

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
March 26, 2020

The Board of Directors of the Arkansas River Power Authority (ARPA) met by conference call on Thursday, March 26, 2020. Following appropriate notice, Vice President Lorenz Sutherland 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)

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

SPRINGFIELD: Darwin Hansen
Jay Suhler

TRINIDAD: Carlos Lopez
Mike Valentine¹

ARPA Staff present:

Rick Rigel, General Manager

Arvenia Morris, Office Manager

Aarin Ritter, Manager of Finance and Accounting

ARPA Legal Counsel present:

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

Jeffri Pryne, Mayor, City of La Junta

Ed Vela, City Council, City of La Junta

Clifford Boxley, Lamar Utilities Board

Shannon Coleman, Supervisor Resource Planning and Analysis, NMPP Energy²

Joe Yavorski, President and CEO, CR Energy³

Travis Hollingsworth, VP of Engineering, CR Energy⁴

Brian Boerner, Business Development, CR Energy⁵

¹ Left the meeting at 10:00AM and returned to the meeting at 10:30AM

² Attended the meeting from 9:00AM – 10:03AM

³ Attended the meeting from 9:00AM – 10:03AM

⁴ Attended the meeting from 9:00AM – 10:03AM

⁵ Attended the meeting from 9:00AM – 10:03AM

NOTICE TO ARPA BOARD OF DIRECTORS REGARDING CHANGE OF TIME AND LOCATION FOR MARCH MEETING: On March 17 a notice was issued by President Richard Stwalley, to the ARPA Board of Directors, advising that the regular meeting scheduled on Thursday, March 26 would be held by WebCast and Conference Call and would begin at 9:00 AM.

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

ROLL CALL: Vice President Sutherland called the meeting to order at 9:00 AM. Secretary Morris took roll call. Guests were those listed on page 1. Board Members Mike Tanner, Roger Stagner and Rick Stwalley were absent.

APPROVAL OF AGENDA: The agenda was approved as presented.

APPROVAL OF THE MINUTES OF THE FEBRUARY 27, 2020 REGULAR MEETING: The minutes of the February 27, 2020 regular meeting were unanimously approved as presented by motion from Board Member Melcher and second by Board Member Hourieh.

PUBLIC COMMENT: None.

EXECUTIVE SESSION CRS § 24-6-402: CREC Energy - Pyrolysis Project (4)(a)(b) and (e). The Authority's General Counsel stated that the matters to be discussed in Executive Session would include CREC Energy Pyrolysis Project and LRP Sales Agency and Project Pricing Negotiations. The specific subsections of CRS § 24-6-402(4) authorizing these matters to be conducted in Executive Session are as follows:

- subsection (a), the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest; and
- subsection (b), conferences with the General Counsel of the Authority for the purposes of receiving legal advice on specific legal questions; and
- subsection (e), determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators.

Board Member Hourieh moved, seconded by Board Member Melcher, and approved unanimously at 9:07 AM to go into Executive Session to discuss the topics as stated. The General Counsel of the Authority stated that some of the discussion in the Executive Session would constitute or include privileged attorney-client communications. He recommended that no record be kept of those portions of the discussions constituting privileged attorney-client communications. Accordingly, based on the foregoing advice of counsel, the electronic recording device was turned off at 10:03 AM. The Executive Session was concluded at 10:45 AM.

OPERATING COMMITTEE MEETING REPORT: **a. Scheduled Events (Safety Training and Lineman Appreciation).** The Operating Committee met on March 17 by conference call. The General Manager provided a written report and provided a summary of discussion at the meeting. The Committee met primarily to discuss training options with Kansas Municipal Utilities. Other items of discussion included upcoming safety trainings and lineman appreciation lunches. **b. Member's Response to COVID-19.** The

Committee met by conference call on March 25. The General Manager provided a written report and provided a summary of discussion at the meeting. The safety trainings that were scheduled for April 15 and 16 were postponed. The lineman appreciation lunches likely will also be postponed. The Committee reviewed Governor Polis' executive order, D2020-012, that implements a statewide utility non-shutoff policy effective through April 20. The Committee members discussed the measures they have taken in response to COVID-19 and the Governor's Executive Order.

