

**CHUGACH ELECTRIC ASSOCIATION, INC.
ANCHORAGE, ALASKA**

OPERATIONS COMMITTEE MEETING

AGENDA

Stuart Parks, Chair
Harold Hollis, Vice Chair

Rachel Morse
Mark Wiggin
Bettina Chastain

February 10, 2021

4:00 p.m.

Chugach Board Room

- I. CALL TO ORDER (4:00 p.m.)
 - A. Roll Call
- II. APPROVAL OF THE AGENDA*
- III. APPROVAL OF THE MINUTES*
 - A. January 13, 2021 (Bigelow)
- IV. PERSONS TO BE HEARD
 - A. Member Comments
- V. NEW BUSINESS* (scheduled) (4:10 p.m.)
 - A. Replacement of Fuel Dispensing Facility and Repair of Storm Drain Collection System Project* (Hickey/Prior) (4:10 p.m.)
 - B. Eklutna Fish & Wildlife Project and McMillen Jacobs Contract* (Hickey/Brodie) (4:20 p.m.)
 - C. Vegetation Management Update (Hickey/Sliman) (4:30 p.m.)
 - D. Virtual Annual Meeting* (Hasquet/Andrews) (4:40 p.m.)
 - E. CEO Performance Review Schedule (Evaluation Committee) (4:50 p.m.)
- VI. EXECUTIVE SESSION* (scheduled) (5:20 p.m.)
 - A. Gas Supply Update (5:20 p.m.)
 - B. Railbelt Reliability Council (RRC) Update (5:40 p.m.)
 - C. Battery Storage Project Update (5:55 p.m.)
 - D. Renewable Energy Plan (6:20 p.m.)
 - E. Update (May 1, 2020 - April 30, 2021) Project Specific Initiatives (6:40 p.m.)
- VII. NEW BUSINESS (none)
- VIII. DIRECTOR COMMENTS (7:05 p.m.)
- IX. ADJOURNMENT* (7:15 p.m.)

* Denotes Action Items

** Denotes Possible Action Items

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

January 13, 2021
Wednesday
4:00 p.m.

OPERATIONS COMMITTEE MEETING

Recording Secretary: Danielle Bigelow

I. CALL TO ORDER

Chair Parks called the Operations Committee meeting to order at 4:02 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Roll Call

Committee Members Present:

Stuart Parks, Chair
Harold Hollis, Vice Chair *(via teleconference)*
Rachel Morse, Director *(via teleconference)*
Mark Wiggin, Director *(via teleconference)*
Bettina Chastain, Director *(via teleconference)*

Other Board Members Present:

Sam Cason, Director *(via teleconference)*
James Henderson, Director *(via teleconference)*

Guests and Staff Attendance

Present:

Brian Hickey	Arthur Miller	Sherri Highers
Arden Quezon	Matthew Clarkson	Tyler Andrews

Via Teleconference:

Connie Owens	Mark Fouts	Julie Hasquet
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II. APPROVAL OF THE AGENDA

Director Cason moved and Director Morse seconded the motion to approve the agenda. The motion passed unanimously

III. APPROVAL OF THE MINUTES

Director Chastain moved and Director Wiggin seconded the motion to approve the December 7, 2020, Operations Committee Meeting minutes. The motion passed unanimously.

IV. PERSONS TO BE HEARD

A. Member Comments

None

V. NEW BUSINESS

None

VI. EXECUTIVE SESSION

A. Eklutna Plan

B. Potential Change in Regulations on Electric Vehicle Level-3 Charging

C. Succession Planning Training Class Discussion

At 4:07 p.m., Director Morse moved and Director Hollis seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1), (3) and (4) the Board of Directors' Operations Committee go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; 2) discuss with its attorney's legal matters, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative; and 3) personnel matters. The motion passed unanimously.

The meeting reconvened in open session at 5:43 p.m.

VII. NEW BUSINESS

None

VIII. DIRECTOR COMMENTS

Comments were made at this time.

IX. ADJOURNMENT

At 5:49 p.m., Director Chastain moved and Director Morse seconded the motion to adjourn. The motion passed unanimously.

