

LA PLATA ELECTRIC ASSOCIATION, INC.
Board of Directors' Minutes of Meeting
Wednesday, May 20, 2020
Livestream <https://livestream.com/LaPlataElectric>

CALL TO ORDER

The regular monthly meeting of the Board of Directors of La Plata Electric Association, Inc. was held Wednesday, May 20, 2020 via livestream webinar in compliance with the Governor's orders against in-person gatherings of more than 10 people. President Lynch called the meeting to order at 9:00 a.m., with the following directors present:

Britt Bassett, President	Joe Lewandowski	Holly Metzler
Dan Huntington, Secretary	Bob Lynch, Vice President	Kirsten Skeeahan
Rachel Landis	Kohler McInnis	Jack Turner
John Lee	Sue McWilliams	Tim Wheeler, Treasurer

LPEA STAFF:

Jessica Matlock, Chief Executive Officer
Karl Ramsey, Vice President of Finance
Garrett Hammer, Pagosa Springs District Manager
Justin Talbot, Vice President of Operations
Dan Harms, Vice President of Grid Solutions
Drew Timmerman, Vice President of IT
Hillary Knox, Vice President of Communications
Nadine Ontiveros, Vice President of People and Culture
Ryne Waggoner, Staff Engineer
C. E. Charistopoulos, Executive Assistant
Shay Denning, LPEA General Counsel

EXCUSED ABSENCE: None.

GUESTS: Livestream attendees included Betsy Romere, Brad Fuqua, Chris Mannara, Danielle Coronado, Guinn Unger, Jenny Taylor, Karen Pontius, Kelly Hebbard, Lawrence Zauberis, Terri House, and 2 anonymous guests.

APPROVAL OF AGENDA

President Lynch addressed the May 20, 2020 board meeting agenda. Director Landis requested to provide an update on 4CORE prior to taking nominations for the board representative position.

Motion: Director McInnis moved to approve the May 20, 2020 board meeting agenda with an update by Director Landis taking place prior to nominations for the 4CORE board representative position. Motion seconded and carried without dissent.

ELECTION OF OFFICERS – Attorney Denning apprised the board of the policy and procedure for nominating and electing officers. Denning accepted oral nominations for executive officers. Directors discussed each position and nominee, and nominees spoke to their desire and qualifications to potentially hold the position prior to voting. Britt Bassett was elected Board President; Bob Lynch was elected Board Vice President; Dan Huntington was elected Board Secretary; and Tim Wheeler was elected Board Treasurer.

ELECTION OF LPEA REPRESENTATIVES TO 4CORE BOARD – Director Landis discussed the working relationship between 4CORE and LPEA noting that, because both organizations work together on a staff-to-staff level, an official LPEA Board representative to the 4CORE Board of Directors is no longer essential.

Motion: Director McInnis moved to eliminate the 4CORE Board representative position. Motion seconded and carried without dissent.

ELECTION OF LPEA REPRESENTATIVES TO TRI-STATE, CREA, AND WESTERN UNITED – Attorney Denning accepted oral nominations for LPEA Director representatives to Tri-State, CREA, and Western United. Directors discussed each position and nominee, and nominees spoke to their desire and qualifications to potentially hold the position prior to voting. Kohler McInnis was elected to the Tri-State Board; Jack Turner was elected as the representative to the CREA Board; and Holly Metzler was elected to the Western United Board.

ELECTION OF LPEA REPRESENTATIVES TO ROUND UP BOARD – Attorney Denning accepted oral nominations for LPEA Director representatives to the Round Up Foundation and nominees spoke to their desire and qualifications to potentially hold the position prior to voting. Joe Lewandowski and Kirsten Skeeahan were elected as the representatives to the Round up Foundation Board of Directors.

ELECTION OF LPEA REPRESENTATIVES TO FASTTRACK COMMUNICATIONS – Attorney Denning accepted oral nominations for LPEA Director representative to FastTrack Communications. Tim Wheeler was elected as the representative to FastTrack Communications.

