

Southeast Alaska Power Agency Regular Meeting Minutes

Location: Ketchikan, Alaska

Date: March 14, 2024

Time: 9:00 a.m. AKDT

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the regular meeting to order at 9:00 a.m. AKDT on March 14, 2024. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present Electronically (E) In Person (IP)	Alternates	Present Electronically (E) In Person (IP)	Representing	Community
Bob Sivertsen	E	Jeremy Bynum	IP	Swan Lake	Ketchikan
Judy Zenge	IP	Delilah Walsh	IP	Swan Lake	Ketchikan
Steve Prysunka	IP	Mason Villarma	IP	Tyee Lake	Wrangell
Bob Lynn	IP	Thomas Fine-Walsh	IP	Tyee Lake	Petersburg
Karl Hagerman	IP	Mark Jensen	IP	Tyee Lake	Petersburg

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

Staff	Present Electronically (E) In Person (IP)	Staff	Present Electronically (E) In Person (IP)	Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, P.E., CEO	IP	Kay Key, Controller	IP	Joel Paisner	IP
Clay Hammer, Operations Mgr.	IP	Sharon Thompson, EA/CA	IP		
Mark Hilson, P.E., Proj. Mgr.	IP	Marcy Graves, Admin. Asst.	IP		

B. Communications / Lay on the Table Items: None.

C. Disclosure of Conflicts of Interest: None.

2) Approval of the Agenda

Chairperson Sivertsen requested a motion to approve the Agenda.

➤ Motion	M/S (Prysunka/Lynn) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓ Action 24-1098
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3) Persons to be Heard: None

4) Consideration of Approval of Minutes

A. Minutes of Regular Meeting held on January 25, 2024 – Annual (Special) Meeting

➤ Motion	M/S (Lynn/Hagerman) to approve the minutes of SEAPA's annual (special) meeting held on January 25, 2024. The motion was approved unanimously by polled vote.	✓ Action 24-1099
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5) Financial Reports

➤ Motion

M/S (Lynn/Prysunka) to accept year-to-date financial statements through December 2023 and disbursements for November 2023 through February 2024 totaling \$3,507,977.08. 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
24-1100

6) Staff Reports

A. Operations Manager Project Report (Hammer)

Mr. Hammer announced that 130 acres of contract brush work along the Agency's transmission lines is anticipated this season, and that inspections and testing of reactors and circuit switchers will take place at the Wrangell Switchyard. He provided an update on the Wrangell Substation's Battery Project, and discussed DC ramp testing and generator inspections that will take place at Tyee during an annual maintenance shutdown in June.

B. Plant Operations Quarterly Report (Hammer)

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

The meeting recessed at 10:30 a.m. and resumed at 10:40 a.m.

C. Project Manager Report (Hilson)

Mr. Hilson provided an update on FERC-related activities and several Swan Lake projects, including the Bunkhouse, a dam vibration analysis, partial discharge monitors, and progress of the design work for Swan Lake's governors/exciters and inlet valve control system. He announced that an emergency generator had been installed at SEAPA's headquarters, and that the 200HP Yamaha motors on Swan Lake's crew boat were being replaced along with an upgrade of the electronics on the vessel. He discussed the work performed to raise and level the ramp float at Swan Lake and provided an update on the Cleveland Peninsula Helipad Replacement Project. He closed with discussion on Wrangell's substation capacity upgrade design, and fielded questions from directors.

D. Office Manager Report (Graves)

Ms. Graves discussed projects that took place at SEAPA's headquarters and staff's efforts to mitigate paid storage space. She provided an update on the outfitting of Swan Lake's bunkhouse with furniture and kitchen supplies, and discussed maintenance activities that had taken place at SEAPA's headquarters. She closed with a discussion on her new duties as SEAPA's Office Manager.

