

Southeast Alaska Power Agency Regular Meeting Minutes

Location: Ketchikan, Alaska
 Date: November 30, 2023
 Time: 9:00 a.m. AKST

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the regular meeting to order at 9:00 a.m. AKST on November 30, 2023. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present <i>Electronically (E) In Person (IP)</i>	Alternates	Present <i>Electronically (E) In Person (IP)</i>	Representing	Community
Bob Sivertsen	IP	Andy Donato	IP	Swan Lake	Ketchikan
Abby Bradberry		Delilah Walsh	IP	Swan Lake	Ketchikan
Janalee Gage		Jeremy Bynum	IP	Swan Lake	Ketchikan
Jeff Good	IP	Mark Walker	E	Tyee Lake	Wrangell
Bob Lynn	IP	Karl Hagerman		Tyee Lake	Petersburg

The following SEAPA staff and counsel were present for all or part of the meeting:

Staff	Present <i>Electronically (E) In Person (IP) or Telephonically (T)</i>	Staff/Counsel	Present <i>Electronically (E) In Person (IP)</i>
Robert Siedman, CEO	IP	Sharon Thompson, EA/CA	IP
Clay Hammer, Operations Mgr.	IP	Marcy Graves, Admin. Asst.	IP
Mark Hilson, Project Manager	IP	Joel Paisner, SEAPA Counsel	IP
Kay Key, Controller	IP		

B. *Communications / Lay on the Table Items*: The Chair announced that a Fund Balance Forecast (revenues and expenditures summary by fund) will be a lay on the table item to be included with the draft FY2024 budget.

C. *Disclosure of Conflicts of Interest*: Mr. Bynum announced that he is participating in the meeting in his capacity as a SEAPA board member and not representing any other entity.

2) Approval of the Agenda

Chairperson Sivertsen requested a motion to approve the Agenda.

➤ Motion	M/S (Walsh/Lynn) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓ Action 23-1078
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3) Persons to be Heard: None



4) Consideration of Approval of Minutes

A. Minutes of Regular Meeting held on September 28-29, 2023

Motion	M/S (Lynn/Bynum) to approve the minutes of SEAPA's regular meeting held on September 28-29, 2023. The motion was approved unanimously by polled vote.	✓ Action 23-1079
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5) Financial Reports

Motion	M/S (Bynum/Lynn) to accept year-to-date financial statements through October 2023, and disbursements for September and October 2023 totaling \$982,870.91, as presented. Following the CEO's report on the Agency's current financial position and financial statements, and fielding questions and comments from directors, the motion was approved unanimously by polled vote.	✓ Action 23-1080
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6) Staff Reports

A. Operations Manager Report (Hammer)

Mr. Hammer announced that the plant operations quarterly report in the board packet provides an update of quarterly activities at the plants and after fielding questions, discussed the activities behind the photographs provided in the report.

Mr. Hammer provided an update on the Wrangell landslide that occurred on November 20th. The Chair announced a moment of silence for victims of the slide. Following the moment of silence, Mr. Hammer discussed how SEAPA resources were utilized to help during the emergency, and provided an update on recovery and cleanup efforts.

The meeting recessed at 10:30 a.m. and resumed at 10:45 a.m.

B. Project Manager Report (Hilson)

Mr. Hilson provided an update on FERC-related activities, the Swan Lake Bunkhouse and Dam Vibration projects, and announced that the SEAPA headquarters project is complete.

7) CEO Report

Mr. Siedman provided brief updates on legislative activity, and SEAPA savings realized following negotiation of a contract and an insurance premium following a detailed line-item review. Mr. Siedman announced a SEAPA Town Hall meeting was held at Tyee to recognize staff for outstanding efforts and achievements. He closed with an update on efforts to recruit a Control Systems Engineer.

8) New Business

A. Executive Session Re CEO Annual Evaluation and Discussion Re Settlement of Claim

Motion	M/S (Bynum/Lynn) to recess into Executive Session pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions relating to an annual evaluation of an Agency employee, which discussions may involve subjects that tend to prejudice the reputation and character of a person, and to discuss a settlement of a claim with respect to Task Order No. 23017, the immediate knowledge of which would clearly have an adverse effect upon the finances of the Agency, the Projects, or any of the Member Utilities represented on the Board. The motion was approved unanimously by polled vote.	✓ Action 23-1081
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The meeting recessed at 11:20 a.m. for the executive session, and resumed into regular session at 1:43 p.m.

The Chair announced that the board met in executive session and discussed the topics that were listed.

B. *Reserved for Possible Action following the Executive Session.*

The Chair polled the board for any motions following the executive session.

