

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
March 25, 2021

The Board of Directors of the Arkansas River Power Authority (ARPA) met at the Cultural Events Center, 102 East Parmenter, Lamar, CO., on Thursday, March 25, 2021. Following appropriate notice, Vice President Sutherland called the meeting to order at 10:00 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)

SPRINGFIELD: Darwin Hansen
Jay Suhler

TRINIDAD: * Carlos Lopez²

ARPA Staff present:

Rick Rigel, General Manager

Arvenia Morris, Office Manager

ARPA Legal Counsel present:

* Peter Edwards, Director-Fairfield and Woods, PC

Others (guests) present:

Heath Piper, Electric Superintendent, Town of Springfield, Operating Committee member

Dustin Ramsey, Meter Technician, City of Las Animas

* Bill Jackson, Assistant City Manager, City of La Junta, Operating Committee member

* Ed Vela, City Council, City of La Junta³

* Rick Klein, City Manager, City of La Junta⁴

* John Krajewski, JK Energy Consulting, Lincoln, NE⁵

* Attended remotely

¹ Arrived at 10:08 AM

² Left the meeting at 11:42 AM

³ Attended the meeting from 10:14 AM - 11:46 AM

⁴ Attended the meeting from 10:12 AM - 11:48 AM

⁵ Attended the meeting from 10:30 AM – 11:05 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 10:00 AM. Roll call was taken. Guests were those listed on page 1. Board President Stwalley, Board Members Valentine and Tanner were absent.

APPROVAL OF AGENDA: The agenda was approved as presented.

APPROVAL OF THE MINUTES of the FEBURARY 25, 2021 MEETING: The minutes of the February 25, 2021 regular meeting was unanimously approved by motion from Board Member Melcher, second by Board Member Cranson.

PUBLIC COMMENT: None.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. February 2021 Financial Statement. General Manager Rigel presented the February 2021 financial statement. Board Member Hourieh moved, seconded by Board Member Melcher, and approved unanimously to accept the February financial statement and pay outstanding bills.

OPERATING REPORT: The Board received the Operating Report for February 2021. **a. Wind Report.** The Board received the wind generation report for February 2021.

GENERAL MANAGER REPORT: A written and verbal report was provided to the Board. **a. Update on the Demolition of the LRP.** The General Manager updated the Board on the demolition work currently underway at the LRP site. **b. Power Supply Update.** The General Manager reported ARPA saw little impact in its February power billing as a result of the polar vortex that occurred in mid-February. John Krajewski, ARPA's consultant for power supply joined the meeting and provided examples of entities who were impacted due to market pricing spikes during the polar vortex. Mr. Krajewski also provided indicative optimum sizes for self-supply of solar renewables. The General Manager identified possible options for locating and interconnecting a solar facility into an ARPA member system. **c. Miscellaneous. Wind Turbine Generation Monitoring.** ARPA is working with Lamar Utilities Board IT Department to upgrade the communications to the wind turbine in Springfield. This new communication system (through SECOM) will result in a savings of approximately \$4000 annually. Xcel Energy Transmission Plan. The General Manager reviewed Xcel Energy's plan to invest \$1.7 billion in new transmission facilities in order to unlock 5,500 MW of new renewables projects in its Colorado footprint. The Board felt ARPA should support the plan as well as Senate Bill 21-072 that would establish a State Transmission Authority. APPA National Conference. APPA National Conference is June 20-23 in Orlando, FL. ARPA provides funding for conference registration and hotel expenses for Board Members to attend.

NEW BUSINESS: a. Consider Associate Membership in MEAN. Board Member Suhler moved, seconded by Board Member Melcher and approved unanimously to adopt **Resolution No. 03-21 to AUTHORIZE ARPA'S PARTICIPATION IN THE NON-MEMBER ASSOCIATE CLASS OF THE MUNICIPAL ENERGY AGENCY OF NEBRASKA. RESOLUTION NO. 03-21** is appended to and made a permanent part of

these official minutes. Further, Board Member Suhler moved, seconded by Board Member Hourieh, and approved unanimously to adopt **Resolution No. 04-21 to DESIGNATE RICK RIGEL AS THE ARKANSAS RIVER POWER AUTHORITY'S REPRESENTATIVE FOR PURPOSES OF NON-MEMBER ASSOCIATE CLASS PARTICIPATION.** **RESOLUTION NO. 04-21** is appended to and made a permanent part of these official minutes. **b. Discussion of Board Officer Positions for April Elections.** Vice President Sutherland announced the current officers of the ARPA Board of Directors. The current Board President, Rick Stwalley, is not seeking another term. Vice President Sutherland opened nominations from the floor for board officer positions. Nominees include: President, Lorenz Sutherland; Vice President, Calvin Melcher; Treasurer, Gary Cranson; and Secretary, Arvenia Morris. The annual election of officers will occur at the April 29 meeting of the Board.

