

# Southeast Alaska Power Agency Special Meeting Minutes

Location: Held Telephonically<sup>1</sup>

Date: September 4, 2020

Time: 10:00 a.m. AKDT

## Agenda Items

### 1) Call to Order

#### A. Roll Call.

Chairperson Lynn called the special meeting to order at 10:00 a.m. AKDT on September 4, 2020. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present <i>Telephonic (T)</i> <i>In Person (IP)</i>	Alternates	Present <i>Telephonic (T)</i> <i>In Person (IP)</i>	Representing	
Karl Amylon		Jeremy Bynum	T	Swan Lake	Ketchikan
Bob Sivertsen	T	Cliff Skillings		Swan Lake	Ketchikan
Bob Lynn	T	Tor Benson		Tyee Lake	Petersburg
Robert Larson	T	Karl Hagerman		Tyee Lake	Petersburg
Stephen Prysunka	T	Lisa Von Bargen	T	Tyee Lake	Wrangell

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

Staff	Present <i>Telephonic (T)</i> <i>In Person (IP)</i>	Staff/Counsel	Present <i>Telephonic (T)</i> <i>In Person (IP)</i>
Trey Acteson, CEO	T	Joel Paisner, SEAPA Counsel	T
Clay Hammer, Operations Mgr.		Kay Key, Controller	T
Ed Schofield, Power Sys. Sp.		Sharon Thompson, EA/CA	T
Robert Siedman, Dir. Eng & TS	T	Marcy Hornecker, Admin. Asst.	

### 2) Approval of the Agenda

➤ <b>Motion</b>	M/S (Sivertsen/Larson) to approve the agenda as presented. Motion approved unanimously by polled vote.	✓ <b>Action</b> 20-839
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### 3) Old Business

#### A. Executive Session Re Contract Negotiations Update Re Submarine Cable Replacement Project

<sup>1</sup> The meeting was held telephonically due to recommendations from the Center for Disease Control and its social distancing guidelines.

➤ <b>Motion</b>	M/S (Sivertsen/Von Barga) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws consistent with Alaska Statute 44.62.310 for an update on the Agency's negotiations regarding its Submarine Cable Replacement Contract, 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 of the Board. The motion was approved unanimously by polled vote.	✓ Action 20-840
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The meeting recessed at 10:03 a.m. for the executive session and reconvened at 11:25 a.m. in regular session. The Chair requested a roll call after reconvening. There were no changes in attendance from the roll call taken when the meeting was initially called to order.

The Chair announced that staff updated the Board on the estimated cost of cable replacement and interim funding of the Submarine Cable Replacement Project in executive session, and that staff was given direction and now seeks to award a contract to Sumitomo Electric U.S.A., Inc. He noted it is also prudent that staff be authorized to proceed with bonding initiatives in the event the Board elects to seek bonding for the project at a future date and that staff will also need authorization to draw on SEAPA's self-insured risk fund, rate stabilization fund, dedicated R&R fund, and revenue fund, in that order, for interim funding of the project. He requested a motion for contract award and to proceed with bonding initiatives:

**B. Consideration and Approval of Submarine Cable Replacement Contract**

➤ <b>Motion</b>	M/S (Prysunka/Larson) to authorize staff to enter into a Contract with Sumitomo Electric U.S.A., Inc. for SEAPA's Submarine Cable Replacement Contract for the lump-sum amount of \$9,217,920 plus \$2,482,400 for time and materials deliverables for a total of \$11,700,320, and authorize a 10% contingency of \$1,170,032 and \$500,000 for SEAPA project-related expenditures for a total of \$13,370,352 and further authorize staff to proceed with bonding initiatives in the event the Agency elects to seek bonding for the project at a future date. Motion approved unanimously by polled vote.	✓ Action 20-841
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The Chair requested a motion for staff authorization to draw on interim funding for the project.

➤ <b>Motion</b>	M/S (Sivertsen/Prysunka) to authorize staff to draw on the following SEAPA funds as needed for interim funding of SEAPA's Submarine Cable Replacement Contract and SEAPA project-related expenditures in the following order:  (1) Self Insured Risk Fund (2) Rate Stabilization Fund (3) Dedicated R&R Fund (4) Revenue Fund  Motion approved unanimously by polled vote.	✓ Action 20-842
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**4) New Business**

**A. Consideration and Approval of SEAPA 2021 Administrative Employee Group Benefits**

➤ <b>Motion</b>	M/S (Sivertsen/Prysunka) to renew the NRECA 2021 employee group benefit plans and Administrative Employee Benefits as presented. Following an overview of the group benefits by Mr. Acteson and a brief discussion of options within components of the Agency's plan, the motion was approved unanimously by polled vote.	✓ Action 20-843
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**5) Adjourn**

The Chair solicited comments and discussion from the Board. A variety of comments were exchanged on the submarine cable project including whether board members could observe the project in process, funding, and whether the Agency's December board meeting could be held in person.

Following the exchange of comments, the Chair requested a motion to adjourn.

<b>&gt; Motion</b>	M/S (Sivertsen/Larson) to adjourn. The Chair declared the meeting adjourned after hearing several ayes.	✓ <b>Action</b> 20-844
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The meeting adjourned at 12:01 p.m.

**Signed:**

**Attest:**

*Cliff Skillings*

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**Secretary/Treasurer**

*Robert Lynn*

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**Chairperson**