

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

**August 26, 2019
Healy, Alaska**

	The regular meeting of the Board of Directors of Golden Valley Electric Association, Inc. was held at the Tri-Valley Community Center in Healy, Alaska on August 26, 2019.
PRESENT	<p><u>Directors:</u> Tom DeLong, Chairman; Gary Newman, Vice Chairman; Bill Nordmark, Treasurer; John Sloan, Secretary; Rick Schikora; Chris Bunch and Dave Messier.</p> <p><u>Staff:</u> Cory Borgeson, President & CEO; John Burns, Vice President & General Counsel; Ron Woolf, Vice President Finance & CFO; Frank Perkins, Vice President Power Supply; Bill Kirkenir, Vice President Strategic Development; Richard Lusby, Healy Plant Manager; Dave Brown, Assistant Healy Plant Manager; Andy Davis, Healy Operations Manager; Kathryn Strle, Treasury Manager; Kathy Mattila, Senior Accountant; Brett Baysinger, Mechanic Foreman Healy; Christine Martin, Plant Technician II; Susan Redlin, Executive Administrative Assistant and Cori Taylor, Administrative Assistant.</p> <p><u>Members:</u> District 1: Phil Wight; District 3: Alison Carter; District 4: James Schwarber; District 7: Brad Benson, Trista Davis, Terry Hinman and Denali Borough Mayor Clay Walker.</p> <p><u>Guest:</u> Rose Keller.</p>
CALL TO ORDER	Chairman DeLong called the meeting to order at 5 p.m.
SAFETY MOMENT	Mr. Bunch spoke regarding chain saw safety and also driving safely in road construction zones. Mr. Borgeson spoke about back to school safety tips for drivers.
MAC REPORT	Mr. Benson reported on the August 14, 2019 MAC meeting.
MEMBER COMMENTS	<p>Mr. Schwarber commented that he was pleased to be able to observe a GVEA board meeting and spoke in favor of additional renewables.</p> <p>Mr. Borgeson introduced GVEA's Healy Power Station employees in attendance: Richard Lusby, Dave Brown, Andy Davis, Kathy Matilla and Christine Martin.</p>

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<p>APPROVAL OF THE AGENDA AND ADOPTION OF THE CONSENT AGENDA</p>	<p>Mr. Schikora moved to approve the Agenda and adopt the Consent Agenda. Mr. Sloan seconded the motion. The motion passed.</p> <p>The Consent Agenda included:</p> <ul style="list-style-type: none"> • Approval of the July 22, 2019 Regular Board Meeting Minutes. • Appointment of Gary Newman to serve as GVEA's voting delegate at the 2019 CFC Region 9 Meeting, with Cory Borgeson serving as alternate. • Review of the Second Quarter 2019 Board/CEO Expenses. • Acceptance of the MAC Task Force's recommendations to appoint applicants to fill open positions: <ul style="list-style-type: none"> • <u>Regular Seats</u> (three-year terms): Anna Christou (D1); Carol Colp (D2); Myra Green (D3); Harmony Tomaszewski (D4) and Enlow Walker (D5). • <u>At-Large Seats</u> (one-year terms): Anita Hartmann (D1); Rodney Rutherford (D5); Dan Beck (D6) and Terry Hinman (D7).
<p>REVIEW THE SAFETY OFFICER'S JULY 2019 REPORT</p>	<p>Mr. Schikora moved to let the record reflect that the board reviewed the Safety Officer's July 2019 Report. Mr. Bunch seconded the motion. Following discussion, the motion passed.</p>
<p>STAFF PRESENTATION: KEY TREND RATIO ANALYSIS 2018</p>	<p>Mr. Woolf introduced Kathy Matilla, GVEA Senior Accountant.</p> <p>Ms. Matilla and Mr. Woolf gave a presentation entitled "Key Ratio Trend Analysis 2019 – GVEA Grouped With the Top 10 Cooperatives in the USA that Generate Their Own Power." The board asked several questions, which Ms. Mattila and Mr. Woolf answered.</p>
<p>STAFF PRESENTATION: 2019 MID-YEAR BUDGET REVIEW</p>	<p>Mr. Woolf gave a mid-year overview of the 2019 budget versus actual.</p> <p>The board asked several questions, which Mr. Woolf answered.</p>
<p>REVIEW RUS AUDIT LETTER</p>	<p>Mr. Newman moved to let the record reflect that the board reviewed the RUS audit letter dated August 7, 2019, regarding the RUS Special Construction Account. Mr. Schikora seconded the motion. Following discussion, the motion passed.</p>

