



Hualapai Tribal Utility Authority Board Meeting Minutes

June 29, 2020

Hualapai Cultural Center

9:00 AM

Hualapai Tribal Utility Authority Board Meeting Agenda
June 29, 2020 9:00 am
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1) Call to Order

Chairman Vaughn called the meeting to order at 9:21 am.

2) Roll Call

Board Members

Charlie Vaughn, Chairman -- present via Zoom

Joe Montana, Vice Chairman -- present

Lana Keller Robinett, Secretary --present via Zoom

Jason Davis, Treasurer --present

Rory Majenty – absent

Support Personnel and Guest(s)

Bill Cyr, General Manager -- present via Zoom

Kevin Davidson, Planning Director –present

3) Review and Approve Minutes

January 2020 Board meeting held on February 13, 2020 @ Cultural Center

Motion to approve minutes by Mr. Montana, and second by Mr. Davis vote (3-0-2).

The two member votes not for approval due to member absence from meeting

4) Approval of Invoices

a) BBC Consulting – General Manager Services-

Motion to approve; BBC Consulting June invoice of \$9,450 by Mr. Montana second by Mr. Davis – vote (3-0-2). The two member votes not for approval due to member absence from meeting

b) Tierra Right Of Way - Environmental Assessment

Motion to approve May invoice of \$257.50 by Mr. Montana second by Mr. Davis – vote (3-0-2). The two votes not for approval due to absence from meeting

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5) Manager's Report

The General Manager presented the General Manager's report which focused on the following items. Separate reports on each item were included in Board package

- *Micro Grid Extension*
- *GCW solar Project Grant -has been granted—discussed in greater detail in agenda item 8*
- *Power Line project-also discussed in agenda item 10*

During the discussion of the power line project the, concerns were expressed regarding the length of time it has taken the BLM to address / resolve issues surrounding the BLM's due diligence in granting ROW. Mr. Cyr and Mr. Davidson reported that the BLM is in possession of all required documents necessary to make their decision. The Board agreed that a letter should be sent to the BLM detailing HTUA's concerns regarding the slow rate of progress being achieved by BLM. Mr. Vaughn indicated he would draft a letter outlining HTUA concerns.

- *Plan of Development*
 - *Vegetation Management Plan*
 - *Biological Report*
 - *Cultural Report*
 - *Visual Impact modeling—(All except for one site –the final model for this one site is pending approval of a change order to Tierra Right of Way---BLM revised the location of the site – rejecting the results of the simulation of the site they had previously approved since right-of-way was relocated to avoid mining claim due on oversight on BLM's behalf.)*
- *GCW Var Issue*
 - *GCW Substation Power Transformer*
 - *ATEA Regional Call-Hoover Letter*
 - *GCW Maintenance practices*
 - *Tribal Utility and Energy Infrastructure Legislation for Indigenous People (TUEILIP)*

6) Financial Review

a) 2020 Budget Review –Expenditures to date

It was reported that \$78, 646 of the \$2.01 million dollar budget had been expended to date

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7) GCW Micro Grid Extension

The Board was provided with the following brief of the project

Project Summary

The project provides for extending the existing 20.8 KV GCW micro grid to serve existing non-micro grid connected loads. Grand Canyon West (GCW) is not interconnected to a traditional utility grid. The majority of electrical loads at GCW are served by a Hualapai owned and operated micro grid which is supplied energy by three Hualapai owned and operated CAT 750 KW diesel generators and a soon to be installed 1 MW community solar power plant (including 1.5 MWH battery storage systems). The solar power plant, battery storage system, 750 KW diesels and the 20.8 KV micro grid delivery system combine to form the Grand Canyon West - Integrated Micro Grid (GCW-IMG). A handful of electrical loads at GCW; Main Kitchen, Western Town Cabins, New Town Employee Housing, and the Airport Fire/Rescue are not currently served/connected to the GCW-IMG and are currently served by individual standalone diesel generators. This project provides for the connection of these loads to the GCW-IMG. The net result of the project will be to; reduce operating costs, improve end use reliability, reduce greenhouse gas emission, and a reduction noise.

