

ARKANSAS RIVER POWER AUTHORITY
Board of Directors Meeting Minutes
February 26, 2026

The Board of Directors of the Arkansas River Power Authority (ARPA) met at the LJ Grill, 27696 Harris Road, La Junta, CO., on Thursday, February 26, 2026. Following appropriate notice, President Sutherland called the meeting to order at 11:00 AM.

ARPA Board Members present:

- HOLLY: Randy Holland
Blaine Ice
- LA JUNTA: Gary Cranson
P. Lorenz Sutherland
- LAMAR: Jay Brooke
Houssin Hourieh
- LAS ANIMAS: Rick Stwalley
- SPRINGFIELD: Heath Piper
Aaron Close
- TRINIDAD: 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 and Dittman

Others (guests) present:

- Chris Arguello, Electric Director, La Junta Municipal Utilities
Lynn Wright, Electric Superintendent, Las Animas Municipal Light and Power
John Krajewski, JK Energy Consulting, Lexington, NE
Paul Cordova, Line Supervisor, City of Trinidad

WORK SESSION: A work session was held at 10:00 AM on Thursday, February 26, 2026. The purpose of the work session was to hold a meet-and-greet for a potential candidate for the General Manager position. The work session was followed by a regular board meeting of the Board of Directors.

ROLL CALL: President Sutherland called the regular meeting to order at 11:00 AM. Roll call was circulated.

QUORUM: A quorum of the Board was present and voting at the meeting. Heath Piper introduced Aaron Close, the newly appointed representative from the Town of Springfield.

APPROVAL OF AGENDA: The agenda was approved as published.

APPROVAL OF THE MINUTES of DECEMBER 4 (2025) REGULAR MEETING: Board Member Brooke made a motion to approve the minutes of the December 4 meeting, seconded by Board Member Hourieh, approved unanimously.

PUBLIC COMMENT: None.

ELECTION OF OFFICERS-Resolution No. 01-26:

Due to the resignation of Ron Clodfelter from the ARPA Board of Directors, the office of Vice President is currently vacant. Board Member Hourieh nominated Board Member Jay Brooke to fill the office of Vice President. Board Member Hourieh moved to maintain the current slate of officers, recognizing the nomination of Jay Brooke as Vice President. The motion was seconded by Board Member Piper and passed unanimously.

RESOLVED, that the following are hereby elected officers of the Arkansas River Power Authority Board of Directors beginning February 2026 and shall hold office until the next succeeding annual meeting of the Board of Directors: Lorenz Sutherland, President; Jay Brooke, Vice President; Gary Cranson, Treasurer; Arvenia Morris, Secretary.

FINANCIAL REPORT AND APPROVAL OF OUTSTANDING BILLS: a. **2025 4th Quarter Financial Review.** Finance Manager Ritter provided the 4th Quarter Financial Statement. b. **January 2026 Financial Statement.** Finance Manager Ritter presented the January 2026 financial statement. Board Member Ice moved to accept the January financial statement and approve outstanding bills, seconded by Board Member Cranson. The motion was approved unanimously. c. **Bond Compliance Report.** Finance Manager 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. The *Bond Compliance and Management Policy* is attached to and made a permanent part of these official minutes.

OPERATING REPORT: Aarin Ritter presented the Operating Report for January 2026. a. **Wind Report.** Arvenia Morris presented the Wind Report for January 2026. b. **Report on LUB T-2 Operations.** Board Member Hourieh provided a report on the Lamar Utility Board's T-2 operations. T-2 has been brought out of a mothball status with an upgrade to the gearbox and a new pitch system for the blades.

PRESENTATION OF RESOURCE ADEQUACY REPORT: Legislative HB23-1039 requires that electric load serving entities with an obligation to provide retail or wholesale services submit an annual report to their governing boards regarding their electric resource adequacy. The Board received a copy of the report that will be submitted to the Colorado Energy Office. Board Member Hourieh moved to approve the Resource Adequacy Report as submitted to the member cities, seconded by Board Member Cranson, passed unanimously.

OPERATING COMMITTEE REPORT: The Operating Committee met in La Junta on February 12. General Manager Rigel provided a recap of the topics discussed.

