

**LA PLATA ELECTRIC ASSOCIATION, INC.**  
**2017 Annual Meeting of Members**  
**Sky Ute Event Center, Ignacio, Colorado**  
**9:00 AM, Saturday May 13, 2017**

**I. REGISTRATION**

**II. CALL TO ORDER**

The 78th Annual Meeting of the Members of La Plata Electric Association, Inc. was held at Sky Ute Convention Center on Saturday, May 13, 2017. President Davin Montoya called the meeting to order at 10:33 A.M. and welcomed the membership to the Sky Ute Convention Center in Ignacio, Colorado.

**III. OFFICIAL WELCOME**

Montoya introduced Sky Ute Casino General Manager, Charley Flagg who thanked LPEA members for holding the meeting at the Casino, and the Casino employees for their dedication and hard work. He introduced the Southern Ute Veterans Association Color Guard who presented the Southern Ute, United States, and Colorado flags. Following the *Star-Spangled Banner*, the membership joined in the Pledge of Allegiance, and received a blessing by Southern Ute Indian Tribal member, Eddie Box Jr.

**IV. APPROVAL OF 2017 AGENDA AND 2016 ANNUAL MEETING MINUTES**

President Montoya asked for a motion to approve the meeting agenda.

**Motion:** Member, J.R. Ford moved to accept the agenda as presented. Motion seconded, and passed without dissent.

**Motion:** Member, Chuck Williams moved to dispense with the reading of the minutes and accept the May 2016 Annual Meeting minutes as presented. Motion seconded, and passed without dissent.

**V. ATTENDANCE REPORT**

President Montoya reported that 255 members had registered as of 10:30 a.m., registration was officially closed, and a quorum was established.

**VI. APPOINTMENT OF ACTING SECRETARY AND PARLIAMENTARIAN**

President Montoya appointed LPEA Executive Secretary, Charis Charistopoulos as Secretary; and LPEA Legal Counsel, Shay Denning, as Parliamentarian for the meeting.

## **VII. OFFICIAL NOTICE OF MEETING AND STANDING RULES OF PROCEDURES**

President Montoya confirmed that the Annual Meeting notice was posted pursuant to the LPEA bylaws no less than 10 days, and no more than 45 days prior to the date of the meeting in accordance with the bylaws. Montoya requested a motion to waive the reading of the 2017 LPEA Annual Meeting notice.

**Motion:** A Member at Large moved to waive the reading of the 2017 LPEA Annual Meeting notice. Motion seconded, and passed without dissent.

President Montoya requested a motion to accept the Standing Rules and Procedures as presented.

**Motion:** Member, Katie Minkler moved to adopt the Standing Rules and Procedures. Motion seconded, and passed without dissent.

## **VIII. PRESIDENT INTRODUCES BOARD OF DIRECTOR INCUMBENTS AND CANDIDATES**

President Montoya introduced incumbents and new candidates running for election in each district: In District 1, the election was cancelled, as candidate Bob Lynch ran unopposed. In District 2, Kim Martin ran against incumbent Davin Montoya. In District 3, Michael Bell and Rachel Landis ran for the seat vacated by Jeff Berman. In District 4, Guinn Unger ran against incumbent Joe Wheeling.

## **IX. CLOSE VOTING BOX**

President Montoya asked if any member who was present did not have a chance to cast their vote, and no response was given. Montoya announced the closing of the ballot box and advised that election results would be revealed at the end of the meeting.

## **X. INTRODUCTION OF LPEA CEO AND OTHER GUESTS**

President Montoya recognized Julie Westendorff, La Plata County Commissioner, Dick White, Mayor of the City of Durango, Allison Aichele, La Plata County Treasurer, and Linda Campbell, wife of retired Senator, Ben Nighthorse Campbell. Montoya recognized former LPEA Board members: Tom Compton, Virginia Miller-Cavanaugh, and Shirley Ingler, wife of Richard Ingler; and Laurie Dickson, 4CORE Program Manager.

Montoya recognized the current LPEA Board of Directors: District 1- Bob Lynch, three years, Mike Alley, one year, and Bob Formwalt, 17 years; District 2- Dan Huntington, one year, Davin Montoya, 27 years, and Kohler McInnis two years; District 3- Doug Lyon, one year, Britt Bassett, five years, and Jeff Berman, 12 years; District 4- Jack Turner, four years, Joe Wheeling nine years, and Karen Barger, two years.

Montoya commended the LPEA employee volunteers, and scholarship recipients Finlay Marshall, Jenna Engelken, and Austin McCaw; and thanked the La Plata County Fair Royalty, the Fiesta Days Royalty, the Community Emergency Assistance Coalition, Housing Solutions of the Southwest, Pine River Community Learning Center, Habitat for Humanity of La Plata County, Bayfield Lion's Club and Bayfield Lion's Club Foundation, Sexual Assault Services Organization, Silver Spruce Academy, ELHI, Vallecito Nordic Ski Club, and the Amazing Grace Children's Camp.