The current costs serving the unconnected loads are \$801,000. Connection of these loads to the GCW-IMG will produce annual savings of approximately \$515,000 producing a 3.77 year total cost payback and a 1.9 year payback of the funds contributed by the Tribe.

a) Cost for detailed Load Survey from Walker Service Electric

This item was not available for the Board meeting. The contractor failed to provide a timely estimate. The services would provide for surveying the non-grid connected loads at GCW. This information would have been used to support / verify existing assumptions regarding a grant application for the micro-grid extension project. This supporting information would have been included in the grant application.

b) Feasibility

The Board was provided with an internally completed economic/ feasibility study for extending the micro-grid at GCW. The primary take aways from this study was:

- *GCW off-grid loads are the most expensive energy produced at GCW*
- *Cost of serving GCW off-grid loads is estimated to be 69 cents per KWH*
- *Cost to extend the micro grid is up to \$2 million dollars if performed by third-party contractor—Walker Electric*

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- *The cost to extend the micro grid by HTUA-(if HTUA had proper staff) would be less than \$1 million*
- *A \$2 million grant application has been prepared for submission pending Council approval. Council wanted the HTUA Board to review the project and make a recommendation back to Council.*
- *The grant would provide 50 % of the required funding or \$1 million and the Tribe would be required to provide an additional \$1 million towards the project*

c) Options Analysis DOE requirement

Options analysis will be completed in time for grant submission

d) Resolution

Motion of HTUA support for the GCW Micro-Grid Extension Project and grant application by Mr. Montana second by Mr. Vaughn. (3-0-2)

8) GCW Solar

a) General Update

The grant application submitted by Planning and HTUA has resulted in an award of \$1.3 million grant from DOE towards the \$2.6 million GCW solar project. Mr. Davidson is working on the final DOE paperwork with the Hualapai accounting department. In addition, Mr. Davidson and the TERC committee are working on accessing the proposed solar project site.

b) Solan Agreement

Solan has provided a draft contract for the solar power plant engineering procurement and construction. The document has been reviewed by Mr. Davison, Mr. Cyr and the tribe's legal counsel. The draft will be finalized and then submitted to Hualapai Council for final approval.

9) Mohave Electric Update

The CV-19 crisis has suspended work in this area. We are hopeful that due diligence can re-start in the next 30 to 60 days.

10) Proposed Power Line to Grand Canyon West

a) BLM Related

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i) Plan of Development-Pending approval

b) NEPA/ Environmental/Cultural/Biological

i) Cultural Report-Pending Approval

ii) Biological Report-Approved

iii) Visual Impact Assessments-In Progress

iv) Environmental Assessment Report-draft has been submitted

v) Tierra Change order

The BLM has rejected the visual simulation for one of the sites they selected for simulation as inadequate. A new location must be visually simulated resulting in the necessity for a Tierra Change order. The change order can be accommodated within the 2020 Tierra budget.

c) Tucson Electric Power System Facility Study Dolan Springs to Grand Canyon West.

i) System Facility Study Approval - \$100,000

The Board has chosen to delay possible approval of this expenditure pending approval of the ROW grant from BLM.

d) Transmission Line Design Contractor RFP - bid evaluation immediately after Board meeting.

There were five bidders to the Transmission Line Contactor RFP. Prior to today's HTUA Board meeting Mr. Cyr, Mr., Davidson and Mr. Knott evaluated the bid responses utilizing a standard ranking sheet. The results of that review are shown in the table below

Combined Rating Sheet for Grand Canyon West Power Line and Substation Design						
Name of Firm	Specialized Knowledge and Experience and Technical Competence (0-40 pts)	Knowledge and understanding of the scope, realistic approach (0-30 pts)	Cost of the proposed services (0-25 pts)	Total Costs (Tab 4)	Indian Owned Enterprise (5 pts)	Total
DiGioio Gray	36.7	28.3	10.0	\$1,283,319	0.0	75.0
Outsource Utility Contractor Corp	10.0	6.7	0.0	\$2,517,760	0.0	16.7
Pickett Salient	36.3	29.7	17.7	\$900,500	0.0	83.7
Q-Spec, LLC	38.3	28.7	25.0	\$662,691	5.0	97.0
Realtime Utility Engineers	33.7	29.7	21.3	\$810,810	0.0	84.7

The Board has chosen to delay review and possible approval of this expenditure pending approval of the ROW grant from BLM.

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11) HTUA Multi - Year Build Out Economics