MEMBER COMMENTS

A member expressed appreciation for the democratic process of the cooperative which allows members to participate in dialogue on power supply and energy use, for transparency in allowing member access to the 2019 reports generated by consultants on alternative power supply and transmission; and is looking forward to the results of the Colorado Public Utility Commission (PUC) proceedings that may shed more light on LPEA's options. A former director expressed gratitude for the opportunity to have served on the LPEA board, commented on the PUC hearings, and encouraged the board to get the best settlement for LPEA and its members. A member encouraged the board to share information and educate the members about LPEA's efforts to keep rates low. President Bassett thanked former

Directors, Guinn Unger and Davin Montoya for their service to the members of LPEA and advised that staff will confirm that the 2019 consultant reports are accessible to members online.

CONSENT BOARD ITEMS.

President Bassett addressed the Consent Board Items. Directors noted corrections to the April 15 Board Meeting minutes and requested that the minutes for all meetings reflect guests in attendance.

Motion: Director Turner moved to approve the Consent Board Items: capital credit payments to estates, monthly write-offs, minutes for the April 15 LPEA Board of Directors meeting with approved corrections, and minutes for the May 16 Special Meeting to Approve New Members. Motion seconded, and carried without dissent.

CEO AND STAFF REPORTS

DIVISION DASHBOARDS AND QUARTERLY REPORTS – CEO Matlock and VP, People and Culture Ontiveros gave an overview of the Division Dashboards and staff took questions on the written reports in the board packet. VP, Communications, Knox discussed the draft communications plan for the upcoming rate increase. Discussion ensued on language within that plan regarding use of the phrase *rate tariff*, versus *rate increase*, and whether the January vote on Resolution 2020-01 Rate Tariffs was unanimous.

Per the opinion of Attorney Denning, the phrases are synonymous and the use of the language, *rate increase* is legally correct. She also confirmed that the vote on Resolution 2020-01 was unanimous among all directors present and voting at the meeting. The board declined to modify the following language in the Rate Increase Background and FAQ information found on the LPEA website, *The ultimate rate increase structure was unanimously approved by the board in January 2020.*

VP, Finance, Ramsey gave highlights from the written Financial Report and took questions; and various staff gave updates on the status of projects within the Quarterly Consultant and Contractor Report.

BOARD AGENDA AND POSSIBLE ACTION

FINANCE AND AUDIT COMMITTEE (FAC) – Committee Chairman Wheeler addressed the written report on the May 14 meeting that was included in the board packet and took questions. President Bassett re-appointed Director Wheeler as Chair of the FAC, took input from directors expressing interest in serving on the committee, and will announce a final determination of committee appointees at a later date. The next FAC meeting is scheduled for June 11.

POLICY COMMITTEE AND BROADBAND COMMITTEE – President Bassett took input from directors expressing interest in serving on the committees, and will announce a final determination of appointees by the June board meeting. No meetings are scheduled for either committee at this time.

MISCELLANEOUS BOARD ITEMS

RESOLUTION 2020-08 ALLOCATION OF PREVIOUS YEAR'S MARGINS – VP, Finance, Ramsey discussed the resolution addressing the allocation of the 2019 operating and non-operating margins, and took questions.

Motion: Director Wheeler moved to adopt Resolution 2020-08 Allocation of Previous Year's Margins. Motion seconded and carried without dissent.

RESOLUTION 2020-10 SELECTION OF ANIMAS SUBSTATION REBUILD CONTRACTOR – VP, Grid Solutions, Harms and Staff Engineer, Waggoner discussed the resolution addressing the selection of the contractor for the Animas substation rebuild, and took questions.

Motion: Director McInnis moved to adopt Resolution 2020-10 Selection of Animas Substation Rebuild Contractor with agreed upon modifications. Motion seconded and carried without dissent.

RESOLUTION 2020-11 AMENDMENT TO LPEA RULES AND REGULATIONS – VP, Community and Member Relations, Knox discussed the resolution addressing an amendment to the LPEA Rules and Regulations, and took questions.

