

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
January 30, 2020

The Board of Directors of the Arkansas River Power Authority (ARPA) met by conference call on Thursday, January 30, 2020. Following appropriate notice, Vice President Richard Stwalley called the meeting to order at 9:00 AM.

ARPA Board Members present:

HOLLY: Calvin Melcher

LA JUNTA: Gary Cranson
P. Lorenz Sutherland

LAMAR: Houssin Hourieh (also a member of the Operating Committee)
Roger Stagner¹

LAS ANIMAS: Ron Clodfelter (also a member of the Operating Committee)
Rick Stwalley

SPRINGFIELD: None

TRINIDAD: Mike Valentine (also a member of the Operating Committee)
Carlos Lopez

ARPA Staff present:

Rick Rigel, General Manager
Arvenia Morris, Office Manager

ARPA Legal Counsel present:

Ryan Tharp, Director-Fairfield and Woods, PC
Peter Edwards, Director-Fairfield and Woods, PC

Others (guests) present:

Rick Klein, City Manager, City of La Junta
Dustin Ramsey, Meter Technician, Las Animas Municipal Light & Power
Bill Jackson, Assistant City Manager, City of La Junta, ARPA Operating Committee member
Frank McKenzie, City Council, City of La Junta
Ed Vela, City Council, City of La Junta

¹ Joined the meeting at 10:00 AM

QUORUM: A quorum of the Board was present and voting at the meeting.

ROLL CALL: Vice President Stwalley called the meeting to order at 9:00 AM. Secretary Morris took roll call. Guests were those listed on page 1. Board Member Mike Tanner was absent. Board Member Roger Stagner joined the meeting at 10:00 AM.

APPROVAL OF AGENDA: The agenda was approved as presented.

APPROVAL OF THE MINUTES OF THE DECEMBER 5, 2019 REGULAR MEETING: The minutes of the December 5, 2019 regular meeting were unanimously approved as presented by motion from Board Member Sutherland and second by Board Member Melcher.

PUBLIC COMMENT: None.

CONSIDER FILLING THE VACANT OFFICER POSITION: Due to the resignation of David Willhite, the position of President of the Board is currently vacant. Board Member Hourieh nominated Rick Stwalley to fill the office of President. Board Member Melcher seconded the nomination and it passed unanimously. Calvin Melcher nominated Lorenz Sutherland to fill the office of Vice President. There were no additional nominations and Board Member Sutherland was elected by a unanimous vote. President Stwalley and Vice President Sutherland will remain in office until the annual election of officers held at the April 30 (annual meeting) meeting of the Board.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. **November 2019 Financial Statement.** December 2019 Financial Statement. Rick Rigel, General Manager, presented the November and December (2019) financial statements. Board Member Sutherland moved, seconded by Board Member Melcher, and approved unanimously to accept both the November and December 2019 financial statements and pay outstanding bills.

OPERATING REPORT: The Board received the Operating Report for November and December 2019. a. **Wind Generation Report.** The Board received the wind generation report for November and December 2019. b. **Wind Turbine Repair.** The General Manager reported on recent inspections and repairs to ARPA's wind turbines.

UPDATE BANKING AUTHORIZATION CARDS – ACTION ITEM. Due to the resignation of former board member Willhite, the banking signature cards require updating. Board Member Sutherland moved, seconded by Board Member Hourieh, and approved with Board Member Melcher abstaining, to appoint Board Member Melcher as an authorized signer on financial transactions. All ARPA transactions require two signatures. Effective January 30, 2020, David Willhite will be removed as an authorized signer, and further, the following designated individuals are authorized to sign checks, make deposits and withdrawals, execute security purchase and sale authorizations, execute other financial transaction instruments, and act as custodians of the moneys of the Arkansas River Power Authority:

Richard Stwalley	President
Rick Rigel	General Manager
Calvin Melcher	Board Member
Houssin Hourieh	Board Member

GENERAL MANAGER REPORT: **a. Monthly Report.** General Manager provided a written and verbal report. The General Manager reported on current developments regarding SB19-096. This Bill requires all utilities to report emissions based on not only generation, but also on the loads they serve. The Air Quality Control Commission must publish notice of the rule making by July 1, 2020. In the 2020 Legislative session, General Manager Rigel reviewed the bills CAMU is currently monitoring including HB20-1018, Adopt Renewable Natural Gas Standard; HB20-1025, Sales Tax Exemption Industrial and Manufacturing Energy Use; HB20-1089, Employee Protection Lawful Off-duty Activities; HB20-1138, Public Real Property Index; SB20-030, Consumer Protections For Utility Customers. **b. Report on Network Integration Transmission Service (NITS) Application.** ARPA's current NITS Agreement expired on December 31, 2019. A draft agreement was received from Tri-State in mid-December. ARPA has identified several items of concern in both the NITS and the Network Operating Agreement (NOA), a technical agreement for network service. ARPA provided notice to implement "roll-over" rights which allows the existing agreement to remain until a new Agreement is in place. The Parties continue to negotiate the final Agreements. **c. Update on FERC Filing.** The General Manager provided an update on Tri-State's Open Access Transmission Tariff and rate filings to the Federal Energy Regulatory Commission (FERC). ARPA filed an intervention and protest with regards to the transmission rate Tri-State filed and "doc-less" interventions for its filing on rates, market power, etc. **d. PSCo Power Supply Contract.** As discussed at the December meeting, a potential hemp processing facility of more than 1 MW will be located in a member community. ARPA is under no contractual obligation to purchase the new load from the Public Service Company of Colorado (PSCo). There have been no further developments regarding the hemp processing facility to report. **e. Consider LRP Sales Agency Agreement-Action Item.** The General Manager has been in discussions with IPP regarding a new sales agency agreement; however, no agreement has been executed. A site visit has been scheduled with an experienced demolition company. The company will provide an estimated cost for the demolition and removal of both the north side equipment and the boiler and steam turbine generator on the south side.

NEW BUSINESS: **a. Report on Revisions to Personnel Policy.** Policy revisions were provided to the Board for review and comment.

PLANNING AND COMMUNICATION: None.

MEMBER CITIES' REPORTS: Rick Klein reported Cheryl Freidenberger, wife of former Board Member Bob Freidenberger, passed away. Services are planned for February 8, 2:00 PM, at the First Presbyterian Church in La Junta.

UNFINISHED BUSINESS: None.

NEXT MEETING DATE AND LOCATION: The next regular meeting of the Board of Directors will be February 27, 2020 by WebCast.

ADJOURN: The January 30, 2020 meeting of the Board of Directors was adjourned at 10:30 AM.

Respectfully submitted,



Arvenia L. Morris
Secretary