Replacement of Fuel Dispensing Facility and Repair of the Storm Drain Collection System Project

**Operations Committee Meeting
February 10, 2021**

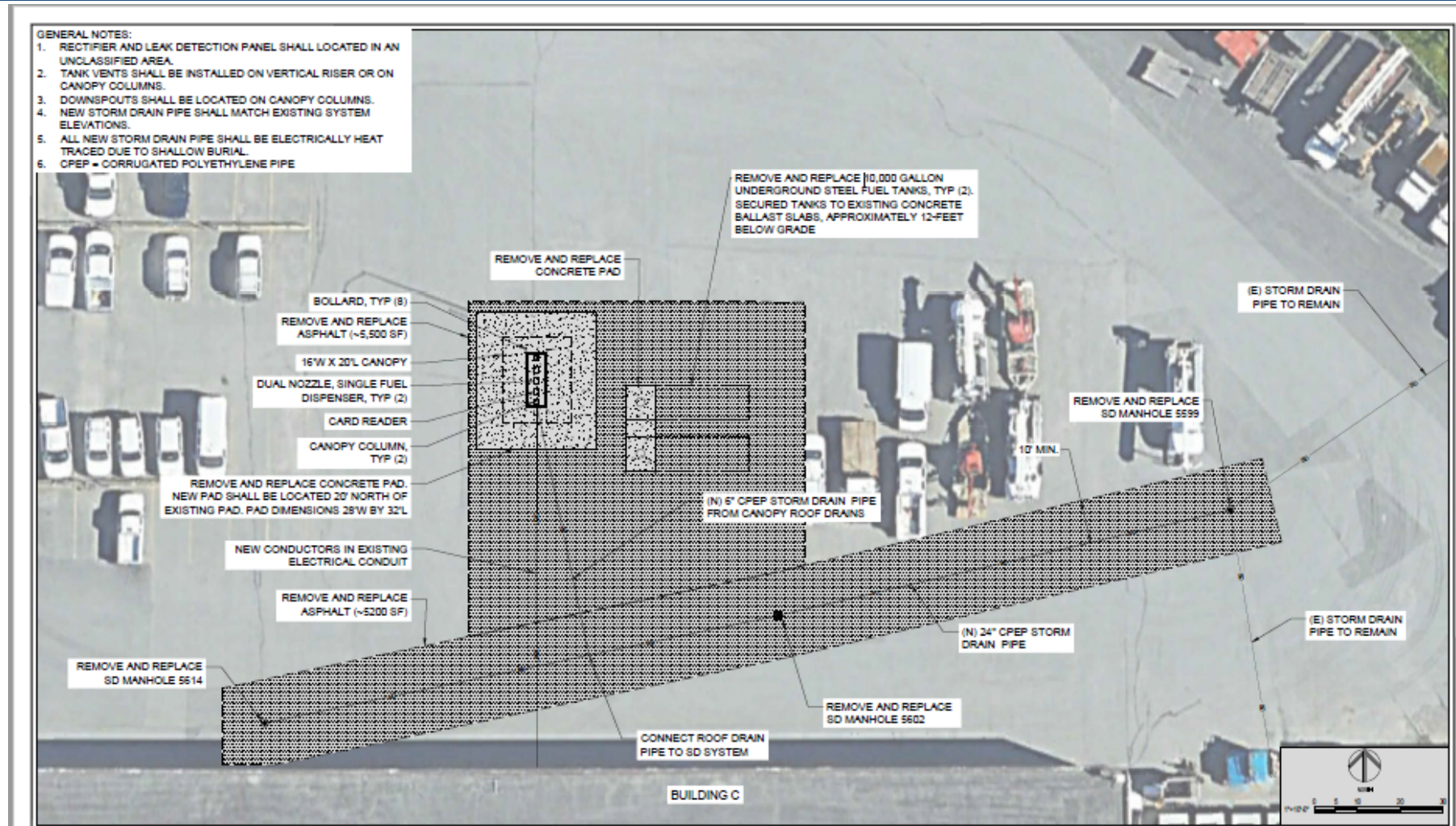


Introduction

- We are requesting project authorization to replace the South Campus operations vehicle and equipment fueling facility, and to repair the operations yard storm drain collection system.
- Both the fuel dispensing facility and storm drain are at the end of their useful life.
 - Tanks are over 30 years old and are no longer insurable in the marketplace; therefore, we are currently self insuring them.
- Significant storm drain heaving presents a safety hazard and creates a challenge for snow removal and vehicle traffic.
- We will bring contracts back to the board for approval as required.



