

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
May 30, 2024

The Board of Directors of the Arkansas River Power Authority (ARPA) met at the Otero College Student Center, 2001 San Juan, La Junta, CO., on Thursday, May 30, 2024. Following appropriate notice, President Sutherland called the meeting to order at 10:00 AM.

ARPA Board Members present:

HOLLY: Blaine Ice
Randy Holland

LA JUNTA: Gary Cranson
P. Lorenz Sutherland

LAMAR: Houssin Hourieh
Roger Stagner¹

LAS ANIMAS: Ron Clodfelter
Rick Stwalley

SPRINGFIELD: Heath Piper
Jay Suhler

TRINIDAD: Frank Shew
Linda Vigil

ARPA Staff present:

Rick Rigel, General Manager
Aarin Ritter, Finance/Accounting Manager

ARPA Legal Counsel present:

Brandon Dittman, Wilson Williams Fellman Dittman

Others (guests) present:

Bill Jackson, Utility Director, City of La Junta
Lynn Wright, Electric Superintendent, Las Animas Municipal Light & Power
John Krajewski, JK Energy Consulting
Ronny Farmer, rfarmer, llc.²

¹ Arrived at 10:27 AM

² Attended from 10:00 AM – 10:18 AM

ROLL CALL: President Sutherland called the meeting to order at 10:00 AM. Roll call was circulated.

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

APPROVAL OF AGENDA: The agenda was approved as presented.

APPROVAL OF THE MINUTES: a. FEBRUARY 29, 2024 REGULAR MEETING.
The minutes of the February 29, 2024 regular meeting was approved as presented.

PUBLIC COMMENT: None.

PRESENTATION OF THE 2023 AUDITED FINANCIAL STATEMENT: Ronny Farmer, rfarmer, llc presented the 2023 audit. Following presentation and discussion of the 2023 Audit, Board Member Hourieh moved adoption of the following resolution:

RESOLUTION NO. 02-24. ACCEPTANCE OF THE 2023 AUDIT

RESOLVED, THAT THE 2023 FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023, AND 2022 AS PREPARED BY RFARMER, LLC A CERTIFIED PUBLIC ACCOUNTING FIRM IS HEREBY ACCEPTED AS PRESENTED TO THE BOARD OF DIRECTORS ON MAY 30, 2024. Board Member Ice seconded the motion to adopt Resolution No. 02-24, passed unanimously. **Resolution No. 02-24** appended to these minutes.

STRATEGIC GOALS FOR RATE STRUCTURE: a. Presentation by JK Energy Consulting. John Krajewski, JK Energy Consulting, presented a summary of several rate scenarios for the ARPA Board to consider. The consensus of the Board, with the recommendation from ARPA Staff and the rate consultant, was to pursue Scenario 3c as its Schedule A member rate for 2025-2026. Krajewski will continue to develop an incremental rate to include tariff language and qualification criteria. The Board will further discuss the rate scenarios at the August meeting with the final rate adoption at the December meeting when the 2025 budget is considered for approval.

UPDATE ON PURCHASE POWER AGREEMENT WITH CLAY CREEK, LLC:
The General Manager provided a status update on the agreement with Clay Creek, LLC.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. 2024 1st Quarter Financial Review. Finance Manager Ritter provided the 1st Quarter Financial Review. **b. April 2024 Financial Statement.** Financial Manager Ritter presented the April 2024 financial statement. Board Member Cranson moved to accept the April financial statement and approve outstanding bills, seconded by Board Member Hourieh. The motion was approved unanimously. The General Manager presented the projected year end financials using the actual for January through April and the budgeted numbers for May through December.

OPERATING REPORT: Aarin Ritter presented the Operating Report for April 2024. **a. Wind Report.** Aarin Ritter presented the Wind Report for April 2024.

OPERATING COMMITTEE REPORT: The Operating Committee met on May 23, 2024 in Las Animas. General Manager Rigel provided a summary of the items discussed. **a. Update on Distribution System Planning Services.** CLP Engineering attended the

meeting and provided a status update on the distribution system planning services. **b. Consider Adopting Policy Number 6 – Customer Communications via a Mobile Messaging Service.** General Manager Rigel reviewed the details of the TextPower Agreement. Staff drafted a policy and procedure for providing the ARPA Members with enhanced customer communications through a mobile messaging service (TextPower), and further, to establish the manner in which ARPA will provide the basic service and invoice for per-message fees above the included messages of 40,000 texts per month. The Operating Committee recommended that the ARPA Board of Directors consider adopting Board Policy No. 6. Board Member Vigil moved to accept Board Policy No. 6, seconded by Board Member Hourieh, passed unanimously. *Training Reimbursement Guidelines.* The Operating Committee adopted a revised training reimbursement guideline. The General Manager reviewed the updates.

