

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Minutes of Meeting
Wednesday, April 21, 2021
Webinar <https://www.lpea.coop>

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, April 21, 2021 via webinar. President Bassett called the meeting to order at 9:01 a.m. with the following directors present:

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

LPEA STAFF:

Garrett Hammer, Pagosa Springs District Manager
Dan Harms, VP of Grid Solutions
Hillary Knox, VP of Member Experience
Jessica Matlock, Chief Executive Officer
Nadine Ontiveros, VP of People and Culture
Karl Ramsey, VP of Finance
Graham Smith, Staff Attorney & Board Attorney
Jerry Sutherlin, VP of Operations
Janelle Thunstrom, Executive Assistant
Drew Timmerman, VP of Information Technology

EXCUSED ABSENCE:

None

GUESTS:

Matthew Larson, Outside Counsel for LPEA
Jennifer Colomb, LPEA Billing Manager
Jenny Taylor, LPEA Visual Communications Specialist
Tammy Totzke, BKD

WEBINAR ATTENDEES:

Kyle Amstadter, Patrick Armijo, J. Paul Brown, Ted Compton, Pat Kelley, Craig Konx, Katie Pellicore, Elizabeth Romere, Lori Schell, Deborah Shisler, Guinn Unger, and Bill Waters.

MEMBER COMMENTS AND CONCERNS

President Bassett addressed and responded to members' comments and concerns.

RECOGNITION OF BOARD MEMBERS CLASS COMPLETION

Recognition of Director Sue McWilliams for completion of NRECA's Gold Certification.

APPROVAL OF AGENDA

President Bassett addressed the April 21, 2021 LPEA board meeting agenda.

Motion: Director McInnis moved to approve the April 21, 2021 LPEA board meeting agenda. Motion seconded and carried without dissent.

CONSENT BOARD ITEMS

President Bassett addressed the Consent Board Items. Modifications were noted to the minutes.

Motion: Director Landis moved to approve the Consent Board Items: March 10, 2021 Board of Directors' meeting minutes, accepting new members, Capital Credits, and monthly write-offs. Motion seconded and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS

CEO Matlock and LPEA staff members reported on key performance indicators for safety, reliability, finance, beneficial electrification, and information technology. Staff highlighted key items within each division and took questions.

AUDIT REPORT WITH BKD

Tammy Totzke with BKD gave an overview of LPEA's financial audit. There were no findings which were required to be communicated with those charged with governance. There were no audit adjustments recorded. Balance sheet graph highlights were presented on cash and cash equivalents, plant additions, debt, and Capital Credits refunds. The Statement of Margins was also presented with highlights on operating margins, operating expense, and net margins. An update was also given on the Paycheck Protection Program, for which 100% of LPEA's loan has been forgiven. Totzke spoke about other topics and took questions from board members.

President Bassett addressed the 2020 audit questionnaire.

Motion: Director McWilliams moved to ask the auditors to send out a questionnaire via email for the 2021 audit before the audit starts.

Motion

Withdrawn: Director McWilliams has withdrawn her motion and will remind VP Ramsey for next year's audit to ask the auditors to send a questionnaire to all directors.

FINANCE REPORT UPDATE

VP of Finance Ramsey gave an update on the March 2021 financials. The board's financial goals have been met. The 2021 operating margin is over budget, which is driven by expenses. Expenses are \$1.52M under budget due to reduced medical accrual, lower payroll costs, lower legal costs, and prudent cost control. Delinquent accounts are less than the same time in 2019 and 2020. VP Ramsey took questions.

2020 ANNUAL REPORT REVIEW

VP Hillary Knox addressed the 2020 Annual Report. The formatting will be changing next year to better align with LPEA's North Star priorities. A link will be provided for both the PDF print version and digital version on the LPEA website. The directors were requested to review and report any changes or edits to VP Knox.

BOARD ACTION AGENDA

BROADBAND COMMITTEE UPDATE

Committee Chair Skeehan gave an update on the Broadband Committee meeting that took place on April 11th. Committee Chair Skeehan gave highlights around Conexon. The Committee has been extended to August and will give recommendations at that time. Committee Chair Skeehan took board member questions and concerns.

FINANCE AND AUDIT COMMITTEE UPDATE

Committee Chair Wheeler gave an update on the Finance and Audit Committee. Net metering was discussed during the meeting and the committee listened to requests from CEO Matlock and staff.

AGGREGATED NET METERING DISCUSSION

President Bassett gave a brief overview of net metering and gave examples. Bassett asked staff to consider this and asked the board if they want to act. There was no more discussion. Bassett ended the topic by mentioning that one strategic goal is to reduce our carbon footprint and the other is economic development.

CONTRACTOR BID DISCUSSION/AWARD

Attorney Smith gave an overview on the Contractor Bid Discussion/Award. VP Sutherlin gave an update on the two bids that were received. The bids are for cable replacement jobs and if we wait on doing the task, it will cause more of an issue. LPEA staff members took questions from board members.

Motion: Director Lewandowski moved to approve this expense. Motion seconded and carried 11 to 1 with Directors Bassett, Huntington, Landis, Lee, Lewandowski, Lynch, McInnis, Metzler, Skeehan, Wheeler, Witchel in favor; Director McWilliams abstaining.

