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PRESS RELEASE

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ALP Utilities Planning to Construct New Operations Center

ALEXANDRIA, MN – July 9, 2024 – ALP Utilities, the not-for-profit municipal public power utility serving Alexandria, is preparing to construct a new, consolidated operations center to meet the demand driven by community growth. This project represents the first phase of a strategic capital improvement plan that is scheduled to include phases for the operations center and pole yard, substation, potential new generation and a water tower over the next decade.

ALP is working with local firms JLG Architects, ORB Management and BCI Construction, Inc. to address increasing concerns of population growth, safety of employees, ADA accessibility, storage, and capability of its aging structures to provide reliable future service. Construction of the new, approximately 41,000-square-foot building is planned to start construction in Summer 2024, with completion scheduled for Fall 2025. Total construction cost for this first phase is estimated at \$14 million.

ALP currently operates out of 316 Fillmore Street, with equipment located in two off-site storage facilities and two on-site outbuildings. ALP's headquarters was built in 1967 to serve Alexandria's population of 7,000. Today, the population exceeds 15,000, which increases service demand, challenging daily operations, prompting repairs and retrofitting to current storage facilities, and requiring additional off-site storage facilities.

Facing years of challenging weather and a growing community, ALP prioritized mitigation of ongoing structural and operational issues that are most likely to affect future service reliability, affordability, employee-retention, and facility security. ALP's planning began by engaging in strategic conversations with its governing board and staff to assess strengths and weaknesses. ALP's Strategic Plan outlines the resources needed to successfully support the growth of the community in the years ahead, further identifying five key priorities: Financial Stability and Strength; Community Engagement; Utility Infrastructure; Products and Services; and Workforce.

JLG Architects was hired in 2021 to conduct a feasibility study for renovation at the existing ALP location and exploration of a new facility at a greenfield site. The firm additionally conducted a spatial analysis and programming exercise, where multiple facility solutions were taken into consideration. JLG assisted

ALP over the subsequent years to vet facility opportunities as they arose, culminating in late 2023 when ALP formalized the decision to proceed with a new building and purchase a greenfield site.

“In the past, simple metal buildings might have sufficed, but we know they won’t withstand the harshest weather conditions we’re seeing locally,” said Ted Cash, ALP Utilities’ General Manager. “This new building will consolidate all four of the aging storage buildings into one campus, streamline our operations, reduce travel time, and safeguard our services and assets. Right now, with aging buildings storing millions of dollars of assets, we are at risk of structural failure, which would add several days or weeks to get customers back online after a severe weather event. We have to invest strategically for the future and that means a stronger, safer, and more unified structure that can better serve a growing Alexandria.”

As part of the process, ALP conducted a cost-reduction exercise to reduce the building size to a more efficient and compact footprint. New construction will also give ALP an opportunity to reinforce the safety and well-being of its employees by integrating modernized ADA accessibility features to better accommodate the needs of both employees and customers.

“Many of our employees have worked with us for more than 10 years, and we don’t take their loyalty for granted,” said Cash. “Ensuring their safety, health, and well-being is important to us. While a more efficient building will help us reduce operating costs and improve service to Alexandria, it will also provide a safer workplace, with easier navigation for inclusivity and ADA accessibility. Overall, the workplace is changing quickly, and we need to ensure this new building will feel welcoming to today’s employees and the next generation.”

ALP’s Concept Design was submitted in August of 2023, followed by Schematic Design completion in November 2023. A Design Development submittal was issued on March 29th, 2024. Construction Documents were completed in May 2024, and the ALP Board approve the Ad for Bid on May 20th followed by City Council approval May 27th. The ALP Board approved the Bid Award at a Special Meeting July 2nd, followed by approval from the City Council July 8th.

“A lot has changed since ALP was established 135 years ago.” added Cash. “Today, with a growing community and emerging technologies, we have to look toward innovation and flexibility for the future. A stronger and streamlined headquarters will undoubtedly position ALP to continue delivering reliability and value for decades to come.”

About ALP Utilities

Alexandria Light & Power (ALP) Utilities is a municipal public power utility serving residents with electric and water utilities. Governed by local friends and neighbors in a not-for-profit structure, keeping critical decision-making close to where customers live. In Alexandria, ALP employs over 30 people, contributing to the community through affordable and reliable service; local control; accountability to customers; quick response times; safe and environmentally conscious practices; and face-to-face customer service.

Established in 1889, ALP is among the oldest electric utilities in the nation. Seven years after ALP was established, Thomas Edison opened the first commercial power plant in the U.S. at the Pearl Street Station in Manhattan.

In 2023, ALP achieved Diamond Level status from the American Public Power Association's Reliable Public Power Provider (RP3) program. This prestigious award reflects the quality of ALP's operations, achieving one of the highest electric reliability standards of any utility in the nation.