



**SOUTHEAST ALASKA POWER AGENCY**

**Minutes of Special Meeting**

Monday, March 18, 2019

Southeast Alaska Power Agency Offices  
via Teleconference | Ketchikan, Alaska

(An audio recording of this meeting is available on SEAPA's website at [www.seapahydro.org](http://www.seapahydro.org))

**1) Call to Order**

A. *Roll Call.*

Chairman Sivertsen called the meeting to order at 3:00 p.m. AKDT on March 18, 2019. The following directors and alternates were present, thus establishing a quorum of the board:

<b>Directors</b>	<b>Present Telephonic (T) In Person (IP)</b>	<b>Alternates</b>	<b>Present Telephonic (T) In Person (IP)</b>	<b>Representing</b>	
Karl Amylon	IP	Andy Donato	IP	Swan Lake	Ketchikan
Bob Sivertsen	IP			Swan Lake	Ketchikan
				Swan Lake	Ketchikan
Bob Lynn	T	Robert Larson	T	Tyee Lake	Petersburg
				Tyee Lake	Wrangell

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

<b>Staff</b>	<b>Present Telephonic (T) In Person (IP)</b>	<b>Staff/Counsel</b>	<b>Present Telephonic (T) In Person (IP)</b>
Trey Acteson, CEO	IP	Kay Key, Controller	IP
Clay Hammer, Operations Manager	T	Sharon Thompson, Ex Asst/CA	IP
Ed Schofield, Power Sys Specialist	IP	Joel Paisner, Counsel	T
Robert Siedman, Dir Tech Services	IP		

**2) Approval of the Agenda**

<b>➤ Motion</b>	M/S (Lynn/Amylon) to approve the agenda, as amended, to add an item to the agenda to address the date of the next special board meeting. Motion approved unanimously by polled vote.	<b>Action 19-729</b>
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**3) New Business:**

A. *Consideration and Approval of Bond Resolution No. 2019-073.*

<b>➤ Motion</b>	M/S (Amylon/Lynn) to adopt Resolution No. 2019-073 authorizing the issuance of electric revenue refunding bonds of the Agency to refund for savings the Agency's outstanding Electric Revenue Refunding Bonds, Series 2009; approving an amended and restated indenture, an escrow deposit agreement, and other documents to be executed, delivered, or distributed in connection therewith, and authorizing the sale of	<b>Action 19-730</b>
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the refunding bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in the resolution.

The Agency's bond counsel, David Thompson, explained that the resolution on the floor for consideration was a follow-up to action the Agency took in 2015 when part of the 2009 bonds were refinanced. The difference is that instead of selling bonds in the public market place they are sold through the Alaska Municipal Bond Bank, which buys bonds of local governments then issues its own bonds in the public market place, and then uses those proceeds to make a loan. He explained that the resolution authorizes refinancing existing debt to save on debt service costs. A single bond would be issued to the bond bank, a loan agreement would be entered into setting forth the terms for repayment of the bond, and proceeds of the loan from the bond bank would be set aside in an escrow to make a payment on June 1 to retire the 2009 bonds. Mr. Acteson explained that the Agency would realize an estimated savings of \$343,333 by going through the bond bank and an additional \$30,000 may also be saved through the issuance process because the bond bank's processes are much simpler than selling in the public market place. Mr. Paisner confirmed that once the bonds are refinanced, the Whitman true-up is no longer hampered by bond covenants made in 2009 to bond holders and the insurer, so any action related to the true-up would be determined by a unanimous vote of SEAPA's directors. Mr. Acteson noted there could potentially be a negative financial impact to the Agency if the board elected to terminate the Whitman True-up.

The motion on Resolution No. 2019-073 was approved unanimously by polled vote.

**4) Old Business**

A. *Reservoir Management Discussions*

Mr. Acteson reported that Swan Lake's level was at 284 and Tyee's at 1260.1 and recommended maintaining the status quo on the operations plan. Following discussion, no action was taken to change the current status of the operations plan.

**5) Next Special Board Meeting Date**

The board elected to hold the next special board meeting on Thursday, March 28, 2019.

**6) Adjourn**

Mr. Lynn moved to adjourn the meeting. Chairman Sivertsen adjourned the meeting at 3:45 p.m.