Motion: Director Turner moved to adopt Resolution 2020-11 Amendment to LPEA Rules and Regulations with agreed upon modifications. Motion seconded and carried 11 to 0, with Director Skeehan recused.

ANNUAL MEETING AND ELECTION SUPERVISORY COMMITTEE (ESC) UPDATE – Attorney Denning advised that the election went smoothly, discussed the status of the ESC Campaign Finance Report, and advised that the ESC will present the final campaign contribution report at the June board meeting.

ANNUAL MEETING AFTER ACTION REVIEW – Discussion ensued on member feedback that the response given to a question taken during the Q&A session on LPEA's expenditures related to the pursuit of a buyout from the Tri-State All Power Requirements Contract, was inadequate. CEO Matlock explained that due to the timing issue of the CoPUC hearings taking place at this time, LPEA is under legal advisement to refrain from making this information generally available to the public until the case has been decided, and that a full accounting of LPEA's buyout investigation process, including a timeline of events, is anticipated to be made available to the public at an appropriate time in the future. A summary of the Q&A will appear in the July edition of the Colorado Country Life magazine with links to details on the LPEA website.

DIRECTOR TRAVEL REQUESTS – President Bassett addressed upcoming external travel requests. Director Turner advised that the CREA Energy Innovation Summit will be held as a series of virtual meetings. Directors Skeehan and Lynch requested to attend NRECA's Director Education courses that are available online. President Bassett confirmed that per diem will be paid for time spent in approved online director education meetings.

Motion: Director Wheeler moved to approve director education requests. Motion seconded and carried without dissent.

DIRECTOR EXPENSE APPROVAL – Director Wheeler reported on the April 2020 Director Expenses.

LPEA Mileage Reimbursements

Britt Bassett	\$00.00	Kohler McInnis	\$00.00
Dan Huntington	\$00.00	Sue McWilliams	\$14.95
Rachel Landis	\$00.00	Holly Metzler	\$00.00
John Lee	\$25.53	Kirsten Skeeahan	\$00.00
Joe Lewandowski	\$00.00	Jack Turner	\$00.00
Bob Lynch	\$00.00	Tim Wheeler	\$00.00

LPEA Board and Committee Meetings

Britt Bassett	\$1325.00	Kohler McInnis	\$1200.00
Dan Huntington	\$1325.00	Sue McWilliams	\$1200.00
Rachel Landis	\$1450.00	Holly Metzler	\$1450.00
John Lee	\$1400.00	Kirsten Skeeahan	\$1200.00
Joe Lewandowski	\$1450.00	Jack Turner	\$1450.00
Bob Lynch	\$1200.00	Tim Wheeler	\$1325.00
		Guinn Unger	\$1125.00

Other External Meetings

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	Jack Turner	\$00.00
Bob Lynch	\$00.00	Tim Wheeler	\$00.00

Motion: Director Lynch moved to approve Director Expenses as presented. Motion seconded and carried without dissent.

ATTORNEY REPORT

Referring to the written report included in the board packet, Attorney Denning highlighted work done for LPEA and took all questions.

DIRECTOR REPORTS

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

ROUND UP FOUNDATION (RUF) REPORT – Director Lewandowski reported that education grant funds were currently being held in reserve for possible future electric bill relief for members, and that

the RUF will make a determination on the use of available education grant funds in June when more information is available. Round Up community grants were awarded to iAM Music, Durango (\$2,918), Bayfield Primary School (\$1,000), and Food System/Food Equality Coalition in Pagosa Springs (\$1,391).

EXECUTIVE SESSION

An executive session took place following the Finance and Audit Committee Report in order to accommodate the availability of the attorneys. Director McInnis and Attorney Denning were recused.

Motion: Director Turner moved to enter into executive session to discuss FERC-CoPUC Updates. Motion seconded and carried without dissent.

The board remained in executive session from 3:15 p.m. to 4:24 p.m.


ADJOURN

There being no further business, the LPEA Board of Directors meeting adjourned at 6:01 p.m.

Recorded by C.E. Charistopoulos, and approved by:



Britt Bassett, President



Dan Huntington, Secretary