PLANNING AND COMMUNICATION: a. ARPA Scholarship Program. The 2021 scholarship program is underway. Scholarships are \$1000 funded equally between ARPA and the ARPA member municipality. Scholarship recipients will be announced no later than the May 27 meeting of the Board.

MEMBER CITIES' REPORTS: Lamar. Houssin Hourieh expressed his appreciation to the City of La Junta Utility Board and the City of Las Animas Light & Power for their letters of support for the City of Lamar Utilities Board's formal complaint against SECPA related to a certificated service territory dispute. Las Animas. As announced through a Press Release dated March 24, 2021 from Washington, D.C. "Las Animas Municipal Light & Power has been HONORED WITH NATIONAL AWARD FOR OUTSTANDING SAFETY PRACTICES". Las Animas Municipal Light & Power earned the American Public Power Association's (APPA) Safety Award of Excellence for safe operating practices in 2020. Congratulations to Ron Clodfelter, Utility Superintendent, and the employees of the City of Las Animas Light & Power.

EXECUTIVE SESSION CRS § 24-6-402 (4)(b) and (e): a. FERC Settlement Update. The Authority's General Counsel stated that the matters to be discussed in Executive Session would include FERC Settlement Update. The specific subsections of CRS § 24-6-402(4) authorizing this matter to be conducted in Executive Session are as follows:

- subsection (b), conferences with the General Counsel of the Authority for the purpose 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.

At 11:52 AM Board Member Stagner moved, seconded by Board Member Melcher, and approved unanimously to go into Executive Session to discuss the topic as stated. The General Counsel of the Authority stated that the discussion in Executive Session would include privileged attorney-client communications and should not be recorded. He recommended that no record be kept of the discussion constituting privileged attorney-client communications. Accordingly, based on the foregoing advice of counsel, the electronic

recording device was turned off at 11:54 AM. The Executive Session was concluded at 12:31 PM.

UNFINISHED BUSINESS: None.

NEXT MEETING DATE – APRIL 29, 2021: The next regular meeting of the Board of Directors will be April 29, 2021 by GoToMeeting and Conference Call.

ADJOURN: The March 25, 2021 meeting of the Board of Directors was adjourned at 12:33 PM.

Respectfully submitted,

A handwritten signature in blue ink that reads "Arvenia L. Morris". The signature is written in a cursive style with a large, stylized initial "A".

Arvenia L. Morris
Secretary

RESOLUTION NO. 03 -21

**Municipal Energy Agency of Nebraska
Associate Class Participation**

WHEREAS, the challenges in the energy industry and those relating to the operation of utility systems and/or to the supply of energy to the Arkansas River Power Authority (“Utility” or “ARPA”), are challenges shared by numerous other incorporated municipalities within and without the State of Nebraska; and it being for a public purpose and indispensable to the best interest of ARPA and such other municipalities to combine their economic and technical resources necessary to address such challenges on a basis consistent with the common interest of such similarly situated municipalities, and to preserve to the extent possible their autonomy and freedom of choice as municipal entities engaged in the municipal utility business as authorized by the laws of the State of Colorado.

WHEREAS, the Municipal Energy Agency of Nebraska, a political subdivision and public corporation, organized under the laws of the State of Nebraska, assists its municipal membership and participants in addressing the challenges set forth hereinabove; and it further appearing that ARPA’s participation in the non-member Associate Class of the Municipal Energy Agency of Nebraska, and the resulting benefits to be realized from such participation, will be of material importance and assistance to ARPA in dealing with challenges in the energy industry, the operation of utility systems and the supply of energy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Arkansas River Power Authority that:

1. The Arkansas River Power Authority be and hereby authorized to participate in the non-member Associate Class of the Municipal Energy Agency of Nebraska and to do all things necessary and proper to such participation.
2. The Arkansas River Power Authority does hereby accept and agree to comply with the By-Laws of the Municipal Energy Agency of Nebraska, which are attached hereto and incorporated by this reference.
3. The Arkansas River Power Authority will designate by separate resolution a representative for purposes of non-member Associate Class participation in the Municipal Energy Agency of Nebraska.
4. The Arkansas River Power Authority acknowledges that acceptance of ARPA as a non-member Associate Class participant is subject to approval of the Board of Directors of the Municipal Energy Agency of Nebraska.

DATED this 25th day of March, 2021.



Aurora Morris

Board Secretary - office Manager

A handwritten signature in blue ink, reading "Lorenz Sutherland".

