



## BUSINESS OPERATIONS – JANUARY 2021

**ARPA Retires its Power Revenue Refunding and Improvement Bonds Series 2010:** ARPA directed UMB Bank, its bond trustee, to retire ARPA's 2010 Bonds effective January 15, in the amount of \$15,066,966. The retirement of the Bonds will reduce the Authority's annual debt service by \$1.23 million and was instrumental in ARPA's ability to implement a 3.6% rate reduction in 2021.

**Update on the Dismantling of the LRP:** Jackson Demolition, the demolition contractor for the LRP, mobilized to the project site on January 11. Perimeter fencing around the demolition site has been installed and the process for removal of universal waste has begun. The Contractor is awaiting the demolition permit from the Colorado Department of Public Health and Environment (CDPHE), which will allow it to begin demolition of the Air Cooled Condenser, Baghouse, and Steam Turbine. The schedule anticipates completion of the demolition by mid-to late summer.

**ARPA Board Considers Approval of 3<sup>rd</sup> Amendment to the Mutual Release and Settlement Agreement:** At its January meeting, the Board approved the 3<sup>rd</sup> Amendment to the Settlement Agreement that was reached between the City of Lamar and ARPA in 2017. The Amendment was approved contingent on an effective date of February 9, 2021. The Amendment provides that ARPA will convey ownership of the power plant equipment and property located on the north side of Maple Street, to the City. In addition, ARPA will provide the funding originally budgeted for the north side demolition, to the City to be used for re-purposing, renovating or demolition of the equipment. In exchange, ARPA is released from all further obligations with respect to the equipment and property. In an effort to put the equipment back into production, ARPA has been working with the City and a private third-party, to repurpose the equipment into an agriculture related facility.

**Summary of Unaudited December 2020 Financial and Operating Statements:** During the month of December, revenue from power sales were 2.2% less than budget and total cost of goods sold were under budget by 23.2%. Net revenue for December was \$290,364. YTD Total Revenues are 2.8% better than budget and cost of goods sold were 4% under budget. Net revenues YTD are \$4,245,051 and member energy sales YTD are 4.2% better than budget.

**ARPA Board Adopts Resolution No. 02-21 Designating Meeting Dates and Locations for 2021:** The ARPA Board adopted a resolution establishing dates and locations for meetings in 2021. The schedule calls for 5 in-person meetings and 5 remote meetings. The first in-person meeting is tentatively scheduled for March 25. The Board understands it must be flexible, considering the pandemic, and an in-person meeting may be changed to a remote meeting depending on current circumstances. The Agenda for all meetings are posted on the ARPA website at least 24-hours in advance of the scheduled meeting.

**Next ARPA Meeting:** The next regularly scheduled meeting of the ARPA Board of Directors is Thursday, February 25, 2021. The meeting notice and agenda will be posted on the ARPA website [www.arpapower.org](http://www.arpapower.org) at least 24-hours in advance of the meeting.