7) CEO Report

Mr. Siedman provided a brief update on safety, and discussed several legislative-related activities including an executive order that would separate the AEA from AIDEA, funding opportunities, and incentive programs. He announced that SEAPA would be commenting on a U.S. Forest Service notice of intent regarding vegetation management in their national forests, and discussed the State's DNR Reclamation Fund.

The meeting recessed at 12:15 p.m. for lunch and resumed at 1:00 p.m.

Mr. Siedman wrapped up discussion on the reclamation fund. There was consensus that a resolution would be presented at a special board meeting in April to seek the board's consideration of approval granting the CEO authority to take further action to finalize a reclamation bond guaranty.

Mr. Siedman noted several contracts and requests for proposals were in the works for SEAPA projects, and provided an update on SEAPA's five-year strategic plan. He provided a recap of the Alaska Power Association's Legislative Fly-in



event in Juneau and reported that he applied for a board position on the AEA's board of directors in the event Senate Bill 243 becomes law. He announced that SEAPA is working on a cash policy, and closed with an update on personnel recruitment activities.

8) Old Business

A. Review/Discussion Re CEO Evaluation Forms

Mr. Siedman presented revised CEO Evaluation forms and a draft amendment of a resolution for the board's consideration of adoption at the next regular board meeting. He reviewed each paragraph of the revised forms and fielded director questions and comments. During discussions, directors arrived at a consensus that a discussion on the Agency's goals and objectives should be held during SEAPA's third quarter board meeting, and an in-person regular board meeting should be held prior to the final meeting of the year. The CEO announced he would present a resolution with the final CEO evaluation forms attached to the next regular board meeting for the Board's consideration.

B. Consideration of Amending Motion Re Controls System Engineer Position

Mr. Siedman provided an update on staff's recruitment efforts for a qualified candidate for the Controls System Engineer position and solicited the Board's consideration of amending its motion from the November 30, 2023 Board meeting to offer remote work options to a qualified candidate.

Motion	M/S (Prysunka/Zenge) to amend the motion previously adopted at the November 30, 2023 board meeting (Action Nos. 23-1086 & 1087) so that it would read: I authorize the Agency's CEO the flexibility to offer remote work options in the recruitment and hiring of a full-time Controls System Engineer to provide support for all SEAPA facilities within the salary range of \$130,000 to \$170,000 annually, and provide a signing bonus of up to \$25,000, based on the successful candidate's skills and experience. The motion was approved unanimously by polled vote.	✓ Action 24-1101
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The meeting recessed at 2:13 p.m. and resumed at 2:23 p.m.

9) New Business

A. Consideration of 2024 Swan-Tyee Intertie Brushing Contract

Motion	M/S (Hagerman/Lynn) to authorize staff to enter into a contract with Copper Ridge LLC for SEAPA's 2024 Swan-Tyee Intertie Transmission Line Brushing Contract for the firm-fixed value of \$542,175 and further authorize a 20% contingency of \$108,435 for danger tree removal for a total not-to-exceed amount of \$650,610. The motion was approved unanimously by polled vote.	✓ Action 24-1102
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B. Consideration of 2024 Swan-Bailey Brushing Contract

Motion	M/S (Hagerman/Lynn) to authorize staff to enter into a contract with Copper Ridge LLC for SEAPA's 2024 Swan-Bailey Transmission Line Brushing Contract for the firm-fixed value of \$246,776, plus a 20% contingency for danger tree removal of \$49,355 for a total not-to-exceed amount of \$296,131. The motion was approved unanimously by polled vote.	✓ Action 24-1103
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C. Consideration of Ketchikan Substation Design Contract

Motion	M/S (Prysunka/Lynn) to authorize staff to enter into a contract with SEL Engineering Services, Inc. for SEAPA's Ketchikan Substation Design Contract for the firm-fixed value of \$419,837, plus a 10% contingency of \$41,984 for unforeseen design modifications for a total not-to-exceed value of \$461,821. The motion was approved unanimously by polled vote.	✓ Action 24-1104
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D. *Consideration of Tye Capacity License Amendment Contract*

