



**Kansas Municipal Energy Agency  
Executive Committee Meeting Minutes  
August 14, 2019**

Committee Members	City	Present/ Absent	KMEA Staff Present	Other Attendees Present
Tyson McGreer	City of Colby	Absent	Gerry Bieker	Mitch Walter, Gilmore & Bell
Mike Muirhead	City of Garden City	Present	Paul Mahlberg	
Robert Mills	City of Garnett	Present	Sam Mills	
Jonathan Mitchell	City of Hoisington	Present *	Jennifer Moore	
Ira Harrison	City of Holton	Present *	Joni Shadonix	
Greg DuMars	City of Lindsborg	Present		
Dennis Tharp	City of Ottawa	Present *		
Jon Quinday	City of Russell	Present		
Matt Rehder	City of Seneca	Present		

**Item No. 1 – Call the Meeting to Order**

President Mike Muirhead called the meeting to order at 10:31 a.m. at the KMU Training Center, McPherson, KS. A quorum was present.

**Item No. 2 – Seek Approval of the following items:**

- **Minutes from the July 11, 2019 Executive Committee Meeting**  
Jon Quinday made a motion to approve the July 11, 2019, Executive Committee minutes as corrected to reflect that Greg DuMars was present at the meeting. The motion was seconded by Greg DuMars and the motion carried.
- **Appropriations for July 2019 and Financials for June 2019**  
Jennifer Moore reviewed the Appropriations for July 2019 and Financials for June 2019.

Robert Mills made a motion to approve the appropriations for July 2019 and financials for June 2019. The motion was seconded by Greg DuMars and the motion carried.

- **Agreement with Pattern Recognition Technologies, Inc. (PRT) for load forecasting services**  
Paul Mahlberg reported that the current agreement with PRT for load forecasting services expires August 31<sup>st</sup> and reviewed the terms of the proposed new three-year agreement.

Robert Mills made a motion to authorize the General Manager to execute the Agreement with Pattern Recognition Technologies, Inc. for load forecasting services. The motion was seconded by Jon Quinday and the motion carried.

- **Capacity and Energy Agreements for City of Garden City (KCPL)**  
Paul requested authorization to execute the following capacity and energy agreements for the City of Garden City:
  - SPP Capacity and Unit Firm Energy Confirmation between KMEA and KCPL Company
  - Capacity and Unit Firm Energy Confirmation between KMEA and the City of Garden City, Kansas (KCPL Company Capacity/Unit Firm Energy).

Matt Rehder made a motion to authorize the General Manager to execute the above referenced capacity and energy agreements for the City of Garden City. The motion was seconded by Robert Mills and the motion carried.

- **Capacity and Energy Agreements for City of Garden City (Beloit, Hoisington, Lincoln Center, Russell)**

Paul reported that four cities have agreed to sell a total of 9 MW plus reserves of paper capacity out of their GRDA allocations to Garden City, subject to the receipt of acceptable transmission study results, and requested authorization to execute the following agreements:

- Capacity and Energy Agreement between KMEA and the City of Beloit, KS
- Capacity and Energy Agreement between KMEA and the City of Hoisington, KS
- Capacity and Energy Agreement between KMEA and the City of Lincoln City, KS
- Capacity and Energy Agreement between KMEA and the City of Russell, KS
- Capacity and Energy Agreement between KMEA and the City of Garden City, KS.

Robert Mills made a motion to authorize the General Manager to execute the above referenced capacity and energy agreements, whereby four cities have agreed to sell a total of 9 MW plus reserves of paper capacity out of their GRDA allocations to Garden City, subject to the receipt of acceptable transmission study results. The motion was seconded by Matt Rehder and the motion carried.

- **Agreements pertaining to City of St. Francis, KS**

Paul reported that the City of St. Francis approved contracts to start taking power supply through KMEA's EMP2 group, effective January 2022. The EMP2 group has already taken action to admit the City of St. Francis into the group. Paul requested approval to execute the EMP2 Agreement between KMEA and the City of St. Francis, Kansas.

Jon Quinday made a motion to authorize the General Manager to execute the Energy Management Project No. 2 Agreement between KMEA and the City of St. Francis, Kansas. The motion was seconded by Ira Harrison and the motion carried.

Paul then reviewed the terms of the following two power supply agreements pertaining to the City of St. Francis and requested authorization to execute said agreements:

- Physical Transaction Confirmation between NextEra Energy Marketing, LLC and KMEA;
- Power Purchase Agreement between KMEA and the City of St. Francis, KS (NextEra Energy Marketing, LLC).

Greg DuMars made a motion to authorize the General Manager to execute the Physical Transaction Confirmation between NextEra Energy Marketing, LLC and KMEA and the Power Purchase Agreement between KMEA and the City of St. Francis, KS (NextEra Energy Marketing, LLC). The motion was seconded by Matt Rehder and the motion carried.

