

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, October 20th, 2021
Zoom Webinar

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, October 20, 2021, via Zoom webinar. President Witchel called the meeting to order at 9:04 a.m. with the following directors present:

Ted Compton	John Lee	Holly Metzler
Dan Huntington, Secretary	Joe Lewandowski	Kirsten Skeehan
Bob Lynch, Treasurer	Kohler McInnis	Tim Wheeler, Vice President
Rachel Landis	Sue McWilliams	John Witchel, President

LPEA STAFF

Garrett Hammer, Pagosa Springs District Manager
Dan Harms, VP of Grid Solutions
Hillary Knox, VP of Member Experience
Jessica Matlock, Chief Executive Officer
Karl Ramsey, VP of Finance
Darrick Robinson, System Operations Manager
Graham Smith, Staff & Board Attorney
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant

EXCUSED ABSENCE

None

WEBINAR ATTENDEES

Lee Boughey, Thomas Compton, Emelie Frojen, and Betsy Romere

WEBINAR GUESTS

Pat Bridges, Tri- State, SVP Chief Financial Officer

APPROVAL OF AGENDA

President Witchel addressed the October 20, 2021, LPEA board meeting agenda.

Motion: Director Landis moved to approve the October 20, 2021, LPEA board meeting agenda as presented. Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS

There was no public commentary.

CONSENT BOARD ITEMS (9:07am)

President Witchel addressed the Consent Board Items. Modifications were noted to the August 25, 2021, meeting minutes.

Motion: Director McInnis moved to approve the Consent Board Items: September 15, 2021, Board of Directors' meeting minutes as amended, Partial Requirements Committee of the Whole minutes, accepting new members, Capital Credits, monthly write-offs, director travel and training requests, director expense approval as explained, and resolutions [2021-16](#) and [2021-17](#). Motion seconded and carried without dissent.

CEO AND STAFF REPORTS (9:13am)

DIVISION DASHBOARDS

CEO Matlock reported on key performance indicators for safety, reliability, finance, communications and outreach, beneficial electrification, and information technology. The division dashboard was made public prior to the board meeting. CEO Matlock and staff members took questions and suggestions related to discussed topics.

FINANCE REPORT UPDATE (9:38am)

VP of Finance Ramsey addressed the September 2021 financials. All financial goals were met in September. VP Ramsey took questions from board members.

BOARD ACTION AGENDA

2022 DIRECTOR ELECTION SCHEDULE (9:55am)

VP of Member Experience Knox addressed the LPEA director election timeline for 2022. The elections will be held on May 12, 2022, as requested by the La Plata County Clerk. VP Knox took questions from board members.

Motion: Director Wheeler moved to approve the 2022 timeline proposal.
Motion seconded and carried without dissent.

COMMITTEE ON POLICIES UPDATE (9:57am)

Committee on Policies Chair Compton gave an update and provided a summary of the process for commenting on the draft policies and the process of the Committee on reviewing 400 Series Policies (Guiding LPEA's Employee Relations). The committee is continuing to review the 400 Series Policies to make them consistent, concise, and placed in the proper locations in cooperative documents. The committee took redline edits and comments from non-committee members for policy change considerations. Chair Compton and Attorney Smith took questions and suggestions from board members.

Motion: Director Wheeler moved to accept the modifications as discussed in the memo. Motion seconded and discussion ensued on policy clarity and efficiencies. The motion carried without dissent.

FINANCE AND AUDIT COMMITTEE UPDATE (10:45am)

Referring to the written Finance and Audit Committee (FAC) report, Committee member Wheeler gave a brief update on the Finance and Audit Committee.

2022 BUDGET INCOME STATEMENT PRESENTATION (10:48am)

VP Ramsey addressed the 2022 budgeted income statement forecast that was presented at the Finance and Audit Committee meeting on October 7, 2021. VP Ramsey took questions and suggestions from board members.

