

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, June 15, 2022
Zoom Webinar

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, June 15, 2022, via Zoom webinar. President Witchel called the meeting to order at 9:03 a.m. with the following directors present:

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

LPEA STAFF PANELISTS

Garrett Hammer, Pagosa District Manager
Dan Harms, Executive VP of Grid Solutions and Special Projects
Elizabeth Howe, VP of Administrative Services
Hillary Knox, VP of Member Experience
Jessica Matlock, Chief Executive Officer
Karl Ramsey, VP of Finance
Graham Smith, General Counsel
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE

None

WEBINAR ATTENDEES

Emelie Frojen, Elizabeth Romere

APPROVAL OF AGENDA (9:04 a.m.)

President Witchel addressed the June 15, 2022, LPEA board meeting agenda.

Motion: Director Landis moved to approve the June 15, 2022, LPEA board meeting agenda as amended so that the executive session includes the discussion with our legal counsel around a confidential business matter and the confidential statement by our Tri-State director. Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS (9:05 a.m.)

There was no public comment.

CONSENT BOARD ITEMS (9:06 a.m.)

President Witchel addressed the Consent Board Items.

Director Huntington asked to remove the May Board of Directors' meeting minutes for further discussion.

Director Metzler asked to remove the director's travel and training requests to ask for additional travel funds to attend 2 courses: NREL (National Renewable Energy Laboratory) Microgrid and the NRECA (National Rural Electric Cooperative Association) Gettysburg Experience.

Motion: Director Lynch moved to approve the remaining Consent Board Items: Accepting new members, Capital Credits, monthly write-offs, director expenses, and director expenditures. Motion seconded and carried without dissent.

Motion: Director Compton moved to approve the May Board of Directors' meeting minutes as amended to add verbiage in the election section that the secret ballots contained all director names. Motion seconded and carried without dissent.

President Witchel requested approval of the May 18, 2022, Board of Directors' meeting minutes. There was no further discussion, and the minutes were accepted as amended.

Director Metzler gave an overview of the two training courses she would like to attend and why they would benefit her growth within her director role. VP of Finance Ramsey gave an update on the Board of Directors' budget and expenditures.

Motion: Director Wheeler moved to allow Director Metzler to proportionally overspend her travel budget to attend the two requested training courses. Motion seconded.

Motion

Amended: Director Wheeler moved to increase Director Metzler's discretionary travel budget by an additional \$3,000 to attend the two requested training courses and proportionately reduce the other directors' discretionary budget. Motion seconded.

Motion

Withdrawn: Director Wheeler's moved to withdraw his amended motion.

Motion: Director Wheeler moved to increase Director Metzler's discretionary travel budget by an additional \$4,000 to attend the two requested training courses and proportionately reduce the other directors' discretionary budget. Motion seconded and carried 11 -0 with Director Metzler abstaining.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:35 a.m.)

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 the discussed topics within the report.

FINANCE REPORT UPDATE (10:10 a.m.)

VP of Finance Ramsey addressed the May 2022 financials. The financial results met all the board's approved goals. The gross margin was \$102k above forecast driven by revenues that were \$437k higher than forecast, whilst total operating costs were \$194k below forecast. VP Ramsey took questions from board members regarding the financial report.

BOARD ACTION AGENDA

FINANCE AND AUDIT COMMITTEE (FAC) UPDATE (10:19 a.m.)

Committee Chair McWilliams gave an overview of the FAC meeting that was held last Wednesday, June 8, 2022. Director Compton gave an update on Policy 201 revisions. Committee Chair McWilliams and VP Ramsey took all questions.

Motion: Director Skeeahan moved to modify Policy 201; Section D - The cooperative shall not borrow money for the sole purpose of retiring capital credits. Motion seconded and failed 2-10 with Directors Landis and Skeeahan in favor and Directors Compton, Huntington, Lee, Lewandowski, Lynch, Metzler, McInnis, McWilliams, Wheeler, and Witchel opposed.

Motion: Director Wheeler moved to approve the original draft Policy 201; Section D amendment as presented - The cooperative shall not borrow money for the purpose of retiring capital credits. Motion seconded and carried 11-1 with Director Lee abstaining.