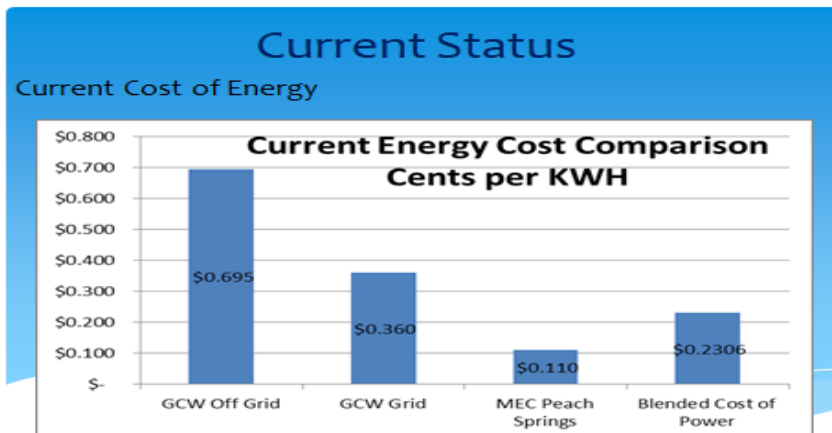
a) Economics

Mr. Cyr presented to the Board a 30 plus page power point that focused on the impact that three specific energy infrastructure projects, (GCW Solar Project, GCW Micro Grid Extension, GCW Power Line,) would have on the cost of energy on the Hualapai reservation. The graph and table below summarize the current status at Hualapai.

Current Status

Current Cost of Energy

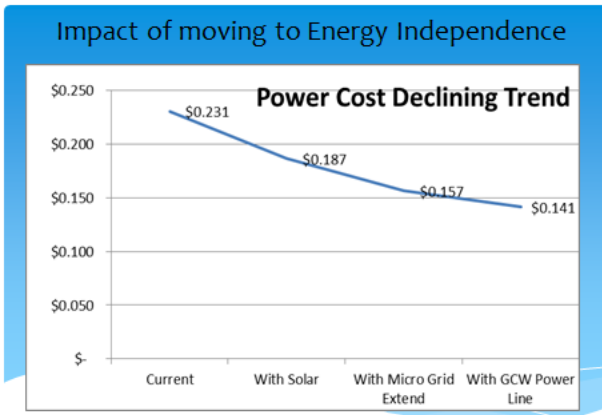
Current Conditions		yo=today	
Load Centers	Energy Required KWH	Current Cost Cents /KWH	Total Cost
GCW Grid	3,500,000	\$ 0.360	\$ 1,260,000
GCW OffGrid	1,154,257	\$ 0.695	\$ 801,884
Peach Springs	8,194,942	\$ 0.110	\$ 901,444
Total	12,849,200	\$ 0.231	\$ 2,963,327
Total Capital Expenditure		0	



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The graph below tracks the impact that each project would have on the average cost of power on the Hualapai reservation.



- The estimated cost to Hualapai for these projects is approximately \$18 million
- The projects would be completed over the next 4 to 5 years
- The costs for these projects would be paid for initially thru the Tribe's general fund and grants.
- In the long term, the Tribe's General fund would be made whole thru the continuing energy saving during the initial 15 years. After that the savings would be retained in the General Fund
- The bulk of these projects would be completed by a fully staffed HTUA. The cost for HTUA staff is included in the \$18 million estimate
- Final rates to be charged to GCW by HTUA will be at the direction of Hualapai Council
- At the end of the 5 year build out HTUA will have a competent staff and the necessary equipment to operate and maintain all electrical assets at GCW.
- Peach Springs energy requirements will be addressed separately thru separate projects

b. NextEra Letter

The Board reviewed a letter from NextEra-White Hills wind project. The letter offers various community benefit projects to the Hualapai. One of the community benefit proposals is line worker training which would be helpful in beginning the training of possible Hualapai Tribal Members as line workers.

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12) Fixed-wireless 4G LTE network in Peach Springs-Status Update (Kevin)

a) 2.5 GHZ request letter

The Board reviewed a letter from Mr. Vaughn as HTUA Chair regarding the application to the FCC for a slice of 2.5 GHZ spectrum for use in Peach Springs to deliver high speed internet access to Tribal homes.

13) Federal Hydro Power/WAPA/Other Power related

a) Request to WAPA for meeting with HTUA and Tribal Council

It was reported to the Board that this item is still pending and is dependent upon resolution of the CV-19 pandemic

14) Other Matters

a) Update on tribal council actions – Kevin

b) AT&T fiber optic easement and status of negotiation – Kevin

Mr. Davidson reported that the negotiating committee for this easement renewal will be the Hualapai Council. The Council will request assistance from HTUA and Planning as needed.

c) Announcements

d) DOE site Visit

Mr. Davidson informed the Board that representatives from DOE-Washington DC- would like to visit GCW West to review the GCW Solar Project site. Mr. Davidson will continue to work with DOE and the CV-19 response team to schedule the visit.

15) Set time and location for next meeting

Next meeting date will be a Cultural 9:00 am Tuesday the 21st. Board members will have the option to attend by Zoom or in person.

16) Adjourn

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Meeting was adjourned by Chairman Vaughn at 12:20 PM