

MOTION Vice President Delaquito moved to approve expenses for two directors to participate in the January – May, 2023 online director education courses.

Director Shorten seconded.

Motion passed.

4. Agenda Item Requests

President Rake requested CEO Succession Planning be added to the agenda for the February board meeting.

Director Saxe requested Solomon Gulch Spillway raise be added to the agenda for the February board meeting.

K. EXECUTIVE SESSION

No executive session was necessary.

L. DIRECTOR/CEO COMMENTS

Vice President Delaquito said it was a great meeting. She thanked Travis for being a strong leader and keeping the co-op going in the right direction. She thanked staff for being amazing and all the hard work they do. She is thankful to be here.

Director Hess said it was a good meeting but disappointed in the results of nuclear study. He appreciates working together as a Board and being candid with each other to be a great Board of Directors.

Director Saxe thanked everyone for a good meeting and the input. He apologized for not being on videoconference but was glad to join via teleconference.

Director Kildal said he was disappointed in the results of the economic aspects of the nuclear study. But appreciates the hard work put toward it; it was a good meeting.

Secretary Stowe reported it was a good meeting and wished Jaime good luck with the audit next month.


Director Shorten said it was great to be back in person to a meeting again. He was thanked everyone for the preparation for the meeting. He was hopeful for economic portion of the nuclear study but stated the financial aspects do not calculate out for the membership.

President Rake congratulated Andy on obtaining his CCD. He agreed with the many good comments already stated and thanked staff for everything they do because it is noticed every single day. He congratulated Mr. McKinzey on the new title, as Chief Operating Officer.

CEO Million, thanked the Board for their support. He pointed out staff for their hard work behind the scenes and the good work culture to be a great team. He thanked the Board's continued support in helping CVEA to move forward.

M. ADJOURNMENT

President Rake adjourned the meeting at 2:06 p.m.



Secretary