APPOINT COUNTY FAIR DELEGATE AND APPROVE FAIR BUDGET (10:47 a.m.)

President Witchel entertained appointments to represent LPEA at the 2022 La Plata County and Archuleta County Fairs.

Director Lee offered to be both La Plata and Archuleta Counties Fair representatives. Director Lynch offered to be the Archuleta County fair representative.

Motion: Director Wheeler moved to appoint Director Lee for the La Plata County fair and Director Lynch for the Archuleta County fair representatives. Motion seconded and carried without dissent.

Motion: Director Wheeler moved to change the agenda to address the member appreciation funds memo and approve the recommendations within the memo. Motion seconded.

Bifurcate

Motion: Director Landis moved to bifurcate the motion. Motion Seconded.

Bifurcate

Motion Director Landis moved to withdraw her bifurcate motion and for the discussion to continue with the original motion.
Withdrawn:

Previous Question: Director Lewandowski moved the previous question. Motion seconded and failed 7-5 with Directors Compton, Huntington, Lewandowski, Lynch, McInnis, McWilliams, and Witchel in favor, and Directors Landis, Lee, Lewandowski, Metzler, and Wheeler opposed.¹

¹ Previous Question motions require a two-third vote to carry. Robert's Rules of Order 16:5(7).

Motion Director Compton moved to postpone this discussion until after Matthew Larson’s attorney update.
To Postpone to a Certain Time: Motion seconded and carried without dissent.

ATTORNEY UPDATE OF FERC, ADAMS COUNTY, AND COPUC ACTIONS (11:18 a.m.)

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 Federal Energy Regulatory Commission (FERC), the Colorado Public Utilities Commission (CoPUC), and Adams County District Court.

EXECUTIVE SESSION (11:23 a.m.)

President Witchel requested a motion to move into an executive session to discuss litigation matters.

Motion: Director Compton moved to enter an executive session to discuss litigation matters, a discussion with a Tri-State director on confidential matters, and a discussion on a confidential business matter. Motion seconded and carried without dissent.

The board remained in executive session from 11:24 a.m. to 12:33 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (12:33 p.m.)

There was no action from the executive session.

APPOINT COUNTY FAIR DELEGATE AND APPROVE FAIR BUDGET - RESUMED DISCUSSION (12:35 p.m.)
DISCUSS PROPOSAL FOR MEMBER APPRECIATION LUNCHESES

Discussions continued regarding the county fair budgets and the member appreciation lunches.

Motion to Amend The Main Motion: Director Landis moved to amend the main motion to have the decision of the board cancel the member appreciation lunches and for staff to report back to the board on the allocation of the funds. Motion seconded and carried without dissent. Directors Compton and Wheeler abstained.

Main Motion: President Witchel requested approval to cancel the member appreciation lunches and for staff to report back to the board on the allocation of the funds. Motion passed 11- 1 with Director McWilliams opposed.

Motion To Table: Director Lee moved to table the allocation presentation. Motion Seconded and carried 9 – 3 with Directors Compton, Huntington, Landis, Lee, Lynch, Metzler, McInnis, McWilliams, and Skeeahan in favor and Directors Lewandowski, Wheeler and Witchel opposed.

APPOINT CFC ANNUAL MEETING DELEGATE

This topic was not discussed during the board meeting.

REPORTS (1:30 p.m.)

ATTORNEY REPORT (1:30 p.m.)

Referring to the written report included in the board packet, General Counsel Smith highlighted work done for LPEA staff and board members since the May meeting.

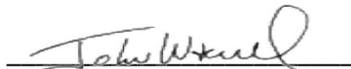
DIRECTOR REPORTS (1:31 p.m.)

Directors referred to written and verbal reports in the board packet and took questions and suggestions from board members and staff.

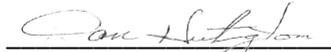
ADJOURN (2:23 p.m.)

There being no further business, the LPEA Board of Directors' meeting adjourned at 2:23 p.m.

Recorded by J.P. Thunstrom and approved by:



John Witchel, President



Dan Huntington, Secretary