GENERAL MANAGER REPORT: **a. Springfield Microgrid Grant Award.** Springfield has been notified by DOLA that it was awarded funding for a microgrid planning grant, however, the contract for the grant funding has not been finalized. **b. DG Policy – Review.** The General Manager reviewed the purpose of the DG Policy. The DG Policy is primarily related to net metering. **c. Report on S&P Global Credit Rating Publication.** S&P reaffirmed ARPA’s investment grade credit rating as ‘BBB’ long-term with a stable outlook. The Board members received a copy of the Publication. **d. Update on WAPA-LAP Rate Increase.** WAPA is proposing a 17% rate increase for the LAP allocation spread over the next two years. **e. Update on Tri-State Transmission Rate.** Tri-State’s largest member, United Power, has terminated its membership with Tri-State. The reduction in Tri-State’s transmission load will impact ARPA’s transmission cost beginning with the May invoice. **f. Natural Gas Pipeline Abandonment Proposal.** CAMPOS, the contractor that will do the work to abandon the pipeline, is drafting an agreement for the work. **g. Miscellaneous. Tri-State Transmission Project.** The General Manager reported that Tri-State’s transmission project from Burlington to Lamar (230 kV) is currently under construction with an in-service date of 2025. Tri-State is also planning the Boone-Huckleberry 230 kV substation and transmission line construction. These projects will benefit transmission operations to the ARPA members. *Legislative Bills.* The General Manager provided an update on the following legislative bills: HB24-1454 (Grace Period for Non-Compliance of Digital Accessibility), HB24-1357 (Gas Pipeline Safety), Clean Energy Plan and SB24-1168 (Live-streaming government meetings). He also reported on Stakeholder’s Committee meetings on Net Metering that is being facilitated by the Colorado Energy Office.

NEW BUSINESS: None.

UNFINISHED BUSINESS: None.

PLANNING AND COMMUNICATION: **a. ARPA Awards Program.** There were two well deserving individuals who were recently presented with ARPA’s Honor Roll of Merit at council meetings in their respective cities. The Honor Roll of Merit is presented to a person

or organization that makes a significant effort and unselfish contribution either to the mission and purpose of ARPA or to the betterment of an ARPA member community. The two recipients were Larry Sitts, Mayor of the Town of Holly and Franklin Shew, Trinidad City Council. **b. ARPA Scholarship Program.** There were seven high school seniors who were awarded scholarships for the academic year 2024-2025. The scholarships of \$1,400 are funded equally between ARPA and the member municipality.

MEMBER CITIES' REPORTS: Board Member Blaine Ice (Holly) on behalf of the Town of Holly, expressed his gratitude for the distribution system study being done by CLP Engineering. He stated it has already helped tremendously.

NEXT MEETING DATE: The next regularly scheduled meeting of the Board of Directors is August 29, 2024, in La Junta at the Otero College Student Center.

ADJOURN: The meeting of the Board of Directors was adjourned at 1:26 PM.

Respectfully submitted,



Aarin R. Ritter
Manager Finance and Accounting

RESOLUTION NO. 02-24

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ARKANSAS RIVER
POWER AUTHORITY TO ACCEPT AUDITED FINANCIALS FOR YEARS ENDED
DECEMBER 31, 2023 and 2022**

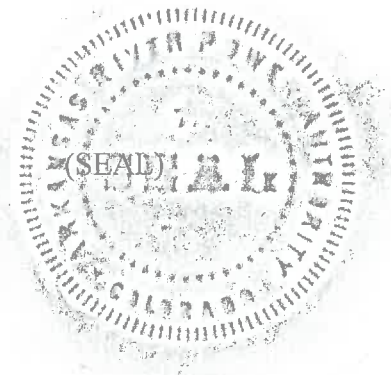
NOW, THEREFORE, the Board of Directors of the Arkansas River Power Authority
Hereby resolves to accept the Financial Statements for the years ended December 31, 2023, and
2022 as prepared by rfarmer, llc a certified public accounting and consulting firm.

Approved by the Board of Directors on this 30th day of May, 2024.



P. Lorenz Sutherland
President
Board of Directors
Arkansas River Power Authority

I, Arvenia L. Morris, the duly appointed secretary of the Arkansas River Power Authority, do
hereby certify that the foregoing is a true and correct copy of Resolution No. 02-24 adopted by the
Board of Directors of the Arkansas River Power Authority at a regularly scheduled meeting on
May 30, 2024, at which a quorum of the Board was present and voting.



Arvenia L. Morris