

Southeast Alaska Power Agency Regular Meeting Minutes

Location: Ketchikan, Alaska

Date: December 4, 2024

Time: 9 a.m. - 5 p.m.

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the regular meeting to order at 9:00 a.m. AKST on December 4, 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	IP	Jeremy Bynum	IP	Swan Lake	Ketchikan
Judy Zenge		Delilah Walsh	IP	Swan Lake	Ketchikan
Steve Prysunka		Mason Villarma ¹		Tyee Lake	Wrangell
Bob Lynn	IP	Thomas Fine-Walsh	IP	Tyee Lake	Petersburg
Karl Hagerman	IP	Mark Jensen		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		
Clay Hammer, Operations Mgr.	IP	Sharon Thompson, EA/CA	IP		
Mark Hilson, P.E., Proj. Mgr.	IP	Marcy Graves, Admin. Asst.	IP	Joel Paisner	IP
Kris Womack, Elec Controls Engineer	IP				

B. Communications / Lay on the Table Items: FY2025 Draft Budget presented under New Business Item 8D and which will be posted to SEAPA's website following approval of these minutes.

C. Disclosure of Conflicts of Interest: None.

2) Approval of the Agenda

The Chair requested a motion to approve the Agenda.

> Motion

M/S (Hagerman/Lynn) to approve the Agenda as presented. The motion was approved unanimously by polled vote.

✓ Action
24-1144

3) Persons to be Heard: None.

4) Consideration of Approval of Minutes

A. Minutes of Regular Meeting held on August 28-29, 2024

¹ Director Villarma attended the meeting electronically from 9:30 a.m. until approx. 12:50 p.m.



➤ Motion	M/S (Walsh/Lynn) to approve the minutes of SEAPA's regular meeting held on August 28-29, 2024. The motion was approved unanimously by polled vote.	✓ Action 24-1145
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B. Minutes of Special Meeting (Work Shop) held on October 25, 2024

➤ Motion	M/S (Walsh/Lynn) to approve the minutes of SEAPA's special meeting held on October 25, 2024. The motion was approved unanimously by polled vote.	✓ Action 24-1146
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5) Financial Reports

➤ Motion	M/S (Walsh/Hagerman) to accept year-to-date financial statements through October 2024 and disbursements for August through November 2024 totaling \$4,952,050.95. 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 24-1147
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6) CEO Report

Mr. Siedman provided an update on safety and overview of the upcoming legislative activities. He reported the Agency may be awarded grant funds from the Alaska legislature's FY2026 funds that SEAPA had applied for under Round 16 of the Alaska Energy Authority's (AEA) Renewal Energy Grant Program, and that notice from the Department of Energy of a \$5MM grant award to SEAPA under the DOE Section 247 Grant Program, is pending grant negotiations. He reported that the Forest Service has not yet responded to SEAPA's concerns regarding vegetation management, and presented a list of SEAPA projects that had been completed in 2024. He continued with an update on the progress of items under the Agency's five-year strategic plan, and an overview of activities during recent AEA board meetings since his appointment to the board by the Governor. He closed with optimism over successful personnel recruitment efforts in 2024 that will serve to perform major capital projects, relicensing, and increased regulatory requirements going forward.

7) Unfinished Business

A. Consideration of Resolution No. 2024-102 Re Drug & Alcohol Policy

➤ Motion	M/S (Hagerman/Bynum) to approve Resolution No. 2024-102 adopting a SEAPA Drug and Alcohol Policy. The motion was approved unanimously by polled vote.	✓ Action 24-1148
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The meeting recessed at 10:00 a.m. and resumed at 10:15 a.m.

8) New Business

A. Executive Session for Discussions regarding an employee or employees

➤ Motion	M/S (Walsh/Lynn) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws consistent with Alaska Statute 44.62.310 for discussions relating to an Agency employee or employees. Such discussions may involve subjects that tend to prejudice the reputation and character of a person or persons 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 24-1149
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The meeting recessed for the executive session and reconvened at 12:51 p.m.



B. Reserved for Possible Action following the Executive Session

The Chair announced that a motion will be heard as a result of the executive session.

➤ Motion	M/S (Lynn/Hagerman) to instruct staff to amend SEAPA's FY2025 budget to reflect the appropriate changes for the employees' compensation and provide a one-time bonus of \$15,000 to be paid to SEAPA's Chief Executive officer from SEAPA's FY2024 budget. The motion was approved unanimously by polled vote.	✓ Action 24-1150
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The Chair announced the meeting will break for lunch. The meeting recessed at 12:55 p.m. and resumed at 1:30 p.m.