Vice President, P Lorenz Sutherland

MEAN By-Law Provisions regarding Associate Class of Participation

ARTICLE XI. ASSOCIATE CLASS

Section 1. A nonvoting Associate class of participation in MEAN will be available to those entities who are not participating municipalities in MEAN's Charter and who meet the following requirements:

- A. An Associate must be approved by the Board;
- B. An Associate must qualify under one of the following methods:
 - (i) enter into an agreement with MEAN under which the Associate receives power supply, marketing agent, transmission agent or other power-related services from MEAN ("Participation Agreement") and receive approval from the Board to become an Associate; or
 - (ii) transition from participating municipality status to Associate status under Section C. below; or
 - (iii) accept an invitation from the Board to become an Associate;
- C. A participating municipality may transition to the status of Associate by completing the following:
 - (i) requesting and receiving approval from the Nebraska Power Review Board to withdraw as a participating municipality in MEAN's Charter, and
 - (ii) requesting and receiving approval of the Board to become an Associate;
- D. Participation as an Associate is valid until terminated. Termination shall be effective upon the earlier of (i) thirty (30) days advance written notice from the Associate or MEAN, or (ii) termination of the initial Participation Agreement and any successor Participation Agreement. Termination shall not relieve the Associate from any contractual obligations it may have with the Agency or from the Associate's liability to pay any dues, assessments, or fees incurred or commitments made prior to such termination;
- E. An Associate will not join MEAN's Charter;
- F. An Associate shall not constitute a participating municipality under these by-laws or the Charter;
- G. An Associate will not have representation on the Board nor have any voting privileges;
- H. An Associate will be eligible to receive agendas and packets for public meetings of the Board and certain subcommittees upon request;
- I. An Associate must join and maintain full membership in the NMPP; and
- J. Associate status is not transferable.

ARTICLE X. MEDIATION

The Board, the Agency's participating municipalities, and Associates, mutually agree that providing the opportunity for communication and review of certain limited grievances, issues or disputes that may arise is in the best interest of the Agency and all of its participating municipalities and Associates. Grievances, disputes or disagreements (other than matters addressed by other provisions of these by-laws or any contract between MEAN and any participating municipality or any Associate) shall be subject to the Dispute Resolution procedure set forth in this Article; provided, however, that the following matters are excluded and exempt from such Dispute Resolution procedure: (i) breach or failure to comply with any contract between the Agency and any participating municipality or any Associate, (ii) non-payment, (iii) failure to take scheduled power by a participating municipality power purchaser or an Associate, (iv) expulsion or termination of a participating municipality or an Associate, or (v) a continuing failure to meet or perform obligations under these

by-laws. The first step to resolve any dispute subject to this procedure shall be initiated by a written statement from the complaining party, with a request for discussion between the representative designated by the chairperson of the Board and the representative of the participating municipality or Associate. Such meeting shall occur within thirty (30) days following the receipt of the written statement setting forth the issue in dispute. In the event such meeting does not produce a resolution of the dispute, then either party may within sixty (60) days following the date of the written statement require non-binding mediation. The parties shall select a mutually acceptable mediator, and two representatives (one representative designated by the chairperson of the Board and one representative designated by the participating municipality or Associate), shall then meet with the mediator to review the issues in dispute. The mediator shall provide a written report to the parties. The parties shall use their best efforts in good faith to provide for such meeting on an expedited basis. The mediator shall provide the mediation report to the parties within ninety (90) days following the date of the written statement setting forth the dispute. In the event the report of the mediator is not accepted by all the parties, then the parties shall report the status of any unresolved issues to the Board.

ARTICLE XII. PROPRIETARY INFORMATION

Section 1. All Associates and all participating municipalities of MEAN, and the representatives of all Associates and all participating municipalities shall maintain the confidentiality of all proprietary information. Proprietary information shall include, but not be limited to, the following:

- A. The content of any closed session;
- B. All trade secrets, pricing processes, or other confidential or intellectual property;
- C. Information or data developed for MEAN by its officers, directors, employees, and agents which may be subject to patent or copyright application; and
- D. Information or data designated as proprietary or confidential by the Board.

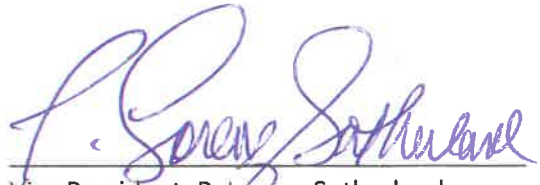
RESOLUTION NO. 04-21

**Municipal Energy Agency of Nebraska
Associate Class Participation Representative Appointment**

WHEREAS, the Arkansas River Power Authority is a participant in the non-member Associate Class of the Municipal Energy Agency of Nebraska; and pursuant to the terms of such participation, it is the responsibility of the Arkansas River Power Authority to designate a representative of the Arkansas River Power Authority for purposes of non-member Associate Class participation;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Arkansas River Power Authority, that the Secretary of the Board is hereby directed to give written notice to the Municipal Energy Agency of Nebraska of the designation of Rick Rigel as the Arkansas River Power Authority's representative for purposes of non-member Associate Class participation.

DATED this 25th day of March, 2021.


Vice President, P. Lorenz Sutherland

Attest: Arvenia Morris
Title: Board Secretary/Office Manager