Montoya recognized the Round Up Board of Directors: Theresa Campbell, President, Sheryl Ayres, Vice President, Carmen Hubbs, Secretary, Jenn Bartlett, Mike Alley, Kohler McInnis, Mike Dreyspring, Werner Heiber, Patty Zink, Melinda Volger, and Briggen Wrinkle.

## **XI. GUEST SPEAKER, JEFF WILBANKS ON THE HISTORY OF THE TACOMA POWER PLANT**

Jeff Wilbanks, manager of the Tacoma Generating Station in the Animas River Canyon, gave an overview of the history and evolution of the Tacoma hydro-electric plant, and talked about the physical labor of 19 men that was historically required to operate and maintain the plant, and the evolution of technological advances that have reduced operations to a two-man show. Wilbanks concluded by inviting members to hike down from Haviland Lake, or hop off a raft and come visit any time.

## **XII. REPORTS**

**LPEA Board President Report** –President Montoya advised that due to time constraints he would cede his speaking time.

**Round Up Report** – President Montoya introduced LPEA Round Up Board Representative, Kohler McInnis. McInnis addressed the 2016 performance of the Round Up Foundation, and credited the *Pocket Change for Positive Change* campaign with achieving \$90,000 in donations which funded an average of five projects per month between Archuletta and La Plata County. Speaking to the community benefit of programs funded by Round Up Foundation grants, McInnis highlighted the installment of a multi-tier drinking fountain near the Durango Skate Park bike path that serves dogs and humans.

The Round Up Foundation is now more essential than ever, as many loyal and generous local donors have put holds on donations due to economic circumstances. McInnis asked members for

their help to keep Round Up strong by becoming a member of Round Up or Round Up Plus; and announced incentive prize drawings for new participants, and gift drawings for current participants to be awarded at the conclusion of the meeting. McInnis expressed gratitude to participants on behalf of grant recipients, the community, the LPEA Board and Staff, and the Round Up Foundation.

**LPEA Report** – President Montoya introduced LPEA CEO, Mike Dreyspring. Dreyspring introduced Colorado State Senator, Barb McLaughlin who presented a *Colorado EV Wired Workplace Award*, sponsored by the Colorado Energy Office and the Regional Air Quality Council, to LPEA by Governor John Hickenlooper, for its commitment to electric vehicles and workplace charging stations. Dreyspring recognized outgoing District 3 Director, Jeff Berman for 12 years of dedication and service to the members of LPEA; as well as, the military servicewomen and men in attendance, and thanked them for their courage and service to our country.

Dreyspring reported that his year-long participation in the Time-of-Use program saved his household \$150 in annual energy costs, noting that the new TOU rate structure was designed to be revenue neutral in order to offset the Tri-State rate increase and control wholesale power costs. Dreyspring presented highlights from the 2016 Financial Report, and the 2016 Tri-State power supply fuel mix, noting that 26% of the Tri-State portfolio consists of renewable energy sources.

A video was shown of LPEA member, Lisa Kate speaking to LPEA Energy Management Advisor, Nancy Andrews about her positive experience with the On-Bill Financing program which allowed her to purchase energy efficient windows for her home, and save money on propane and electric bills.

Dreyspring presented feedback from the April 19, 2017 Member Survey which showed “very good” overall satisfaction with rates, bill payments, social responsibility, member service and electric service. Members can expect LPEA’s strategic focus to work towards expanding local renewable energy that matches member load and cost expectations, expanding technology to provide better service, and adaptation to changing consumer demands.

**LPEA Financial Report** – Treasurer, Karen Barger addressed the financial status of the cooperative. Barger reported that LPEA received a clean annual audit report from the independent auditing firm, BKD which concluded that all compliance requirements and financial obligations were met. Barger highlighted assets including utility plant; and liabilities, including a loan consolidation which saves \$6.5 million over the life of the loan; \$141 million in equity, including \$4.4 million in capital credit retirements returned to members in November 2016.

Revenue, comprised of 43% from residential sales, 31% from commercial sales, 24% from industrial sales, and 2% from other sources, covered Expenses comprised of 63% for purchased power, 12% for operations and maintenance, 9% for depreciation, 8% for billing, customer service and general administration, 5% for interest, and 3% for margins. The cooperative paid \$873,000 in property taxes, going right back into the community.

**CREA Report** – Director McInnis, LPEA representative to the Colorado Rural Electric Association, introduced CREA Executive Director, Kent Singer. McInnis explained that CREA is a statewide association headquartered in Denver, Colorado that serves all of the Distribution cooperatives, and one Transmission and Generation cooperative, by providing Safety and Regulation training, Communication between member cooperatives and cooperative members through Colorado Country Life magazine, and a Legislative program that helps direct legislation for the benefit of all members.

