

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
October 31, 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, October 31, 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: P. Lorenz Sutherland

LAMAR: Houssin Hourieh
Jay Brooke

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
Arvenia Morris, Office Manager

ARPA Legal Counsel present:

Brandon Dittman, Wilson Williams Fellman Dittman

Others (guests) present:

Bill Jackson, Utility Director, City of La Junta
Dave Bachicha, Director of Power and Light, City of Trinidad
Lynn Wright, Electric Superintendent, City of Las Animas

ROLL CALL: President Sutherland called the meeting to order at 10:00 AM. Roll call was circulated. Houssin Hourieh introduced Jay Brooke. Jay is the Vice Chairman of the Lamar Utilities Board and was recently appointed to the ARPA Board. Board Member Cranson was absent.

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. AUGUST 29, 2024 REGULAR MEETING.

The minutes of the August 29, 2024 regular meeting was approved as presented.

PUBLIC COMMENT: None.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a.

September 2024 Financial Statement. Financial Manager Ritter presented the September 2024 financial statement. Board Member Hourieh moved to accept the September financial statement and approve outstanding bills, seconded by Board Member Vigil. The motion was approved unanimously. **b. Update on Year End Financial Projections.** Finance Manager Ritter provided the end-of-year financial projections using the actual amounts for January through September and the budgeted numbers for October through December. **c. Financial Modeling 2025-2030.** The General Manager presented the Financial Modeling and an overview of how the financial modeling profile is developed.

SUBMISSION OF 2025 PROPOSED BUDGET TO BOARD OF DIRECTORS. a. Report

by General Manager and Discussion. The Board received a draft of the proposed 2025 Budget (by email) on October 15 as required by the Colorado local government budget law. The General Manager presented a review of the 2025 budget including the most recent updates. **b. Authorize Publication of Availability and Set Budget Hearing Date for December 5, 2024.** Board Member Holland moved that in accordance with the Colorado Local Government Budget Law, the proposed 2025 budget be published and made available by appropriate distribution to the City Clerk of each member municipality and in the manner required by Colorado law, and establish December 5, 2024 as the date for the public hearing for adoption of the 2025 budget. Said hearing shall be held at the December 5, 2024 meeting of the Board of Directors in La Junta. The motion was seconded by Board Member Hourieh and approved unanimously.

OPERATING REPORT: Aarin Ritter presented the Operating Report for

September 2024. **a. Wind Report.** Arvenia Morris presented the Wind Report for September 2024.

OPERATING COMMITTEE REPORT: The Operating Committee met on

September 19, 2024 in Las Animas. General Manager Rigel provided a summary of the items discussed. **a. DOE-GRIP Funding Review.** Nicole Sibilski, The Ferguson Group, attended the Operating Committee meeting by ZOOM. She provided an overview of the grant process for the DOE-GRIP funding. In collaboration with the Members, Staff drafted a preliminary list of the Members projects/upgrades from CLP Engineering reports that

will be packaged together into one large grant. The grant requires one-third match of federal funds, or twenty-five percent of the total project. ARPA will be the applicant for the DOE-GRIP grant; therefore, all project payments, grant reimbursements, matching funds, etc., will flow through ARPA. The Members would be responsible for developing specifications, bidding for purchases, and overseeing completion of work. The Board discussed developing a uniform template for all the members to use for their Requests for Bid for their projects/upgrades. **b. Consider Options for Matching Funds Commitment.** If ARPA is awarded the grant, the Committee discussed that beginning with the grant start date (January 2026 used for planning purposes), ARPA will invoice each member, monthly, 1/60th of their matching funds over a 5-year period. Board Member Brooke moved to authorize development of a draft Intergovernmental Agreement (IGA), seconded by Board Member Clodfelter, passed unanimously. The IGA will be brought back to the Board for its review, and to the Member's governing boards for their review, before a final draft is presented for approval.

ARPA WHOLESALE RATE-REVIEW OF THE INCREMENTAL LOAD RATE RIDER TARIFF. The Board received a copy of the proposed ARPA Wholesale Rate including the incremental load rate tariff. The General Manager reviewed the structure of the incremental load rate rider tariff. The Rate will be brought before the Board at the December 5 meeting, and if approved, will go into effect in January 2025.

UPDATE ON PURCHASE POWER AGREEMENT WITH CLAY CREEK, LLC (SANDHILLS ENERGY). The General Manager provided an update on the Clay Creek solar projects in Lamar, Las Animas (Fort Lyon), Trinidad and La Junta. Staff expects to receive a Purchase Power Agreement from Sandhills Energy prior to the December meeting.

GENERAL MANAGER REPORT: a. Natural Gas Pipeline Abandonment – Update. Board Member Hourieh reported the pipeline project has been completed. The job book should be finalized and submitted to the appropriate authorities (DOT and PUC) by the end of November. **b. Miscellaneous.** *Tri-State Network Integrated Transmission Service (NITS) Agreement.* The General Manager provided an update on the NITS Agreement renewal application. *Power Supply Transition to Guzman Energy.* The General Manager provided an update on the tasks related to the transition of power supply from Public Service Company to Guzman Energy on February 1, 2025. *Springfield Microgrid Planning Grant.* Springfield is reviewing options for Battery Energy Storage Systems (BESS) and potentially an option to pair BESS with a small solar installation.

NEW BUSINESS: None.

UNFINISHED BUSINESS: None.

PLANNING AND COMMUNICATION: None.

MEMBER CITIES' REPORTS: None.

EXECUTIVE SESSION CRS § 24-6-402(4)(f). a. General Manager Review.

General Counsel Dittman announced the Board is authorized to go into executive session for the purpose of discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f). The employee was previously informed of the executive session and did not wish to have the subject of the executive session in open session. Board Member Clodfelter moved, seconded by Board Member Brooke, and carried unanimously, to go into executive session for the stated purposes. The executive session began at 11:44 AM. The executive session concluded at 12:02 PM. In lieu of any written minutes, to satisfy the recording requirements of the Open Meetings Law, the executive session was electronically recorded and will be kept for a period of 90 days. No person who participated in the executive session stated any concerns that any discussion of any matters not included in the motion to go into the executive session occurred during the executive session. No formal action occurred in the executive session.

NEXT MEETING DATE: The next regularly scheduled meeting of the Board of Directors is December 5, 2024, in La Junta at the Otero College Student Center.

ADJOURN: The meeting of the Board of Directors was adjourned at 12:04 PM.

Respectfully submitted,



Arvenia L. Morris
Secretary