ANNUAL REVIEW 2025-2026: The year 2025 was a financially successful year. Energy sales to members exceeded budget; all-in costs to members were 7.6% lower than 2024; ARPA concluded the year with \$9.2 million in unrestricted funds; Fitch Ratings upgraded ARPA's credit rating to BBB w/Stable Outlook; ARPA began its power supply contract with Guzman Energy; ARPA absorbed a WAPA-LAP rate increase of 8%; A wind renewable energy certificates sales agreement was finalized with Guzman Energy; ARPA negotiated a reduction for sub-transmission to Trinidad; and Mutual Aid between the Members was exercised in 2025 for storm damage and underground outage repair. **a. SPP RTO/SPP Markets Plus.** The board received an update on the Southwest Power Pool Regional Transmission Organization (SPP RTO). The go live date is April 1, 2026. The SPP Markets Plus go live date is slated for late summer/early fall of 2027.

GENERAL MANAGER REPORT: **a. Update on Solar Developments.** Brian Boerner, Sandhills Energy, joined the meeting by zoom and provided an update on Clay Creek Energy LLC, Solar Energy Facilities that will be installed in Trinidad, La Junta, Lamar and Las Animas locations. The General Manager provided additional information regarding the status of the equipment required for the distribution side of the project. **b. Miscellaneous.** **i. WAPA Update.** *WAPA-LAP Update:* The General Manager provided an update on the SPP Planning Reserve Margins. *WAPA-CRSP Update:* Due to lack of snowpack, CRSP energy deliveries have dropped below 50% of the allocated amount. **ii. 2026 Legislative Updates.** The General Manager reviewed the legislative bills CAMU is monitoring that could impact ARPA member's operations including HB26-1007- Improve Customer Use Distributed Energy Resources (Plug-In Solar Generators) and legislation related to Large-Loads Data Centers.

NEW BUSINESS: a. Consider Approval of WAPA-LAP Allocation Assignment Agreement – Action Item. Board Member Brooke moved adoption of the following resolution:

Resolution No. 02-26:

BE IT RESOLVED by the Board of Directors of the Arkansas River Power Authority ("ARPA") that, based upon final technical and legal review, P. Lorenz Sutherland is hereby authorized to execute for and on behalf of the Arkansas River Power Authority, the Firm Electric Service Assignment Agreement (Agreement), among the Western Area

Power Administration, United Power, Inc., And the Arkansas River Power Authority, which was duly presented to the ARPA Board of Directors, and which Agreement is hereby approved.

The motion to adopt **Resolution No. 02-26** was seconded by Board Member Cranson and it passed unanimously.

b. Consider Approval of a Purchase Power Agreement with Guzman Energy for WAPA Replacement Power – Action Item. Board Member Cranson moved to table this action item, seconded by Board Member Vigil, passed unanimously. **c. Consider Approval of Amendment 1 to the WAPA FES Contract and Related Exhibit – Action Item.** Board Member Close moved to approve Amendment 1 to the WAPA Contract No. 14-RMR-2501 including Exhibit E, Revision No. 1, seconded by Board Member Hourieh, the motion passed unanimously. **d. Consider Appointing a General Manager’s Selection Committee.** President Sutherland directed the formation of a nomination panel. Those members appointed to the nomination panel include Jay Brooke, Linda Vigil, Chris Arguello, and Paul Cordova.

UNFINISHED BUSINESS: None.

PLANNING AND COMMUNICATION: **a. ARPA Awards Program.** The Board received copies of the description and nomination forms for the Gordon Robertson, Tom Pryor, and Honor Roll of Merit awards. Nominations are due April 1, 2026. **b. ARPA Scholarship Program.** The ARPA scholarship program for 2025-2026 is underway. Scholarship recipients will be announced at the May meeting of the Board. **c. APPA National Conference – June 26-July 1, 2026, in Boston, MA.** The APPA National Conference will be held in Boston, Massachusetts, June 26-July 1. **d. CAMU Annual Conference – July 22-23, 2026, in Snowmass, Colorado.** The CAMU Annual Conference will be held in Snowmass on July 22-23.

MEMBER CITIES’ REPORTS: None.

