

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Minutes of Meeting
Wednesday, June 16, 2021
Webinar <https://www.lpea.coop>

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, June 16, 2021, via webinar. President Bassett called the meeting to order at 9:01 a.m. with the following directors present:

Britt Bassett, President
Dan Huntington, Secretary
Rachel Landis
John Lee

Joe Lewandowski
Bob Lynch, VP
Kohler McInnis
Sue McWilliams

Holly Metzler
Kirsten Skeeahan
Tim Wheeler, Treasurer
John Witchel

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
Graham Smith, Staff Attorney & Board Attorney
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE

None

LPEA GUESTS:

Jenny Taylor, LPEA Visual Communications Specialist

WEBINAR ATTENDEES

Patrick Armijo, Sheryl Ayers, Danah Barlow, Ted Compton, Emelie Frojen, Gary Lewin, Marge Morris, John Purser, Lissa Ray, Elizabeth Romere, Dale Ruggles, Lori Schell, Deborah Shisler, Guinn Unger, Bill Waters, Timothy Wolf and Jessica Zufolo.

APPROVAL OF AGENDA

President Bassett addressed the June 16, 2021, LPEA board meeting agenda.

Motion: Director Wheeler moved to approve the June 16, 2021, LPEA board meeting agenda as amended. Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS

President Bassett addressed the McKenzie Electric Coop letter and the Sheridan Letter. President Bassett addressed and responded to member comments and concerns.

CONSENT BOARD ITEMS

President Bassett addressed the Consent Board Items. Modifications were noted to the minutes.

Motion: Director Lee moved to approve the Consent Board Items: May 19, 2021, Board of Directors' meeting minutes, accepting new members, Capital Credits, and monthly write-offs. Discussion ensued on minute details and Director reports for public viewing on the website. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS

CEO Matlock and LPEA staff members reported on key performance indicators for safety, reliability, finance, communications and outreach, beneficial electrification, and information technology. Staff highlighted key items within each division and took questions. CEO Matlock and staff members took questions and suggestions related to discussed topics.

FINANCE REPORT UPDATE

VP of Finance Ramsey addressed the May 2021 financials. All financial goals were met in May. YTD Total operating costs are \$1.4 million below forecast with labor costs for May being almost exactly at the budgeted level. Delinquent accounts are at their lowest level since the year 2000. YTD operating margins are \$2.1 million over forecast. VP Ramsey took questions from board members.

Motion: Director Wheeler moved to modify Resolution 2021-09 to pass the special Capital Credit retirement now instead of waiting for FERC to approve.

Motion to

Table: Director Huntington moved to table this motion until item 5.B on the agenda. Motion to table seconded and carried without dissent.

REVIEW OF PEAK POWER CHARGE RESULTS

VP of Grid Solutions Harms presented a review of the Peak Power Charge results. VP Harms discussed key observations and what we learned as well as informational graphs (Percent Change from Peak Power Charge, Percent Change from Peak Power Charge without Net Metering, and Monthly Dollar Change from Peak Power Charge). VP Harms discussed peak power system impacts with a load profile chart for the month of April 2021 and then specific data for April 6, 2021 showing the residential load profile for each chart. VP Harms took questions from board members.

UPDATE ON RFP PARTIAL CONTRACT OPPORTUNITY (TOPIC NOT DISCUSSED)

CEO Matlock reported that an update on the RFP would not be given at this time to do an active non-disclosure agreement.

BOARD ACTION AGENDA

BROADBAND COMMITTEE UPDATE

Committee Chair Skeehan gave an overview of the Broadband Committee meeting that took place on June 3, 2021. Jessica Zufolo from Magellan Advisors presented an interim report on the feasibility study to the Broadband Committee. Jason Cox and Eric Hittle from Archuleta County Broadband Office briefed the committee on the strategic plan and the progress of phase 1 and 2. A Committee of the Whole meeting will take place on August 23, 2021. Committee Chair Skeehan took questions. President Bassett addressed a possible issue of committee member continuity based on the upcoming Board of Directors election.

