



SOUTHEAST ALASKA POWER AGENCY

Special Board Meeting AGENDA

SEAPA Offices | Ketchikan, Alaska

July 27, 2018 | 10:00 a.m. AKDT

For Telephonic Participation: Dial 1-800-315-6338 (Access Code: 73272#)

1. Call to Order
 - A. Roll call
2. Approval of the Agenda
3. New Business
 - A. Consideration and Approval of Contract Increase to complete the Environmental Assessment of SEAPA's Tye Transmission Line ROW for Access by All-Terrain/Off Highway Vehicles
 - B. Consideration and Approval of authority for SEAPA's CEO to negotiate a release/termination agreement for an effective transition of the Operations & Maintenance of the Swan Lake Hydroelectric Project from KPU to SEAPA
 - C. Executive Session (if necessary in the event of discussions of the Swan Lake Hydroelectric Project regarding employment related matters)
4. Adjourn



SOUTHEAST ALASKA POWER AGENCY

DATE: July 24, 2018
TO: Trey Acteson, CEO
FROM: Clay Hammer
SUBJECT: Consideration and Approval of Contract Increase for Environmental Assessment of SEAPA's Tyee Transmission Line Right-of-Way for Proposed Access by All-Terrain/Off-Highway Vehicles

In 2014, the Agency solicited bids for an environmental assessment along SEAPA's Tyee transmission line right-of-way for proposed access by an all-terrain/off-highway vehicle. The contract was awarded to Meridian Environmental Inc. for a not-to-exceed (NTE) value of \$212,349. Section 8.10 of the Agency's procurement policy states that a change order for each additional improvement in a contract that has been competitively bid shall not exceed 15% of the original bid price; 15% of \$212,349 is \$31,852. Combined with previous change orders, this request to increase Meridian's contract by \$15,120 to complete additional environmental requirements will exceed 15% of the original bid price.

Staff recommends the board authorize staff to enter into an amendment to increase Meridian's contract by \$15,120 for the NTE value of \$257,249.

Please consider the following suggested motion:

SUGGESTED MOTION
I move to authorize staff to enter into an amendment to Meridian Environmental Inc.'s contract to increase it by \$15,120 for a not-to-exceed value of \$257,249 for additional environmental work required to complete the environmental assessment along SEAPA's Tyee transmission line right-of-way for access by an all-terrain/off-highway vehicle.



SOUTHEAST ALASKA POWER AGENCY

DATE: July 24, 2018
TO: SEAPA Board of Directors
FROM: Trey Acteson, CEO
SUBJECT: Swan Lake Operation and Maintenance Agreement

At its regular council meeting of July 19, 2018, the City Council of the City of Ketchikan unanimously adopted a motion authorizing the General Manager of the City of Ketchikan to petition the Southeast Alaska Power Agency (SEAPA) to release the City of Ketchikan, d/b/a Ketchikan Public Utilities from its obligations under the Swan Lake Hydroelectric Project's Operation and Maintenance Agreement dated December 24, 1996. The motion adopted by the City Council stipulated that the release would become effective and under such terms and conditions that are acceptable to both the City and SEAPA.

I recommend that SEAPA's Board of Directors grant me full authority to initiate negotiations with the designated representative of the City of Ketchikan, d/b/a Ketchikan Public Utilities, to develop necessary terms and conditions of a draft release/termination agreement for the Board's consideration for an effective transition of the Operations and Maintenance (O&M) responsibilities of the Swan Lake Hydroelectric Project from KPU to SEAPA. The discussions would include, but are not limited to, the following:

- Review of any and all existing contracts, agreements, warranties, permits, and other related documents, if any, that would need to be assigned to effect the transition of operations
- Mutual aid agreements
- Access to and maintenance of equipment sited on KPU property
- Maintenance and other records
- Status of current KPU employees assigned to Swan Lake
- What indemnification obligations SEAPA may consider
- Net billing processes
- Timeline for the transition
- Whatever other actions are necessary and in SEAPA's best interest for the transition

Please consider the following suggested motion:

SUGGESTED MOTION

I move to authorize SEAPA's CEO full authority to commence negotiations with the designated representative of the City of Ketchikan, d/b/a Ketchikan Public Utilities to develop necessary terms and conditions of a draft release/termination agreement for an effective transition of the Operations and Maintenance responsibilities of the Swan Lake Hydroelectric Project from KPU to SEAPA, which agreement would be brought to the SEAPA Board for further consideration at a date to be determined.

**MEMORANDUM
ATTORNEY-CLIENT COMMUNICATIONS**

TO: Stephen Prysunka, Chair
Southeast Alaska Power Agency

FROM: Joel R. Paisner, Ascent Law Partners, LLP

DATE: July 24, 2018

RE: Suggested Motion for Executive Session Re: Swan Lake Hydroelectric Project
Employment Related Matters

To the extent that the Board of Directors may elect to hold a portion of their Special Board Meeting to be held on July 27, 2018 in executive session to discuss Swan Lake Hydroelectric Project employment related matters, I recommend the following motion be made:

I move to recess into Executive Session to conduct further discussions relating to Swan Lake Hydroelectric Project employment related matters. The Executive Session will be conducted pursuant to SEAPA's Bylaws which are consistent with Alaska Statute 44.62.310 as the discussions may include subjects that will clearly have an adverse effect on the finances of the Agency and may tend to prejudice the reputation and character of any person.