Motion: Director Wheeler moved to adopt the 2022 budgeted income statement as presented. Motion seconded and carried 10-1 with Directors Compton, Landis, Lee, Lewandowski, Lynch, McInnis, Metzler, Skeeahan, Wheeler, and Witchel in favor and Director McWilliams opposed. Director Huntington abstained.

PROPOSED AMENDMENT TO POLICY 203 (10:56am)

Attorney Smith gave an overview of Policy 203 Innovative Projects Fund. Attorney Smith requested a change to Policy 203 "Disposition of Unclaimed Capital Credits" in Clause II, Section D -3 - b - 1 -b, changing the word "and" to "or" such that the board may fund an Innovative Projects Fund that does not have to be owned by the Cooperative. VP of Grid Solutions Harms gave an example of the Durango 9R electric school bus project under this policy. Attorney Smith took questions from board members.

Motion: Director Wheeler moved to adopt the change on this Policy 203 from an "and" to "or". Motion seconded and carried without dissent.

RESOLUTION 2021-18 IGNACIO 141 CONSTRUCTION CONTRACT APPROVAL (11:00am)

President Witchel addressed Resolution 2021-18 Ignacio 141 Construction Contract approval. Attorney Smith and VP of Operations Sutherlin took questions from board members.

Motion: Director Lee moved to adopt [Resolution 2021-18](#); Ignacio Construction Contract Approval. Motion seconded and carried without dissent.

REPORTS

ATTORNEY REPORT (11:10am)

Referring to the written report included in the board packet, Attorney Smith highlighted work done for LPEA staff and board members after the August meeting. Attorney Smith took questions and suggestions from board members regarding legal matters as noted in his report.

DIRECTOR REPORTS (11:19am)

Directors referred to drafted reports in the board packet and took questions from board members and staff.

UPDATE ON TRI-STATE MEMORANDUM AGREEMENT: (12:28PM)

CEO Matlock gave an update on the Tri-State partial contract. Webinar guest, Pat Bridges with Tri-State supported the agreement with LPEA and gave an overview on the partial buyout option which includes a signed MOU

(Memorandum of Understanding). The settlement will still need to be approved by FERC (Federal Energy Regulatory Commission). Bridges took questions from board members.

ATTORNEY UPDATE OF FERC, ADAMS COUNTY, AND COPUC ACTIONS (12:43 PM)

Matthew Larson, Outside Counsel for LPEA, advised on the status of the cases related to Tri-State's wholesale electric rates and exit fee at the FERC, the Colorado Public Utilities Commission (CoPUC), and Adams County District Court. Attorney Larson took questions from board members.

EXECUTIVE SESSION (12:54pm)

President Witchel requested a motion to move into executive session to discuss litigation matters, employee matter and discussion of Attorney's Smith confidential memo that was attached to the Attorney Report.

Director McInnis was excused from the Tri-State discussion of the executive session (section A) due to being a member of Tri-State's Board of Directors.

Motion: Director Lewandowski moved to enter executive session to discuss litigation matters, an employee matter and discussion of Attorney's Smith confidential memo that was attached to the attorney report. Motion seconded and carried without dissent.

The board remained in executive session from 12:58 p.m. – 4:43 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION

Motion: Director Skeehan moved that the CEO be compensated as discussed in executive session. Motion was seconded and carried 8-3 with Directors Compton, Landis, Lewandowski, Lynch, Metzler, Skeehan, Wheeler, and Witchel in favor and Directors Lee, McInnis, and McWilliams opposed. Director Huntington was not present for the vote.

REPORTS (Continued)

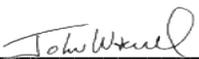
DIRECTOR REPORTS (4:44pm)

Directors referred to drafted reports in the board packet and took questions from board members and staff.

ADJOURN

There being no further business, the LPEA Board of Directors' meeting adjourned at 4:50 p.m.

Recorded by J.P. Thunstrom, and approved by:



John Witchel, President



Dan Huntington, Secretary