C. Consideration of FY2025 Wholesale Power Rate

➤ Motion	M/S (Hagerman/Walsh) to approve setting SEAPA's wholesale power rate at 7.3 cents per kWh for the period January 1, 2025 through December 31, 2025. Following a discussion of why no increase to the wholesale power rate is requested for FY2025, the motion was approved unanimously by polled vote.	✓ Action 24-1151
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D. Consideration of FY2025 Budget

➤ Motion	M/S (Lynn/Hagerman) to adopt the Fiscal Year 2025 Budget of the Southeast Alaska Power Agency presented at the December 4, 2024 SEAPA board meeting as a Lay on the Table Item, and which shall be posted to SEAPA's website following the Board's approval of these minutes.	✓ Action 24-1152
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Mr. Siedman discussed an overview of the budget, and a page-by-page review of the Operating Revenue and Expenses, and Nonoperating Budget.

The meeting recessed at 2:33 p.m. and resumed at 2:48 p.m.

Mr. Siedman reviewed the R&R Capital Budget, and fielded director comments and questions. The Chair requested a vote on the outstanding motion for the budget.

The motion to adopt SEAPA's Fiscal Year 2025 Budget presented as a Lay on the Table Item during the meeting was approved unanimously by polled vote.

E. Consideration of Closure of New Generation Integration Project

➤ Motion	M/S (Lynn/Hagerman) to halt any further work on SEAPA's 1830-006 New Generation Integration and to close this Feasibility Project. The motion was approved unanimously by polled vote.	✓ Action 24-1153
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F. Consideration of FY2025 Operations Plan

➤ Motion	M/S (Hagerman/Lynn) to approve the 2025 SEAPA Operations Plan as presented in SEAPA's December 4, 2024 Board Packet.	✓ Action 24-1154
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Mr. Siedman presented SEAPA's 2025 Operations Plan as presented in the December 4, 2024 Board Packet. The highlights of discussion focussed on the language presented in a blue font on page 8 under Section 6.2 (Coordination of KPU Supplemental Diesel Generation) and in blue font on page 10 under Section 6.4 (Coordination of Petersburg & Wrangell's Supplemental Diesel Generation) of the Operations Plan. The blue-font language on the respective pages proposes that the draft limits at each hydro project can be lowered without Board approval by way of a written request to SEAPA from the respective utilities, and that lowering the draft limit would lower the Diesel Operations Plans proportionately for all elevations at the facilities. Following a consensus that discussion could wait until full membership



of the board is present, the Chair requested a motion to amend the main motion to accept the plan with the exception of the language in blue font on pages 8 and 10 respectively.

➤ Motion	M/S (Bynum/Lynn) to amend the motion by removing the blue language in the 2025 Operations Plan and save it for discussion at a later time. The motion was approved unanimously by polled vote.	✓ Action 24-1155
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9) Staff Reports

A. Plant Operations Quarterly Report (Hammer)

Mr. Hammer provided highlights of the results of monthly inspections at SEAPA's Swan and Tyee Lake Plants reporting that both plants were neat and orderly with no safety concerns noted. He provided highlights of the safety training that had occurred and discussed the business at hand in photographs presented at the end of the report.

B. Project Manager Report (Hilson)

Mr. Hilson presented a PowerPoint slide show summarizing the highlights of his Project Manager's report provided in the December 4, 2024 board packet. He discussed FERC license-related activities and projects, which included the Swan Lake Dam Vibration Analysis, Partial Discharge Monitors, and EDG Governors-Exciters and Inlet Valve Control System. He closed with an update on the Cleveland Peninsula Helipad Replacement Project advising that the Agency intends to solicit bids in 2025 for the installation of seven new helipads.

C. Electric Controls Engineer (Womack)

Mr. Womack provided progress reports for the Tyee Station Service & 15kV Switchgear, Ketchikan Substation Design and Tyee Third Turbine Design Projects. He advised that construction should begin in April 2025 for the Tyee Station Service & 15 kV Switchgear Project and that 100% design was submitted to SEAPA in October for the Ketchikan Substation Project. He outlined the Project's next steps, and closed with a progress report on Tyee's Third Turbine Design.

10) 2025 Meeting Dates

The next meeting date was reported as January 17, 2025 for a special (annual) meeting to exchange introductions of new board members, elect officers, review CEO evaluation forms, and any other new business that may be necessary for the Agency.

11) Director Comments

Directors exchanged brief comments.

12) Adjourn

The Chair requested a motion to adjourn.

➤ Motion	M/S (Hagerman/Lynn) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.	✓ Action 24-1156
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The meeting adjourned on December 4, 2024 at 5:15 p.m.