Motion: Director McWilliams moved to not extend the Broadband Committee members if those committee members are not re-elected as LPEA Directors. Motion seconded and discussion ensued.

Motion to Amend: Director Huntington moved to amend the motion to allow current directors to continue to serve on the Broadband Committee through September regardless of the election results. Motion to amend was seconded and additional discussion ensued. The amendment to the motion carried -- 9-3 with Directors Bassett, Huntington, Landis, Lewandowski, Lynch, Metzler, Skeehan, Wheeler, Witchel in favor and Directors Lee, McInnis, and McWilliams opposed.

Motion as Amended: Additional discussion ensued. Amended motion carried -- 8-4 with Directors Bassett, Landis, Lewandowski, Lynch, Metzler, Skeehan, Wheeler, Witchel in favor and Directors Huntington, Lee, McInnis, and McWilliams opposed.

FINANCE AND AUDIT COMMITTEE UPDATE

Committee Chair Wheeler gave an update on the Finance and Audit Committee. Committee Chair Wheeler referred to the drafted FAC report in the board packet. There was no recommendation from the June FAC meeting. The meeting in July changed from the 8th to the 15th to give more time for financial preparedness. VP Ramsey noted that Tri-State was already passing on its rate reduction under the proposed settlement pending before the Federal Energy Regulatory Commission (FERC). VP Ramsey suggested that it would be within LPEA's financial means to accelerate the special retirement of Capital Credits and not wait for FERC approval of the settlement.

Motion: Director Wheeler moved to adopt Resolution 2021-09 Special Retirement of Capital Credits of \$1.5 million to pass the capital credits now instead of waiting for the FERC ruling. This will become Resolution 2021-10 ([2021-10 - Special Capital Credit Retirement](#)) and additional recitals will be added for clarity. Motion was not seconded.

Motion to

Table: Director Huntington moved to table this motion until next Board of Directors meeting. Motion seconded and failed -- 7-4 with Directors Bassett, Lynch, Metzler, McInnis, Skeeahan, Wheeler, Witchel opposed and Directors Huntington, Lee, Lewandowski, and McWilliams in favor. Director Landis abstaining.

Motion: Director Wheeler moved to adopt Resolution 2021-10 and rescind Resolution 2021-09. Motion seconded and carried -- 7-3 with Directors Bassett, Lynch, Lewandowski, Metzler, McInnis, Skeeahan, Wheeler, Witchel in favor and Directors Huntington, Lee, and McWilliams opposed. Director Landis abstaining.

COMMITTEE ON POLICIES UPDATE

BOARD POLICIES 105 AND 129 (TO CONFORM TO NEW COOPERATIVE GOVERNANCE LAW)

Attorney Smith addressed a prepared memo regarding proposed changes to Policies 105 and 129 that were mandated by the enactment of HB21-1131.

Motion: Director Wheeler moved to approve the proposed redline changes and Director McInnis requested change to Policy 105 as presented. Motion seconded and carried without dissent.

Motion: Director Landis moved to approve the proposed redline changes to Policy 129 as presented. Motion seconded and carried without dissent.

ELECTRIC SERVICE REGULATIONS

Attorney Smith addressed proposed redline changes on the Electric Service Regulations.

Motion: Director Wheeler moved to approve as amended the Electric Service Regulations as presented. Motion seconded and carried without dissent.

BYLAW AMENDMENT TO CONFORM TO COLORADO LAW

Attorney Smith addressed the Bylaw Amendment to Conform to Colorado Law. The date was moved back to 60 days from 45 days to conform with the nomination petition law.

Motion: Director Wheeler moved to approve the 60-day nomination petition on the Bylaw Amendment to conform to Colorado Law as presented. Motion seconded and carried without dissent.

ESC UPDATE

Election Supervisor Committee Chair Sheryl Ayers gave an update on election issues for the current 2021 elections. There were three complaints that have gone under review with one being a violation. Committee Chair Ayers gave an overview of each complaint. The committee will come with recommendations on how to improve future elections after this election. Director McInnis suggested a candidate orientation to be held prior to the elections so there is no confusion on what is allowed and what is prohibited. Committee Chair Ayers took questions and suggestions from board members.