FINANCIAL COMPLIANCE REPORT. Aarin Ritter presented a report reviewing the bond covenants as required in the official bond statements. ARPA is in compliance with all its financial bond covenants.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. February 2020 Financial Statement. Aarin Ritter, Manager of Finance and Accounting, presented the February 2020 financial statements. Board Member Lopez moved, seconded by Board Member Hourieh, and approved unanimously to accept the February 2020 financial statement and pay outstanding bills.

OPERATING REPORT: The Board received the Operating Report for February 2020. **a. Wind Generation Report.** The Board received the wind generation report for February 2020.

GENERAL MANAGER REPORT: A written and verbal report was provided to the Board. **a. LRP Sales Agency Agreement and Related Project Matters.** The preferred strategy for the final dismantling and demolition of the LRP, and the three phases of dismantling and demolition were reviewed. Per discussion in executive session, it was the General Manager's recommendation to engage Burns and McDonnell as owner's engineer for the dismantling and demolition of the Lamar Repowering Project. Board Member Hourieh moved to follow the General Manager's recommendation to engage Burns and McDonnell as owner's engineer for the LRP, seconded by Board Member Clodfelter, passed unanimously. **b. Report on Network Integration Transmission Service Agreement (NITSA).** The Board received a written report outlining the main points of discussion regarding the NITSA as negotiations continue with Tri-State Generation and Transmission (transmission provider). The Network Operating Agreement (NOA), a companion agreement to the NITSA, has been executed. Certain load shedding requirements included in the NOA, were reviewed. **c. Update on FERC Filing.** The General Manager provided an update on Tri-State's Open Access Transmission Tariff (OATT) and rate filings to the Federal Energy Regulatory Commission (FERC). FERC issued an order on Tri-State's OATT on March 19. The Order is still being reviewed; however, preliminary findings were provided to the Board. **d. Miscellaneous.** The General Manager reported the Colorado General Assembly has temporarily adjourned the 2020 legislative session for 2 weeks beginning March 14 and ending March 30. The General Manager briefed the Board on SB20-204, a new bill on stationary source permit fees. The title of the bill is *Additional Resources to Protect Air Quality*.

NEW BUSINESS: a. Discussion on Board Officer Positions for April Elections. Elections for Board Officers will be held at the April 30 meeting of the Board of Directors. The April 30 meeting is currently scheduled to be by WebCast; however, it would be staff's preference to hold the meeting as a face to face meeting in Lamar. A final determination on meeting location will be made in mid-April.

PLANNING AND COMMUNICATION: ARPA Awards. Nominations are due April 1, 2020 for the 2019 ARPA Awards. No nominations have been received to date. **b. ARPA Scholarship Program.** The 2020 scholarship program is underway. Scholarships are \$1000 funded equally between ARPA and the ARPA member municipality. **c. APPA National Conference.** The APPA National Conference is June 5-10, 2020, in Long Beach, California. Registration for the conference and hotel should be made by May 15. ARPA provides funding for one board member from each community to attend the APPA National Conference. In the event an ARPA Board member is unable to attend, ARPA would extend the funding option to include a member of the city council, utility board or city staff, in which is designated by the member municipality to attend the Conference.

MEMBER CITIES' REPORTS: None.

UNFINISHED BUSINESS: None.

NEXT MEETING DATE AND LOCATION: The next regular meeting of the Board of Directors will be April 30, 2020. The meeting is currently scheduled to be by WebCast; however, staff prefers a face to face meeting in Lamar, if conditions warrant.

ADJOURN: The March 26, 2020 meeting of the Board of Directors was adjourned at 11:49 AM.

Respectfully submitted,



Arvenia L. Morris
Secretary