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<p>ON-GOING REPORTS</p>	<p>ALASKA POWER ASSOCIATION (APA) REPORT – Mr. Sloan reported on the 2019 APA Annual meeting that was held in Juneau, Alaska, August 20 – 23, 2019.</p> <p>ARECA EDUCATIONAL FOUNDATION REPORT – Mr. Messier reported on the ARECA Educational Foundation Meeting held on August 21, 2019.</p> <p>ARECA INSURANCE EXCHANGE REPORT – Mr. Schikora reported on the ARECA Insurance Exchange Meeting held on August 21, 2019.</p> <p>ARCTEC - Mr. DeLong reported that ARCTEC continues to work on a Railbelt Reliability Council Memorandum of Understanding.</p> <p>BOARD CALENDAR - The board reviewed its calendar.</p> <p>MAC REPORT – Mr. Newman reported on the MAC Meeting held on August 14, 2019.</p>
<p>BREAK</p>	<p>At 6:40 p.m., Chairman DeLong declared a break. The meeting resumed at 6:56 p.m.</p>
<p>MANAGEMENT REPORTS</p>	<p>CEO REPORT – Mr. Borgeson gave updates on:</p> <ul style="list-style-type: none"> • GVEA’s proposed Fuel and Purchased Power Rate Adjustment of \$0.09177 per kWh, effective September 1 through November 30, 2019, a decrease of 4.79 percent from the last COPA filling. • Community efforts to advance electrostatic precipitators in the PM_{2.5} area. • A recent meeting with Fairbanks Gold Mining, Inc. • GVEA’s Petition for Reconsideration to Withdraw from the Regulatory Commission of Alaska’s (RCA) proceedings involving Chugach Electric Association’s proposed acquisition of Municipal Light & Power. • GVEA’s proposal to the RCA to add a new cost element that will allow GVEA to recover the cost associated with purchased power from the University of Alaska – Fairbanks. • GVEA’s 2020 United Way campaign. • GVEA’s right-of-way clearing efforts found that some member comments are positive and others negative. • Management’s efforts to spend time out in the field with GVEA crews.

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MANAGEMENT REPORTS (Continued)	<p>FINANCIAL REPORTS/FORM 7 – The July 2019 Form 7 was included in the board packet.</p> <p>PROGRESS REPORTS – The board asked several questions regarding progress reports included in the board packet, which Mr. Borgeson answered.</p>
DIRECTOR COMMENTS	<p>Mr. Messier stated he received two comments from members: one regarding GVEA's right-of way clearing and the other who was very happy to have his power restored. He also reported he took a capital credit class at the 2019 APA Annual Meeting.</p> <p>Mr. Bunch said he appreciated Healy's hospitality for the GVEA board meeting.</p> <p>Mr. Schikora indicated he will be late for the board's September 5, 2019 Administrative Committee meeting.</p> <p>Mr. Nordmark suggested a notice be placed in the <i>Ruralite</i> to attract APA scholarship applicants. He also suggested that the board review its practices when a board seat is vacated.</p> <p>Mr. Newman reported that the Scholarship Committee is scheduled to meet on August 27, 2019 to select the recipient of the Career & Technical Education Scholarship. He spoke about the upcoming resolutions committee meeting scheduled at the NRECA Region 7 & 9 Meeting. He also suggested that a sign be placed at the Ferry turnoff to showcase GVEA's Eva Creek Wind Farm.</p> <p>Chairman DeLong spoke about net metering capacity levels and the potential for a future APA-facilitated Railbelt directors-only meeting.</p>
ADJOURNMENT	At 7:38 p.m., without objection, Chairman DeLong declared the meeting adjourned.


9-23-2019
 Tom DeLong, Chairman


 John Sloan, Secretary


 Susan Redlin, Recording Secretary