DIRECTOR TRAVEL AND TRAINING REQUESTS

President Bassett addressed requests for director travel and trainings. Director Landis requests to attend training class 905.1 in July.

Motion: Director Wheeler moved to approve the training requests. Motion seconded and carried without dissent.

No travel requests were presented to the board.

DIRECTOR EXPENSE APPROVAL

Treasurer Wheeler reported on the June 2021 director expenses.

All 12 directors were present for this board meeting.

LPEA Mileage Reimbursements

Britt Bassett	\$00.00	Kohler McInnis	\$00.00
Dan Huntington	\$00.00	Sue McWilliams	\$00.00
Rachel Landis	\$00.00	Holly Metzler	\$00.00
John Lee	\$00.00	Kirsten Skeeahan	\$00.00
Joe Lewandowski	\$00.00	Tim Wheeler	\$00.00
Bob Lynch	\$00.00	John Witchel	\$00.00

LPEA Board and Committee Meetings

Britt Bassett	\$1325.00	Kohler McInnis	\$1200.00
Dan Huntington	\$1325.00	Sue McWilliams	\$1325.00
Rachel Landis	\$1200.00	Holly Metzler	\$1450.00
John Lee	\$1200.00	Kirsten Skeeahan	\$1575.00
Joe Lewandowski	\$1325.00	Tim Wheeler	\$1450.00
Bob Lynch	\$1325.00	John Witchel	\$1200.00 (Round-Up)

Other External Meetings

Britt Bassett	\$00.00	Kohler McInnis	\$00.00
Dan Huntington	\$00.00	Sue McWilliams	\$00.00
Rachel Landis	\$00.00	Holly Metzler	\$250.00
John Lee	\$00.00	Kirsten Skeeahan	\$250.00
Joe Lewandowski	\$00.00	Tim Wheeler	\$00.00
Bob Lynch	\$00.00	John Witchel	\$00.00 (Round-Up)

Motion: Director Landis moved to approve director expenses as presented. Motion seconded and carried without dissent.

CFC DIRECTOR – DIRECTOR POSITION

President Bassett addressed the CFC Director position. Director McWilliams has requested to apply as a member of the CFC Board of Directors.

Motion: Director Witchel moved to approve Director McWilliams to apply for the CFC Board of Directors position. Motion seconded.

Motion

Amended: Director Skeehan amends the motion to “endorse” Director McWilliams as a candidate for CFC Board of Directors. Motion to Amend seconded and carried without dissent (Director McWilliams abstaining). Discussion ensued with CREA Board meeting and paperwork timeline.

Motion as

Amended: Discussion ensued. Amended motion to “endorse” Director McWilliams as a candidate for the CFC Board of Directors carried without dissent (Director McWilliams abstaining).

EXECUTIVE ATTORNEY UPDATE OF FERC, ADAMS COUNTY, AND COPUC ACTIONS- (TOPIC NOT DISCUSSED; MATTHEW LARSON WAS UNABLE TO JOIN THE MEETING)

REPORTS

ATTORNEY REPORT

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

DIRECTOR REPORTS

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

Director Lee volunteered to be LPEA’s representative at the Archuleta County and La Plata County fair.

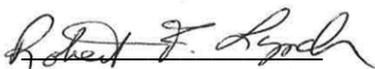
President Bassett addressed next month’s Board of Directors’ meeting to be held in person or on Zoom webinar.

Motion: Director Skeehan moved to have the next Board of Directors’ meeting in person. Motion seconded and carried without dissent.

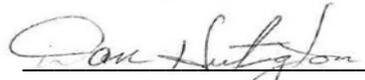
ADJOURN

There being no further business, the LPEA Board of Directors’ meeting adjourned at 3:24 p.m.

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



Bob Lynch, Vice President
(Acting President until new officers are elected)



Dan Huntington, Secretary