Aerial Layout of Project



Budget

- The estimate to complete this project is \$1,173,654.
- Coffman Engineering developed the basis of estimate and replacement cost estimate.
- Next step: Request for Proposal (RFP) in April.
- Award expected end of May to lowest, responsive, and responsible bidder.



CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 10, 2021

ACTION REQUIRED

AGENDA ITEM NO. V.A.

<u> </u>	Information Only
<u> X </u>	Motion
<u> X </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Replace Fuel Dispensing Facility and Repair Storm Drain Collection System Project

DISCUSSION

This project will replace the existing South Campus fuel dispensing facility which has reached the end of its design life. Additionally, the existing storm drain collection system north of Building C will be repaired. Coffman Engineering developed the basis of estimate and cost estimate for this Project in July 2020, and they are currently assisting with the Request for Proposal (RFP).

The Storm Drain Reconstruction and Fuel Tank Replacement project in the amount of \$1,173,654 was included in the 2021 Capital Improvement Plan (CIP) approved at the December 16, 2020, Regular Board of Directors' meeting.

MOTION

Move that the Operations Committee recommend the Board of Directors authorize the Chief Executive Officer to proceed with the project to Replace Fuel Dispensing Facility and Repair Storm Drain Collection System for a total cost of \$1,173,654.



RESOLUTION

Replace Fuel Dispensing Facility and Repair Storm Drain Collection System Project

WHEREAS, Chugach Electric Association, Inc. (Chugach) has identified the need to replace the existing South Campus fuel dispensing facility which has reached the end of its useful life. Additionally, the existing storm drain collection system north of Building C will be repaired. Coffman Engineering provided a basis of estimate and cost estimate for this project in July 2020, and they are currently assisting with the development of a Request for Proposal (RFP); and

WHEREAS, the Storm Drain Reconstruction and Fuel Tank Replacement project in the amount of \$1,173,654 was included in the 2021 Capital Improvement Plan (CIP) approved at the December 16, 2020, Regular Board of Directors' meeting; and

WHEREAS, Chugach will competitively solicit and receive bids for the replacement of the Fuel Dispensing Facility and Repair of the Storm Drain Collection System; and

WHEREAS, Chugach will evaluate the bids and award to the lowest, responsive, and responsible bidder; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorize the Chief Executive Officer to proceed with the project to Replace the Fuel Dispensing Facility and Repair Storm Drain Collection System for a total cost of \$1,173,654.

CERTIFICATION

I, James Henderson, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24th day of February, 2021; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation the 24th day of February 2021.

Secretary

Chugach Project Authorization

Project Name: Replace Fuel Dispensing Facility and Repair Storm Drain Collection System Project

Project Category:

Safety	X	Incremental Load Growth		New Service		R&R T&D	
Agency Mandated		Reliability	X	Operating Efficiency	X	R&R Generation	

Accountabilities & Approvals

Signatures

Date

Board of Directors: James Henderson, Secretary

_____/____/____

CEO: Lee Thibert, CEO

_____/____/____

Executive Sponsor: Brian Hickey, COO

_____/____/____

Project Manager: Luke Sliman, VP of Field Operations

_____/____/____

Project Coordinator: Tim Prior, Sr. Mgr. Operations Admin

_____/____/____

Purpose and Need:

This project will replace the existing Fuel Dispensing Facility which has reached the end of its design life. Additionally, the existing storm drain collection system north of Building C will be repaired. Coffman Engineering developed a basis of estimate and subsequent cost estimate for this Project in July 2020, and they are assisting Chugach with the development of a Request for Proposal (RFP).

Project Description:

Replace Fuel Dispensing Facility

The existing fuel dispensing facility consists of two below grade fuel storage tanks. Each tank is 10,000 gallons and equipped with concrete ballast slabs. The tanks supply diesel and unleaded gasoline to the dispensing island. The dispensing island is a two-position facility with a concrete slab and island. There is a single dispenser fitted with both a diesel hose and unleaded gasoline hose for fueling light duty vehicles and equipment. A fuel management system, which has also reached its end of design life, tracks fuel dispensing at the facility.

Repair Storm Drain Collection System

The storm drain pipes, and structures have reached the end of their design life. These storm drain pipes are 24-inch diameter lines, corrugated metal, and buried relatively shallow. To guard against freezing these pipes have been equipped with electric heat trace. The pavement has both settled on either side of the pipe(s) and heaved overtop of the pipe(s).