EXECUTIVE SESSION: PERSONNEL – GM CONTRACT DISCUSSION – C.R.S. SECTION 24-6-402(4)(e) and (f):

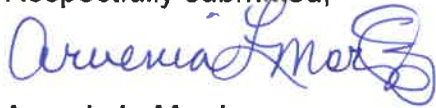
General Counsel Dittman announced the Board is authorized to go into executive session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e), to discuss a personnel matter under C.R.S. Section 24-6-402 (4)(f). The subject of the personnel matter was informed of the executive session and did not wish to have it in open session. Board Member Brooke moved, seconded by Board Member Cranson to go into executive session for the purposes stated, passed unanimously. The executive session began at 1:42 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 at the executive session. The executive session concluded at 1:54 PM.

NEXT MEETING DATE: The next regularly scheduled meeting of the Board of Directors is May 28, 2026, in La Junta.

ADJOURN: The meeting of the Board of Directors was adjourned at 1:56 PM.

Respectfully submitted,



Arvenia L. Morris
Secretary

**ANNUAL COMPLIANCE REPORT RE:
BOND COMPLIANCE AND MANAGEMENT POLICY**

To: Board of Directors of the Authority

Pursuant to its responsibilities as set forth in the Authority's internal Bond Compliance Policy (the "*Policy*"), Management has conducted the annual review required by the Policy and has prepared this report to determine whether the Bonds (as defined in the Policy) comply with covenants and other ongoing requirements applicable to each issue of Bonds. The following sets forth a summary demonstrating the Authority's compliance with such covenants and requirements.

RECORDS

The Authority has all of the records required under the Policy.

TAX COMPLIANCE

(a) *Arbitrage Rebate Liability.* At this time, the Authority does not have any rebate liability to the U.S. Treasury.

(b) *Contract Review.* The Authority has reviewed copies of all contracts and agreements of the Authority, including any leases, with respect to the use of any property owned by the Authority and acquired, constructed or otherwise financed or refinanced with the proceeds of the Bonds and other records. At this time, each issue of the Bonds complies with the federal tax requirements applicable to such issue, including restrictions on private business use and private loans.

(c) *IRS Examinations or Inquiries.* The Internal Revenue Service (the "*IRS*") has not commenced an examination of any issue of the Bonds. The IRS has not requested a response to a compliance checklist, questionnaire or other inquiry.

CONTINUING DISCLOSURE

(a) Management has reviewed the agreements of the Authority with respect to each issue of Bonds to determine whether the Annual Financial Information and Audited Financial Statements were filed in a timely manner. All such information was filed within the times required by all Undertakings.

(b) Management has conducted a review of all Material Events and Reportable Events, and has determined that.

No Event Disclosure has been required.

OTHER COVENANTS AND REQUIREMENTS

All issues of Bonds are in compliance with all other covenants and other ongoing requirements applicable to each such issue under the related Bond documents.

Based upon the foregoing, Management believes that no further action is necessary at this time.

COMPLIANCE WITH POLICY

All issues of Bonds are in compliance with all requirements of the Policy applicable to each such issue.

Based upon the foregoing, Management believes that no further action is necessary at this time.

TRAINING

Management has reviewed the requirements of the Best Practices – Training section of the Policy, and has participated in such periodic training as it has deemed necessary or appropriate to promote its compliance with the requirements of the Policy.

DELIVERY OF THIS REPORT

This report will be entered into the records of the Authority.

Submitted this 26th day of February, 2026.

GENERAL MANAGER

By 

RESOLUTION No. 02-26

BE IT RESOLVED by the Board of Directors of the Arkansas River Power Authority (“ARPA”) that, based upon final technical and legal review, P. Lorenz Sutherland is hereby authorized to execute for and on behalf of the Arkansas River Power Authority, the attached Firm Electric Service Assignment Agreement (Agreement), among the Western Area Power Administration, United Power, Inc., and the Arkansas River Power Authority, which was duly presented to the ARPA Board of Directors, and which Agreement is hereby approved.

(State of Colorado)

) ss

(County of Prowers)

I, Arvenia Morris, the duly appointed and qualified Secretary of the Arkansas River Power Authority, do hereby certify that the foregoing is a true, accurate, and complete copy of a resolution duly passed and adopted at a regular meeting of the Board of Directors of the Arkansas River Power Authority, held on February 26, 2026.

Dated: February 26, 2026

By: Arvenia L Morris

(Signature of Secretary)

Title: Secretary

