

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Meeting Minutes
<https://lpea.coop/lpea-board-directors-resources>
Wednesday, December 15, 2021
Zoom Webinar

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, December 15, 2021, via Zoom webinar. President Witchel called the meeting to order at 9:03 a.m. with the following directors present:

Ted Compton	John Lee	Holly Metzler
Dan Huntington, Secretary	Joe Lewandowski	Kirsten Skeehan
Bob Lynch, Treasurer	Kohler McInnis	Tim Wheeler, Vice President
Rachel Landis	Sue McWilliams	John Witchel, President

LPEA STAFF PANELISTS

Dan Harms, VP of Grid Solutions
Hillary Knox, VP of Member Experience
Jessica Matlock, Chief Executive Officer
Karl Ramsey, VP of Finance
Graham Smith, Staff & Board Attorney
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE

None

WEBINAR ATTENDEES

Emelie Frojen and Lori Schell

APPROVAL OF AGENDA

President Witchel addressed the December 15, 2021, LPEA board meeting agenda.

Motion: Director Lee moved to approve the December 15, 2021, LPEA board meeting agenda as amended, adding a cyber security update to executive session and removing the FERC, Adams County, and CoPUC updates since Matthew Larson, Outside Counsel, was not available. Motion seconded and carried without dissent.

MEMBER COMMENTS AND CONCERNS

There was no public commentary.

CONSENT BOARD ITEMS (9:10am)

President Witchel addressed the Consent Board Items. Director Landis asked to remove the director expense report from the Consent Board Items.

Motion: Director McInnis moved to approve the remaining Consent Board Items: The November Board of Directors' meeting minutes, accepting new members, Capital Credits, monthly write-offs, director travel and training requests, and director expenditures. Motion seconded and carried without dissent.

Director Landis explained that her removal of the director expense report was to correct an auto-population error. Attorney Smith noted that directors only need to report attendance at "authorized" meetings, as those are the only meetings where directors are eligible for compensation under Policy 109.

Motion: Director Lee moved to approve the December director expense report as amended. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS (9:20am)

CEO Matlock reported on key performance indicators for safety, reliability, finance, communications and outreach, beneficial electrification, and information technology. The division dashboard was made public prior to the board meeting. CEO Matlock and staff members took questions and suggestions related to discussed topics.

FINANCE REPORT UPDATE (9:33am)

VP of Finance Ramsey addressed the November 2021 financials. All financial goals were met in November except for cash reserves, which were at 12.9%, lower than the board approved range of 16-20%, due to Capital Credit retirements. VP Ramsey noted that, as of the date of the meeting, cash reserves had returned to 16% and are back within the board-approved range. It was noted that equity percentage was higher than the board approved goal of 45-50% and that this target range will be reviewed and most likely changed in 2022. VP Ramsey took questions from board members.

BOARD ACTION AGENDA

CAPITAL CREDITS REVIEW (9:46am)

VP Ramsey gave a presentation on Capital Credits, where they come from, how they are allocated and the difference between Tri State's and LPEA's allocations and retirements. VP Ramsey also summarized the history of allocations and retirements from Tri State and LPEA. VP Ramsey took questions.

FINANCE AND AUDIT COMMITTEE UPDATE (11:09am)

Referring to the written Finance and Audit Committee (FAC) report, Committee Chair Lynch gave a brief update. Committee Chair Lynch discussed optimizing dates for future budgeting and incorporating assumptions such as supply chain and inflation.

COMMITTEE ON POLICIES UPDATE (11:15am)

Referring to the Committee on Policies (COP) report, Committee Chair Compton gave a brief update. Committee Chair Compton stated that the COP hasn't met since it reviewed the 400 series updates but spoke of plans for future meetings. Committee Chair Compton spoke positively on the process the committee has in place. Committee Chair Compton took questions and suggestions on reviewing specific policies.

ATTORNEY UPDATE OF FERC, ADAMS COUNTY, AND COPUC ACTIONS (ITEM REMOVED FROM AGENDA)

EXECUTIVE SESSION (11:26pm)

President Witchel requested a motion to move into executive session to discuss possible legal action on the right-of-way issue and an update on cyber security.

Motion: Director Wheeler moved to enter executive session to discuss possible legal action on the right-of-way issue and an update on cyber security. Motion seconded and carried without dissent.

The board remained in executive session from 11:26 am –12:06 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION (12:11 pm)

Motion: Director Wheeler moved to approve legal action from executive session. Motion seconded and carried without dissent.

REPORTS

ATTORNEY REPORT (12:43 pm)

Referring to the written report included in the board packet, Attorney Smith highlighted work done for LPEA staff and board members after the November meeting. Attorney Smith took questions and suggestions from board members regarding legal matters as noted in his reports.

Discussed protocol for member comments (12:43pm)

Status update on Crossover negotiations (1:06pm)

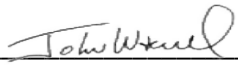
DIRECTOR REPORTS (1:15pm)

Directors referred to written and verbal reports in the board packet and took questions from board members and staff.

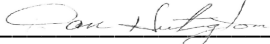
ADJOURN

There being no further business, the LPEA Board of Directors' meeting adjourned at 2:15 p.m.

Recorded by J.P. Thunstrom and VP Drew Timmerman and approved by:



John Witchel, President



Dan Huntington, Secretary