### **Item No. 3 – General Manager's Report**

Paul Mahlberg presented the General Manager's report, which included the following topics:

- **ARR/TCR Revenue Sharing Program with TEA** – Paul provided an update on the results of the ARR/TCR Revenue Sharing Program to date.
- **SB69** – the Legislative Coordinating Council (LCC) reconvened and selected London Economics for the first phase of the rate study. LCC has requested bids for the second phase of the study, with bids due by October 1<sup>st</sup>. The KCC has requested 2018 gross revenues from Garden City, Gardner, and the KC BPU.
- **Sunflower/MKEC Merger** – KMEA, KEPCO, and the KCC intervened; Sunflower submitted a response to intervenors; we are working on a response back to Sunflower.

- **Building Roof and Parking Lot** – moving forward with the replacement of the flat deck on the roof and parking lot mill/overlay project.
- **Chamber/Local Event Sponsorship** – we received a few responses to KMEA’s offer to join local chambers. Discussed the possibility of KMEA offering a scholarship program and reviewed Missouri River Energy’s scholarship program. After discussion, the Committee directed staff to put together a proposed KMEA scholarship program to be presented at a future meeting.

#### **Item No. 4 – Member Services Update**

Gerry Bieker provided the Member Services update, which included:

- **Promotional video** – Gerry shared KMEA’s promotional video, which was well received by the Committee. He also shared APPA’s “explainer” video and discussion also took place about the possibility of KMEA adding an “explainer” video for its members down the road. The promotional video will be shared at KMEA’s Annual Conference.
- **Annual Gathering** – September 12<sup>th</sup> in Overland Park, KS.
- **City Visits** – staff traveled nearly 7,000 miles and visited 19 cities in July.
- **City of Arma** – City of Arma to consider the hiring of Mid-States Energy Works to build a substation.
- **Lineman Services** – we have a verbal low-level commitment from several cities for a lineman services project. With the 2020 budgets mostly set, staff will continue discussions with cities for a potential 2020 project.
- **City of Dighton** – discussed Dighton’s current system maintenance arrangement; KMEA will meet with Dighton next week to discuss system maintenance options.
- **City of Sharon Springs** – Sharon Springs is looking to hire a City Coordinator (City Superintendent).

#### **Item No. 5 – Operations Update**

Sam Mills provided the Operations update, which included the following topics:

- **Project Performance Report** – Sam reviewed the Average Gas Cost/MMBtu and Average Energy Cost/MWh slides.
- **KMEA Staffing** – Garret Berry, System Operator, has accepted a lineman position with the City of Anthony. His last day with KMEA will be September 6<sup>th</sup>.
- **KDHE Bureau of Air (BOA) Revenue Stabilization Project** – Sam updated the Committee on KDHE’s BOA Revenue Stabilization Project that could impact the level of fees paid by municipal utilities. Staff will calculate the impact of last year’s emissions for cities and provide this information at future EMP meetings.
- **Power Supply Proposals** – Staff continues to work on several power supply proposals for cities.

#### **Item No. 6 – Old Business**

- **Renewable Energy Certificates (RECs)** – Staff has asked Sawvel & Associates to research how other joint action agencies are assisting member cities with “green” tariff programs.

#### **Item No. 7 – New Business**

- **EV Charging Stations** – Staff plans to attend a meeting in Topeka on Friday regarding electric vehicle charging stations. Discussion was held on EV charging stations (city owned vs. 3<sup>rd</sup> party owned). Contact KMEA staff if you have an interest in putting a charging station in your city.
- **Executive Committee Composition Review/Succession Planning** – As part of KMEA’s Strategic Planning efforts, staff was asked to participate in a discussion with the Executive Committee to review composition of such committee on an annual basis. The Committee reviewed draft KMEA Leadership Criteria. Following discussion, there was a general consensus that KMEA

should have formal leadership guidelines. Staff will incorporate suggested changes and present at a future meeting.

- **Awards Nominating Committee Update** – Paul reported that the KMEA Awards Nominating Committee met last week via conference call and completed the task of selecting candidates to receive this year’s awards.
- **Merl Page to Retire** – Paul announced that Merl Page’s retirement reception will be held 5-8 p.m., September 5<sup>th</sup> at the Columbian Theatre in Wamego, KS.

**Item No. 8 – Executive Session, if needed**

Matt Rehder made a motion for the Executive Committee, staff, and legal counsel to enter executive session under attorney client privilege, for a period of 15 minutes to begin at 12:35 p.m. and return to regular session at 12:50 p.m., for the purpose of discussing documents open to the Kansas Open Records Act. The motion was seconded by Greg DuMars and the motion carried. At 12:50 p.m., the regular session resumed. No action was taken.

**Item No. 9 – Announce date, time and location for the next Executive Committee Meeting**

The next Executive Committee meeting will be held at 12:30 p.m., Thursday, September 12, 2019, at KMEA’s Office, Overland Park, KS.

**Item No. 10 – Adjourn Meeting**

The meeting was adjourned at 12:55 p.m.



Robert Mills  
Secretary/Treasurer