

# Hualapai Tribal Utility Authority (HTUA) Meeting Minute

August 17th, 2018 Hualapai

## Health Department Conference Room

1. **Call to Order**

The meeting was called to order by Chairman Vaughn at approximately 9:12am.

2. **Roll Call**

**Board Members**

Charles Vaughn, Chairman- present

Joe Montana, Vice Chairman- present @ 9:30

Jamie Navenma, Secretary- via telephone

Treasurer- Vacant

Rory Majenty- via telephone

**Support Personnel and Guest**

Bill Cyr, General Manager

Kevin Davidson, Planning Director

3. **Review and Approve Minutes from July 5th, 2018**

Mr. Vaughn made a motion to approve July 5th, 2018 Board meeting minutes with a second by Mr. Navenma

4. **HTUA Meeting with tribal council**

Mr. Cyr and Mr. Davidson briefed the Board on the recent meeting with Hualapai Tribal Council that occurred on July 26, 2018 in council chambers. In summary the following items were presented and discussed with council

- Revenue and expense forecast
- Acquisition of MEC assets for Peach Springs
- Impact of serving GCW load
- Required additional load to break even

- Impact of Colorado River water pumping load (assumes water rights settlement)
- Other planned future developments by tribe- housing, casino, hotel...
- Update on GCW transmission line
- General routing discussions
- Right of way work to date
- Environmental work (Hualapai Cultural Dept/ BLM)
- Estimated cost
- How to pay for the line
  - Hualapai pay 100% cash
  - GCW pay 100% cash
  - Financing line- note covenants
- HTUA Governance Structure
- Day to day operational financial decisions will be substantial
- The ability to make quick decisions to maintain reliability
- Models of other successful Arizona tribal utilities- Gila River, Aha Macav Power, Navajo Tribal Utility Authority or Tohono O'odham.
- Ramifications of governance's structure to the Hualapai Constitution.
- Possible field trip to visit proposed routes with Tribal elders and other cultural representatives

The HTUA Board had a general discussion on the meeting and felt that it may be a good idea to make periodic presentations on the progress of the Grand Canyon West transmission line every couple of months. In general the direction from the council was not specific other than to continue moving forward with project design and to bring back a final proposal for council consideration in the future.

## **5. Discussion of Constitution of the Hualapai Tribe**

The board discussed the Hualapai Constitution provisions that appear to require modification for the Grand Canyon West project to go forward. Mr. Vaughn indicated that he sits on the committee responsible for recommending changes to the constitution and as such he will bring forward the HTUA Boards concerns regarding needed changes to support HTUA efforts

## **6. Proposed Power Line to Grand Canyon West**

### **a. Status of power line survey**

- **Alternative route matrix - Kevin Davidson**

The Board was provided with a copy of a constraint matrix for all of the Grand Canyon West Transmission line routes that are under consideration. Mr. Davidson went over the matrix which identified constraints by category such as Biological, Hydrology, and Cultural, visual, economics and many more. The Matrix will be used by HTUA, BLM and others to assist in evaluating feasibility of the different routes.

**b. Discussion of meeting with BLM on July 27<sup>th</sup>**

The Board was then presented with the minutes from a July 27, 2018 meeting with the BLM in Kingman. The major take away from that meeting is that the BLM is strongly suggesting that the Pierce Ferry/Diamond Bar route be looked at very closely again. The BLM appears to prefer this route as it travels for the most part along an existing roadway. Other routes raise environmental issues that may be more difficult to overcome than those imposed by the Pierce Ferry/Diamond Bar route.

**c. Status of NEPA/ Environmental**

The Board was informed that environmental works proceeds slowly as the Pierce Ferry / Diamond Bar route is looked at again.

**d. Tucson Electric Power System Impact Study Dolan Springs to Grand Canyon West**

Mr. Cyr briefed the Board about the current status of the interconnection study with Uni-Source. His presentation included a review of recent communication between HTUA and UniSource regarding the study. Mr., Cyr informed the Board that this study represents an initial study and that additional monies will need to be expended to obtain a final design and final cost from UniSource.

**e. Financing options**

The Board was presented with general information and recent communications associated with potential funding sources as listed below. As we finalize the route selection and transmission line design the actual cost of the proposed line will become more firm. Once we have better cost estimates we will begin the process of finding someone to finance the project. This could be combination of cash, grants and loans.

Kevin indicated his concern and provided recent communication that we are at risk of losing the USDA grant monies already in place. The take away is that we need to continue to make progress or we will lose these grant monies.

**1. Rural Community Assistant Corporation**

2. Department of Energy Financing
3. Update on \$1,881,130 High Cost Energy Grant from USDA/RUS for Hualapai Indian Tribe, GCW interconnections

f. Pierce Ferry/ Diamond Bar

1. Route Discussion

The Board was briefed on recent work surrounding the new review of the Pierce Ferry/Diamond Bar route, including on a recent field trip to review the Pierce Ferry/Diamond Bar route by Mr., Cyr and Mr. Davidson on August 11, 2018. The Pierce Ferry Diamond Bar route was traveled and photos were taken of road crossings and other signification power line route features. This information was provided to the Board and will be provided to the Mohave County Public Works Department and our transmission line design consultants. The Board was also briefed on discussions with the county for securing the use of the county ROW to locate the proposed transmission in. Once all necessary information is collected, we will be applying to the county for the right to locate poles in said ROW.

2. Legal opinion on county ROW

The Board was provided with a confidential memo from our legal representative- Patrick Black

7. Federal Hydro Power/ WAPA

The Board was presented with various correspondences as listed below regarding Federal Hydro Power Allocations and misc. correspondence from WAPA.

a. FERC order BCP-F10- Motion to pay fee \$ 1504.84

On a motion by Mr. Vaughn and a second by Mr. Montana the Board approved 4-0 the payment of \$1,504.84 to the Boulder Canyon Project for higher transitional costs than expected.

b. New BCP rate schedule

c. Bureau of Reclamation- Pechanga benefitting agreement for Schedule D power

d. Greetings from WAPA Desert Southwest Customer Liaison

e. Boulder Canyon Project Federal register notice

**8. Other Matters**

a. Update on tribal council actions (Kevin)

Mr. Davidson updated the Board on his recent attendance at council meetings

b. AT&T fiber optic - update- Kevin

Mr. Davidson updated the Board on the AT&T project. Mr. Vaughn recommended the right-of-way for the fiber optic line, which expired in 2014, be renegotiated.

c. Power Market historical and forward-looking prices

Mr. Cyr updated the Board on historical, current and forecasted power costs in the region.

d. New Board Member

The Board was informed that no one has applied for Board position. On a motion by Mr. Montana and a second by Mr. Vaughn the Board approved 4-0 to continue with the search until October 30<sup>th</sup>.

e. Announcements

**9. Set time and location for next meeting**

The Board set the next meeting date for September 13 at 9am in the small conference room at the Health, Education and Wellness Department.

**10. Adjourn at 11:00 AM**