Motion	M/S (Bynum/Lynn) to affirm the CEO's favorable evaluation and to adjust the CEO's base salary in accordance with Section 7 of the Employment Agreement between SEAPA and Robert Siedman, the CEO. The motion was approved unanimously by polled vote.	✓ Action 23-1082
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C. *Consideration of Resolution #2023-094 Re Adoption of 2024-2028 Strategic Plan*

Motion	M/S (Bynum/Lynn) to adopt Resolution No. 2023-094 adopting SEAPA's 2024-2028 Five-Year Strategic Plan. The motion was approved unanimously by polled vote.	✓ Action 23-1083
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D. *Consideration of 2024 Transmission Line Maintenance Contract*

Motion	M/S (Good/Bynum) to authorize staff to enter into an amendment to SEAPA's Contract No. 20118 with Electric Power Constructors, Inc. for SEAPA's 2024 Transmission Line Maintenance for the lump-sum value of \$399,287, plus a 10% contingency of \$39,929 for supplemental or emergency work, markup, and adjustments following IBEW negotiations, for a total not-to-exceed value of \$439,216. The motion was approved unanimously by polled vote.	✓ Action 23-1084
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E. *Consideration of IRS Code Section 125 Premium Only Plan (POP)*

Motion	M/S (Lynn/Good) to approve SEAPA's 125 Premium Only Plan, as presented at the November 30, 2023 board meeting. The motion was approved unanimously by polled vote.	✓ Action 23-1085
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F. *Consideration of Controls System Engineer*

Motion	M/S (Lynn/Good) to authorize the Agency's CEO to recruit and hire a full-time Controls System Engineer to provide support for all SEAPA facilities within the salary range of \$120,000 to \$160,000 annually based on the successful candidate's skills and experience, with flexibility to offer remote work options.	✓ Action 23-1086
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Following discussion, Mr. Bynum made the following amendment to the motion:

Motion	M/S (Bynum/Lynn) to amend the motion regarding the Controls System Engineer to adjust the salary range of the numbers "\$120,000 to \$160,000" to read "\$130,000 to \$170,000", and to strike "with flexibility to offer remote work option" and include "and provide a signing bonus of up to \$25,000". The motion was approved unanimously by polled vote.	✓ Action 23-1087
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The main motion regarding the Controls System Engineer, as amended, was approved unanimously by polled vote.

G. *Consideration of FY2024 Wholesale Power Rate*



<i>Motion</i>	M/S (Good/Bynum) to approve setting SEAPA's wholesale power rate at 7.3 cents per kWh for the period January 1, 2024 through December 31, 2024. The motion was approved unanimously by polled vote.	✓ Action 23-1088
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H. *Consideration of FY2024 SEAPA Budget*

<i>Motion</i>	M/S (Lynn/Good) to adopt the Fiscal Year 2024 Budget for the Southeast Alaska Power Agency.	✓ Action 23-1089
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Following Mr. Siedman's review of the general operations and maintenance expenses in the proposed FY2024 budget, the CEO discussed administrative operations. The Chair requested a motion to amend the budget for an appropriate wage adjustment for an administrative position:

<i>Motion</i>	M/S (Good/Bynum) to change SEAPA's Administrative Assistant position to an Office Manager position with the appropriate hourly-to-salary wage adjustment and amend the FY2024 budget by increasing Administrative FERC Code Line Item 920 to \$1,823,000 accordingly. The motion was approved unanimously by polled vote.	✓ Action 23-1090
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During discussion of Administrative FERC Code Line Item 924 for insurance, a motion was requested to amend the budget to increase the line item by \$75,000 regarding an insurance credit:

<i>Motion</i>	M/S (Bynum/Lynn) to amend the budget by increasing Administrative FERC Code Line Item 924 0 0960 for insurance to \$816,000. The motion was approved unanimously by polled vote.	✓ Action 23-1091
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The meeting recessed at 3:07 p.m. and resumed at 3:21 p.m.

Mr. Siedman continued a review of the FY2024 budget and fielded director questions and comments. The Chair requested a vote on the original motion on SEAPA's FY2024 budget, as amended.

The original motion on SEAPA's FY2024 budget, as amended, was approved unanimously by polled vote.

I. *Consideration of FY2024 Operations Plan*

The Chair requested a motion on the Agency's FY2024 Operations Plan.

<i>Motion</i>	M/S (Good/Bynum) to approve the 2024 SEAPA Operations Plan as presented in the November 30, 2023 Board packet. Following Mr. Siedman's review of the methodologies and models utilized in forecasting operations for 2024, and recommendation of a Swan Lake draft limit of 280ft and Tyee Lake draft limit of 1260ft, the motion was approved unanimously by polled vote.	✓ Action 23-1092
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9) **2024 Meeting Dates**

Director Lynn requested that the suggested dates for SEAPA's regular board meeting in Petersburg in 2024 be changed from September to August to provide an opportunity for the board and staff to tour Petersburg's Blind Slough (Crystal Lake) FERC Project. There were no objections.

10) **Director Comments**

Directors exchanged brief comments.



11) Adjourn

The Chair requested a motion to adjourn.

<i>Motion</i>	M/S (Bynum/Good) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.	✓ Action 23-1093
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The meeting adjourned at 5:07 p.m.