Motion	M/S (Lynn/Prysunka) to authorize staff to enter into a contract with Kleinschmidt Associates, Inc. for SEAPA's Tye License Capacity Amendment Contract for the firm-fixed value of \$272,468. The motion was approved unanimously by polled vote.	✓ Action 24-1105
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E. *Consideration of Surplus of 1984 Case 580 Backhoe*

Motion	M/S (Prysunka/Hagerman) that SEAPA's 1984 Case Model Extendahoe, Product ID #9056229, with Component / Attachments – Serial #5449088, which includes spare front and rear tires, and front and rear rims, be declared surplus equipment, and further move to authorize staff to sell it to the highest bidder. The motion was approved unanimously by polled vote.	✓ Action 24-1106
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F. *Consideration of Resolution Authorizing CEO to serve on AEA Board*

Motion	M/S (Lynn/Zenge) to adopt SEAPA Resolution No. 2024-096 authorizing in advance the appointment of SEAPA's CEO, Robert Siedman, to serve as SEAPA's representative on the Alaska Energy Authority's Board of Directors if he is appointed to serve in that capacity by the Governor of the State of Alaska, and further moved that if the CEO is appointed, he may serve in that capacity until the appointment is revised or revoked by the Alaska Energy Authority, the Governor, Legislature, or SEAPA's Board of Directors. The motion was approved unanimously by polled vote.	✓ Action 24-1107
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G. *Executive Session for Discussions Re Employee Performances*

Motion	M/S (Lynn/Prysunka) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws consistent with Alaska Statute 44.62.310 for discussions relating to employee performances, which discussions may involve subjects that tend to prejudice the reputation and character of a person. The motion was approved unanimously by polled vote.	✓ Action 24-1108
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The meeting recessed at 2:45 p.m. for the executive session, and resumed into regular session at 4:30 p.m.

H. *Reserved for any action following the Executive Session*

The Chair announced there was no action to be taken following the executive session.

I. *First Quarter Operations Plan Update*

Mr. Hammer provided an update on the lake levels at each of the plants noting that they are both in a very healthy condition in spite of Southeast Alaska's warmer-than-average winter due to El Nino weather patterns. He reviewed model predictions and advised that the seasonal outlook will be updated after snow surveys are completed in April.

10) 2024 Meeting Dates

There were no objections to the proposed meeting dates of April 12 for a special meeting, and June 26-27 for a regular meeting in Wrangell.

11) Topics for Future Discussion

The Chair solicited board comments on topics for future discussion.



- Heat Pumps. The Chair announced that heat pumps should be a future topic.
- Revision to Procurement Policy Re Surplus Property. Director Lynn requested discussion to consider revising SEAPA's Procurement Policy to increase the amount of surplus property the CEO is authorized to surplus without board approval.

Mr. Siedman requested the Chair's direction for a show of hands for each topic to be discussed to preserve staff's time being spent unnecessarily on requests not supported by a quorum. The Chair directed that specifics of what staff needs to investigate for each topic should also be provided by the board.

- Solar and Net Metering. The CEO announced a report on the topic has been prepared and will be presented at a future meeting.
- Whitman True-up. There was a general consensus that there is no reason at this time to bring the Whitman True-up topic before the board for discussion.
- Load Growth Study. The CEO reported a load growth study had been done in 2023. The Chair directed staff to include the topic in a future board meeting for further discussion.
- Other Alternative Energy Sources. Mr. Siedman reported that the Agency already conducted studies on tidal and geothermal, and that a wind study had been done in Wrangell, and one for Ketchikan is currently in progress. He noted that hydrogen is of interest and that incineration would only be studied at the board's direction.

12) Director Comments

Directors exchanged brief comments.

13) Adjourn

The Chair requested a motion to adjourn.

➤ Motion	M/S (Prysunka/Hagerman) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.	✓ Action 24-1109
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The meeting adjourned at 5:35 p.m.