ELECTION SUPERVISORY COMMITTEE MEMBER NOMINATION AND APPOINTMENT

Attorney Smith addressed the District 3 nomination for the ESC.

Motion: Director Lewandowski moved to nominate Ross Park to the Election Supervisory Committee. Motion seconded and carried 11 to 1 with Directors Bassett, Huntington, Landis, Lewandowski, Lynch, McInnis, McWilliams, Metzler, Skeeahan, Wheeler, Witchel in favor; Director Lee abstaining.

DIRECTOR TRAVEL AND TRAINING REQUESTS

President Bassett addressed requests for director travel and trainings. Director Metzler requested to attend two CREA (Colorado Rural Electric Association) training courses. Director Skeeahan requested to attend one CREA training course. Director Landis asked that the Executive Assistant put all training options together so this can be sent to the board.

Motion: Director Landis moved to approve the training requests. Motion seconded and carried without dissent.

No travel requests were presented to the board.

DIRECTOR EXPENSE APPROVAL

Treasurer Wheeler reported on the April 2021 director expenses.

All 12 directors are present for this board meeting.

LPEA Mileage Reimbursements

Britt Bassett	\$00.00	Kohler McInnis	\$00.00
Dan Huntington	\$00.00	Sue McWilliams	\$00.00
Rachel Landis	\$00.00	Holly Metzler	\$00.00
John Lee	\$00.00	Kirsten Skeeahan	\$00.00
Joe Lewandowski	\$00.00	Tim Wheeler	\$00.00
Bob Lynch	\$00.00	John Witchel	\$00.00

LPEA Board and Committee Meetings

Britt Bassett	\$1325.00	Kohler McInnis	\$1200.00
Dan Huntington	\$1200.00	Sue McWilliams	\$1200.00
Rachel Landis	\$1325.00	Holly Metzler	\$1325.00
John Lee	\$1200.00	Kirsten Skeeahan	\$1575.00
Joe Lewandowski	\$1200.00	Tim Wheeler	\$1575.00
Bob Lynch	\$1200.00	John Witchel	\$1200.00

(RoundUP)

Other External Meetings

Britt Bassett	\$125.00	Kohler McInnis	\$125.00
Dan Huntington	\$125.00	Sue McWilliams	\$375.00
Rachel Landis	\$125.00	Holly Metzler	\$250.00
John Lee	\$825.00	Kirsten Skeeahan	\$200.00
Joe Lewandowski	\$125.00	Tim Wheeler	\$125.00
Bob Lynch	\$125.00	John Witchel	\$125.00

(RoundUP)

Motion: Director McInnis moved to approve director expenses as presented. Motion seconded and carried without dissent.

RESOLUTION 2021-06 CANCELLATION OF UNCONTESTED DIRECTOR ELECTIONS

Motion: Director Landis moved to adopt Resolution 2021-06, Cancellation of Uncontested Director Elections. Motion seconded and carried without dissent.

RESOLUTION 2021-07 NRUCFC ONE CARD PROGRAM

VP Ramsey gave an overview of Resolution 2021-07, NRUCFC One Card Program. Wording was provided by CFC.

Motion: Director McWilliams moved to adopt Resolution 2021-07 NRUCFC One Card Program. Motion seconded and carried 11 to 1 with Directors Bassett, Huntington, Landis, Lee, Lewandowski, Lynch, McWilliams, Metzler, Skeehan, Wheeler, Witchel in favor; Director McInnis abstaining.

BOARD RETREAT UPDATE

Committee Chair Landis updated the board regarding the Board Retreat Power Supply meeting that was held April 14th.

EXECUTIVE ATTORNEY UPDATE OF FERC, ADAMS COUNTY, AND COPUC ACTIONS

Matthew Larson, Outside Counsel for LPEA, advised on the status of the cases related to Tri-State's wholesale electric rates and exit fee at the Federal Energy Regulatory Commission (FERC); the Colorado Public Utilities Commission (CoPUC); and Adams County District Court. Larson took questions from board members.

EXECUTIVE SESSION

President Bassett requested a motion to move into executive session to discuss litigation matters, an employee issue update, and the continued use of the LPEA Staff Attorney as the LPEA Board Attorney. Director McInnis was excused from the Tri-State discussion due to being the Tri-State Representative.

Motion: Director Wheeler moved to enter executive session to discuss litigation matters, an employee issue update, and the continued use of the LPEA Staff Attorney as the LPEA Board Attorney.

Motion

Amended: Motion was amended to add a discussion regarding a contractor expense line item. The amended motion was seconded and carried without dissent.

The board remained in executive session from 1:16 p.m. – 2:50 p.m.

BOARD ACTIONS RESULTING FROM EXECUTIVE SESSION

None

REPORTS

ATTORNEY REPORT

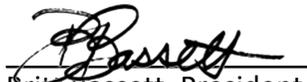
Attorney Smith gave a brief update on current legal matters. Attorney Smith took suggestions, concerns, and questions from board members.

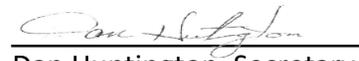
DIRECTOR REPORTS

Directors referred to drafted reports in the board packet and took questions.

ADJOURN

There being no further business, the LPEA Board of Directors' meeting adjourned at 4:03 p.m. Recorded by J.P. Thunstrom, and approved by:


Britt Bassett, President


Dan Huntington, Secretary