Project Authorization Amount: \$1,173,654

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 10, 2021

ACTION REQUIRED

AGENDA ITEM NO. V.B.

<u> </u>	Information Only
<u> X </u>	Motion
<u> X </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Eklutna Fish & Wildlife Project and McMillen Jacobs Contract

DISCUSSION

Attached Resolution.

MOTION

Move that the Operations Committee recommend the Board of Directors authorize the Chief Executive Officer to proceed with the 2021 phase of the Eklutna Fish & Wildlife project, as identified in the approved 2021 Capital Improvement Plan (CIP) and Budget, in the amount of \$2,520,000. And, further, authorize the Chief Executive Officer to execute a contract with McMillen Jacobs in the amount of \$2,325,790 as described in the attached Resolution.



RESOLUTION

Eklutna Fish & Wildlife Project and McMillen Jacobs Contract

WHEREAS, the McMillen Jacobs estimate for the Eklutna Fish & Wildlife 2021 study effort is \$2,212,078; and,

WHEREAS, there will be additional Eklutna Fish & Wildlife Project legal and strategy efforts by the law firm of Wilson-Sonsini, and the project strategy firm Uqaqti Consulting necessary to complete the 2021 phase study effort and these costs are estimated at a combined \$200,000; and,

WHEREAS, the total estimated cost of the 2021 phase of the Eklutna Fish & Wildlife Project study effort including 4% contingency is \$2,520,000; and

WHEREAS, the Eklutna Fish & Wildlife project is reimbursable by 35.71% by Matanuska Electric Association Inc. (MEA) and Municipality of Anchorage (MOA); and

WHEREAS, \$1,620,108, Chugach's 64.29% non-reimbursable portion of the Eklutna Fish & Wildlife 2021 study effort, has been included in the 2021 Capital Improvement Plan approved by the Board in December of 2020; and

WHEREAS, McMillen Jacobs also provides services for Cooper Lake Power Plant (CLPP) FERC license compliance and required Part 12 Dam Inspection efforts through 2021. The CLPP consulting estimate included in the Board approved 2021 budget \$113,712; and

WHEREAS, two separate Task Orders will be prepared under the McMillen Jacobs contract. One for the Eklutna Fish and wildlife project and another for the CLPP FERC consulting; and

WHEREAS, the total 2021 McMillen Jacobs Chugach contract, including the Eklutna Fish & Wildlife and the CLPP consulting, needed for 2021 will be \$2,325,790; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorize the Chief Executive Officer proceed with the 2021 phase of the Eklutna Fish & Wildlife project included in the approved 2021 Capital Improvement Plan (CIP) Budget in the amount of \$2,520,000. And, in addition, approve execution of a contract with McMillen Jacobs in the amount of \$2,325,790.

CERTIFICATION

I, James Henderson, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24th day of February, 2021; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 24th day of February 2021.

Secretary

Vegetation Management Program

**Operations Committee Meeting
February 10, 2021**



Vegetation Management

- We prioritize clearing based on:
 - Safety
 - Fire prevention
 - Reliability threats
- We monitor and manage incursions into our rights of way (fences, sheds and vegetation).
- We clear the line ROW's for ease of access, maintenance, reliability and most importantly to prevent large-scale outages caused from major windstorms.
- Pre acquisition South Chugach ROW:
 - 890 circuit miles of OH Distribution line.
 - 435 circuit miles of Transmission line.
 - 40 substations
- Pre acquisition North Chugach ROW:
 - 123 circuit miles of OH Distribution line.
 - 21 circuit miles of Transmission line.
 - 14 substations
- We clear:
 - Distribution lines on a 3-year Cycle
 - Transmission lines on a 9-year Cycle
 - Substation weed control is done annually
 - Cycles are periodically reviewed to adjust for vegetation growth



Discussion

With ML&P acquisition we acquired four-person in-house clearing crew and associated equipment.

- For 2021 this crew will continue to maintain the preacquisition North District ROW.
- In 2021 we will be working to integrate this crew and the North District ROW and assets into our vegetation management plan in a manner that optimizes an efficient balance between contractor and in-house resources.

2017 the Chugach's vegetation management contract was competitively bid and was awarded to Carlos Tree Service.

- Four-year contract with an option for two three-year extensions.



