

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, May 17, 2023
Zoom Webinar
LPEA Headquarters
Durango, Colorado

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, May 17, 2023, via Zoom webinar. President Witchel called the meeting to order at 9:09 a.m. with the following directors present:

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

LPEA STAFF

Jessica Matlock, Chief Executive Officer
Elizabeth Howe, VP of Administrative Services
Karl Ramsey, VP of Finance
Graham Smith, General Counsel
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant

EXCUSED ABSENCE

Director Bob Lynch

Dan Harms, Executive Vice President of Grid Solutions and Special Projects

WEBINAR ATTENDEES

Emelie Frojen, David Luschen, Nicole Pitcher, Elizabeth Romere

APPROVAL OF AGENDA (9:10 a.m.)

President Witchel addressed the May 17, 2023, LPEA board meeting agenda.

Motion: Director Wheeler moved to approve the May 17, 2023, LPEA board meeting agenda as presented. Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS (9:11 a.m.)

Attorney Smith gave an overview of the ground rules for public commentary. There was no public comment.

CONSENT BOARD ITEMS (9:12 a.m.)

President Witchel addressed the Consent Board Items. Directors requested the following items be removed from the consent agenda to be addressed individually and the remaining items were addressed as follows:

Motion: Director McInnis moved to approve the remaining Consent Board Items: the April Board of Directors minutes as presented, May COW (Committee of the Whole) minutes, accepting new members, the retirement of Capital Credits to estates, monthly write-offs, director travel and training requests, director expenditures, changes to Policy 113, Resolution 2023 – 07; Allocate Patronage Capital, and Resolution 2023 – 09; Authorization to Use CoBank for Future Financing. Motion seconded and carried without dissent.

Director Landis removed [Resolution 2023 – 06](#); Delegating Authority to CEO to Negotiate and Enter Certain Real Property Leases for clarification on land practices and ag leases. CEO (Chief Executive Officer) Matlock, Attorney Smith, and VP of Operations Sutherlin gave an overview of the land permitting and staging as it pertains to this resolution. Discussion ensued about the two proposed leases. Staff agreed to remove this lease for consideration in order to answer further questions from the board. , and to revise the request to only authorize the lease of the Ponderosa substation property.

Motion: Director Wheeler moved to approve the revised version of Resolution 2023 – 06; Delegating Authority to CEO to Negotiate and Enter Certain Real Property Leases for the Ponderosa substation. Motion seconded and carried without dissent.

Director McInnis removed [Resolution 2023 – 08](#); Retirement of Patronage Capital to seek clarification on allocation for past years. VP Ramsey confirmed there was no previous Tri-State patronage allocated to LPEA for the years 2000 to 2003.

Motion: Director McInnis moved to approve Resolution 2023 – 08; Retirement of Patronage Capital. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:25 a.m.)

CEO Matlock reported the monthly board dashboard. The dashboard reports on progress in meeting the targets listed in the [2023 Operational Plan](#). The dashboard was made public prior to the board meeting. CEO Matlock confirmed we have met last month's key performance indicator metrics in safety, reliability, financials, BE (Beneficial Electrification), and IT (Information Technology). CEO Matlock and staff members took questions and suggestions related to the discussed topics within the dashboard and appendix reports.

VP of Finance Ramsey gave a more in-depth update on the April financials from the Maintain Strong Financial Health slide in the dashboard. Cash reserves were below target due to a CFC (Cooperative Finance Corporation) loan payment on 4/30/23 but were back to the targeted level within a week. VP Ramsey took questions from board members.

FINANCE AND AUDIT COMMITTEE UPDATE (9:59 a.m.)

Committee Chair McWilliams addressed her written report. The committee reviewed April's financial information and 2023 capital credit retirement at the last meeting. The report also summarized a presentation that VP of Grid Solutions Harms also gave to the committee on a proposed rate tariff change related to net metering. Committee Chair McWilliams took questions and suggestions from other board members.

COMMUNITY BROADBAND (10:09 a.m.)

Motion: Director Wheeler moved to approve [Resolution 2023 – 10](#); Broadband Partnership Authority. Motion seconded and carried without dissent.

DISCUSSION ON BOARD MEETING MINUTES (10:12 a.m.)

Director Skeehan raised a question regarding due diligence in the level of detail in board meeting minutes. By unanimous board consent, discussion on the topic was continued after the Attorney's Update of FERC Actions due to timing constraints.

ATTORNEY UPDATE ON FERC ACTIONS (10:42 a.m.)

Matthew Larson, Outside Counsel for LPEA, advised on the status of litigation at the Federal Energy Regulatory Commission (FERC) since the last board meeting. FERC ruled on the reconsideration of the previously rejected settlement on the Buy Down Payment (BDP). The reconsideration was denied. At the same time as the motion for reconsideration, the BDP settling parties had appealed FERC's rejection of the BDP. The settling parties have withdrawn that appeal. Attorney Larson took all questions from board members.

EXECUTIVE SESSION (10:45 a.m.)

President Witchel requested a motion to move into an executive session to discuss attorney updates of FERC actions.

Motion: Director Wheeler moved to enter an executive session to discuss attorney updates of FERC actions. Motion seconded and carried without dissent.

Director McInnis recused himself from the FERC attorney update discussion during the executive session because of a possible conflict with his role as a Tri-State board representative.

The board remained in executive session from 10:45 a.m. to 11:35 a.m.

DISCUSSION ON BOARD MEETING MINUTES - CONT. (11:37 a.m.)

Discussion resumed on minutes detail and directors gave input. The board determined that the written minutes adhered to the requirement from Robert's Rules of Order that minutes reflect what was done--not what was said. Staff noted that much of the meeting details (video recordings, dashboard presentations, resolution text) are all available on LPEA's website for several years after the meeting. The consensus of the board was, because all available information is on LPEA's website and corporate records, that the current meeting minutes meet Robert's Rules of Order and are sufficiently detailed such that inference and subjectivity are not inserted in the minutes. Robert's Rules of Order require that minutes reflect what was done, not the board's consensus because all available information is on LPEA's website and corporate records. No additional action was necessary.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (11:47 a.m.)

None

REPORTS

ATTORNEY REPORT (11:47 a.m.)

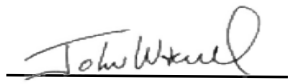
Referring to the written report in the board packet, Attorney Smith highlighted the work done for LPEA staff and board members since the April meeting. Smith took questions from board members regarding legal matters that were in his report.

DIRECTOR REPORTS (11:52 a.m.)

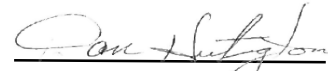
Directors referred to written and verbal reports in the board packet and took questions and suggestions from board members and staff.

ADJOURN (12:53 p.m.)

There being no further business, the LPEA Board of Directors' meeting adjourned at 12:53 p.m. Recorded by J.P. Thunstrom and approved by:



John Witchel, President



Dan Huntington, Secretary