**Tri-State Generation and Transmission Report** – Tri-State Senior Vice President of Transmission, Joe Bladow discussed the challenge and privilege of keeping the lights on and ensuring reliability today and in the future, for all members. Tri-State has focused upon improved membership outreach through the Rate and Contract Committees. The decision to close the Nucla power station and the New Horizon mine, and Craig Unit 1 was difficult, and a five-year transition period was given to help reduce the impact of the loss to employees and communities served by Tri-State.

Bladow reported that a 2017 rate increase was necessary to maintain financial ratios, in 2016 Kit Carson Electric Association paid an exit fee and left Tri-State, over 400 megawatts of renewable power in the form of wind and solar have been added to the energy portfolio (26% of energy delivered comes from renewable resources), and significant investments into the Transmission system continue to be made to deliver reliable power.

Bladow touched on the development of Regional Transmission Organizations to create a ruthlessly efficient centralized energy market that matches individual Power Pool buyers with sellers, in the same way that a stock exchange functions. The Mountain West Transmission Group was formed to find a common transmission tariff, and is looking to combine with the Southwest Power Pool to bring lower costs and greater reliability to members.

**Attorney Denning with Maynes, Bradford, Shipps and Sheftel** – Attorney Denning is the General Counsel for LPEA, advising the Board of Directors during Board meetings, reviewing contracts, and assisting with navigation of the legal landscapes. Denning encouraged members to access the resources available on the LPEA website, where Board Policies and bylaws, Board meeting Agendas and Minutes, and other information can be reviewed.

The firm has been proud to assist with energy efficiency and renewable energy matters for LPEA, such as the On-Bill Financing Program which allows members to make renewable improvements to their homes, and assisting Staff with a request to Tri-State for an increase in the 5% renewable generation cap.

### **XIII. UNFINISHED BUSINESS**

President Montoya asked for any unfinished business items from 2016. There was none.

#### **XIV. BOARD OF DIRECTORS ELECTION RESULTS**

President Montoya introduced Tiffany Parker from La Plata County Clerk's Office to announce the Board of Director election results. Parker thanked the Election Judges, Administrator, and Supervisory Committee before announcing that 7001 ballots were received and the winning results were as follows:

District 1: Election Cancelled, Bob Lynch unopposed.

District 2: Davin Montoya elected with 1,374 votes.

District 3: Rachel Landis elected with 1,484 votes.

District 4: Guinn Unger elected with 1,181 votes.

A copy of the certified election results is attached to these minutes and by reference incorporated herein.

#### **XV. DOOR PRIZE**

Door prize winners were drawn and announced.

#### **XVI. NEW BUSINESS**

President Montoya confirmed that no new business was requested, thanked the members for attending, and asked for a motion to adjourn the meeting.

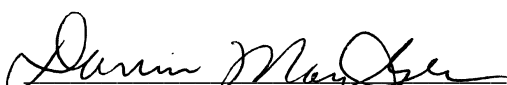
#### **XVII. ADJOURNMENT**


**Motion:** Member, JR Ford moved to adjourn the 2017 LPEA Annual Meeting of the Members. Motion seconded and carried without dissent.

With no further business, 2017 LPEA Annual Meeting of the Members was adjourned at 12:13 p.m.

Respectfully submitted by Charis Charistopoulos.

Approved by:

  
Davin Montoya, President

  
Karen Barger, Secretary

LA PLATA ELECTRIC ASSOCIATION, INC.  
ANNUAL MEETING - MAY 13, 2017  
IGNACIO, CO

ELECTION RESULTS for the election of Directors

TOTAL BALLOTS CAST: 7001

TOTAL BALLOTS SENT: 24,610

FOR THREE - YEAR TERMS:

**Number of Votes**

<b><u>DISTRICT 2:</u></b>	Davin Montoya	<u>1374</u>
	Kim Martin	<u>1068</u>

***DIRECTOR ELECTED FOR DISTRICT 2*** **Davin Montoya**

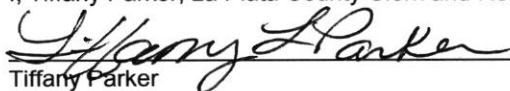
<b><u>DISTRICT 3:</u></b>	R Michael Bell	<u>891</u>
	Rachel Landis	<u>1484</u>

***DIRECTOR ELECTED FOR DISTRICT 3*** **Rachel Landis**

<b><u>DISTRICT 4:</u></b>	Joe Wheeling	<u>999</u>
	Guinn Unger	<u>1181</u>

***DIRECTOR ELECTED FOR DISTRICT 4*** **Guinn Unger**

I, Tiffany Parker, La Plata County Clerk and Recorder, do hereby certify the May 13, 2017 LPEA Election results.

  
Tiffany Parker

5/13/17  
Dated