Budget Breakdown

- 2021 budget Based on expected Distribution and Transmission Clearing.
 - Distribution Clearing \$1,281,600
 - Distribution Danger Tree \$ 614,418
 - Transmission Clearing \$ 584,322
 - Transmission Danger Tree \$ 57,468
 - Underground Clearing \$ 80,328
 - Substation Weed Control \$ 141,059
 - Campus Weed Control \$ 23,768
 - Total 2021 Budget \$2,782,963



Questions?

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 10, 2021

ACTION REQUIRED

AGENDA ITEM NO. V.D.

<u> </u>	Information Only
<u> X </u>	Motion
<u> X </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Annual Meeting requirements and limitations considering the COVID-19 public health threat

DISCUSSION

In light of the novel coronavirus, COVID-19, pandemic and subsequent warnings and restrictions issued by the Center for Disease Control and Prevention, the World Health Organization, the United States Health and Human Services Secretary, the State of Alaska Commissioner for the Department of Health and Social Services, the Governor of the State of Alaska, the Mayor of Municipality of Anchorage, and the President of the United States, the Chugach Electric Association, Inc., Board of Directors wish to comply with those directives by taking such action as is necessary to protect both the interests and welfare of the Association's members and the public health and safety in general as more fully described in the attached Resolution. The Board of Directors believes that such action is consistent with their authority under Chugach's Bylaws and their duties and obligations as Directors.

MOTION

Move that the Operations Committee recommend the Board of Directors approve the attached resolution authorizing the Association's annual membership meeting be conducted through a virtual platform for the limited purpose of announcing election results.

RESOLUTION

Annual Meeting Requirements and Limitations Considering the COVID-19 Public Health Threat

WHEREAS, on March 11, 2020, the Governor of the State of Alaska issued a Declaration of Public Health Disaster and Emergency regarding the COVID-19 outbreak;

WHEREAS, on March 18, 2020, the Board of Directors passed its Resolution 03 01 20 addressing Meeting Attendance Limitations and Requirements During the COVID-19 Public Health Threat (COVID-19 Res. No. 1);

WHEREAS, the Declaration of Public Health Disaster and Emergency has currently been extended through February 14, 2021;

WHEREAS, the Governor has introduced a bill that would extend the public health disaster emergency period to September 30, 2021;

WHEREAS, federal, state, and local authorities continue to treat COVID-19 as a very serious public health threat;

WHEREAS, on January 28, 2021, the Acting Mayor of Anchorage updated Emergency Order 18 restricting public gatherings without food or drink to 15 people or less;

WHEREAS, limiting in-person attendance at any meeting of the Association during the COVID-19 emergency, including this year's annual membership meeting, is required by and consistent with the health mandates and orders identified herein and in COVID-19 Res. No. 1;

WHEREAS, limiting in-person attendance at Association meetings during the COVID-19 emergency, including the annual membership meeting, is also consistent with Article IV, Section 6 of Chugach's Bylaws, which grants the Board of Directors the "power to make, adopt and enforce such policy, rules and regulations, not inconsistent with law, the articles of incorporation, or these bylaws, as it may deem advisable for the management of the affairs and business of the Association, for the protection of its investment, and for the interest and welfare of the members thereof."

WHEREAS, the Board of Directors believe that good corporate social responsibility dictates that in-person attendance should not be encouraged at this year's annual meeting in order to avoid the unnecessary risk of exposing Association members to COVID-19;

WHEREAS, Chugach's bylaws allow the annual election to take place without a formal meeting and members will be offered the opportunity to participate in the election by voting beginning on April 16, 2021 to May 14, 2021 for paper ballots, or until May 18, 2021 for online voting; and



WHEREAS, the Board of Directors intend to limit business conducted at the virtual annual meeting to that of announcing election results and believe that, under these emergent circumstances, adequate participation for that limited purpose can be achieved through a virtual platform.

NOW, THEREFORE, BE IT RESOLVED, the Association's annual membership meeting shall be conducted through a virtual platform;

BE IT FURTHER RESOLVED, that pursuant to Article III, Section 5 of the Association's Bylaws, business conducted at the virtual annual membership meeting shall be limited to announcing election results; and

BE IT FINALLY RESOLVED that the Chief Executive Officer is authorized to take any and all necessary steps to ensure compliance with the requirements and limitations contained in this Resolution.

I, James Henderson, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24th day of February 2021; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 24th day of February 2021.

Secretary