



**Kansas Municipal Energy Agency**  
**Executive Committee Meeting Minutes**  
**May 11, 2022**

Committee Members	City	Present/ Absent	KMEA Staff Present	Others Present
Rob Culley	Baldwin City	Present	Gerry Bieker	Chester Moyer, RubinBrown *
Barack Matite *	Eudora	Present	Laurie Brock *	Brad Mears, KMU
Mike Muirhead	Garden City	Present	Neal Daney *	
Dustin Bedore *	Goodland	Present	Paul Mahlberg	
Ira Harrison	Holton	Present	Tyson McGreer	
Jonathan Mitchell	Hoisington	Present	Terri Pemberton *	
Dennis Tharp	Ottawa	Present	Mike Schmaderer	
Jon Quinday	Russell	Present	Joni Shadonix *	
Stacie Eichem	Wamego	Present	John Weber *	

\* Participated via Lifesize

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

President Jon Quinday called the meeting to order at 10:30 a.m. at the KMU Training Center in McPherson, Kansas. A quorum was present.

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

- **Minutes from April 13, 2022 Executive Committee Meeting**  
Jonathan Mitchell made a motion to approve the minutes of the April 13, 2022 executive committee meeting. The motion was seconded by Dennis Tharp and carried unanimously.
- **Appropriations for April 2022 and Financials March 2022**  
Laurie Brock reviewed the appropriations for April 2022 and financials for March 2022.

Mike Muirhead made a motion to approve the appropriations for April 2022 and financials for March 2022. The motion was seconded by Ira Harrison and carried unanimously.

- **Operations and Maintenance Assistance Agreement with the City of Osage City**
- **Operations and Maintenance Assistance Agreement with the City of Pomona** – Gerry Bieker and Paul Mahlberg reviewed the provisions of the Operations and Maintenance Assistance Agreements with the cities of Osage City and Pomona. The Osage City council has approved the Osage agreement and Pomona’s council will consider its agreement on Monday. With a targeted July 1, 2022 commencement date, Paul asked for approval of the agreements contingent upon Pomona’s approval. Discussion was held on the hiring of a third lineman, how the project can benefit additional cities down the road, and how priority would be given in the event of an emergency. The Asset Purchase Agreement between Osage City and KMEA will be presented to the committee for consideration at next month’s meeting.

Dennis Tharp made a motion to approve the Operations and Maintenance Assistance Agreement with the City of Osage City. The motion was seconded by Ira Harrison and carried unanimously. Mike Muirhead made a motion to approve the Operations and Maintenance Assistance Agreement with the City of Pomona. The motion was seconded by Jonathan Mitchell and carried unanimously.

- **Commitment letter with Caterpillar Financial Services (CAT) for the City of Oberlin**
- **Commitment letter with Caterpillar Financial Services (CAT) for the City of Neodesha** – Gerry reported that KMEA spent almost a year looking for a financing mechanism for cities that want to install CAT generators as a back-up resource. After months of negotiations, we now have commitment letters with CAT for the cities of Oberlin and Neodesha. The letters commit that we begin the development of the lease documents to do the financing. The arrangement requires KMEA to pay the outside legal costs for the development of the lease documents. Discussion was held on who should be responsible for paying the legal costs and there was a consensus of the committee that a portion of the costs should be passed on to the cities that use the program. The committee directed KMEA staff to go back to Oberlin and Neodesha to see if they will agree to fund a portion of the legal costs. If additional members choose to participate, they will also be asked to fund a portion of the legal costs.

Mike Muirhead made a motion to approve the commitment letters with CAT for the cities of Oberlin and Neodesha with the condition that both communities pay \$10,000 toward the legal fees and that staff can negotiate how that payment is received. The motion was seconded by Jonathan Mitchell and carried unanimously.

#### **Item No. 4 – RubinBrown 2021 Audit Report Review**

Chester Moyer of RubinBrown reviewed the Report to Governance, KMEA Financial Audit for the year ended December 31, 2021, and Independent Auditors' Report on Bond Compliance.

Mike Muirhead made a motion to accept the 2021 Audit Report. The motion was seconded by Stacie Eichem and carried unanimously.

Paul thanked Chester Moyer for his assistance as KMEA transitioned to new accounting staff and thanked Laurie Brock and John Weber for their efforts in getting this year's audit completed.

#### **Item No. 4 – General Manager Report**

Paul Mahlberg provided the General Manager report, which included:

- **Staffing Update** – KMEA is now fully staffed.
- **Synergies with others** – KMEA held its first quarterly meeting with KEPCo and the KPP to discuss synergies between the three organizations. KMEA will continue to meet with the KPP and KMU on a quarterly basis. KMEA will tour Missouri Public Utility Alliance's new facility on June 20<sup>th</sup> and discuss any synergies between the agencies.
- **TEA Optimization Results** – Paul reviewed the TCR/ARR Optimization results for May. He noted that TEA will be visiting the KMEA office next week.
- **KMGA Update** – Steve Mauer and Paul met with two natural gas suppliers in Houston to discuss the Winter Storm Uri event. The Kansas Attorney General (AG) hired Morgan and Morgan to perform a more in-depth investigation into the sharp price increases of natural gas during Winter Storm Uri and make a recommendation to the AG.

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

Gerry Bieker provided the Operations update, which included:

- **Generation Projects** – Several additional cities have shown interest in putting in generation.
- **Insurance** – Insurance renewals are underway. KMEA will need to make changes in the way we operate to secure cybersecurity coverage.

### **Item No. 6 – Member Services Update**

Tyson McGreer provided the Member Services update, which included:

- **Supply Chain Issues** – KMEA’s supply chain committee held its first meeting. The committee is looking at what other joint action agencies are doing and contacting vendors/distributors to see if there are any advantages of purchasing in bulk. Tyson participated in APPA’s two-day Supply Chain & Management Summit. APPA is looking into an equipment sharing program and will be sending information to its members within the next few months.
- **KMEA Public Power Manager Certificate Program** – APPA will soon be publishing its Public Power Manager Program brochure for 2022. Once we receive the details we will send out an informational flyer to our members on how to apply for the program.
- **Joint Meetings** – June 8<sup>th</sup>-9<sup>th</sup>.
- **Infrastructure Investment and Jobs Act (IIJA)** – Consultant Amanda Wood of Becker & Poliakoff provided an introductory webinar on the IIJA for members. She will continue to provide monthly webinars to update the membership as rules are written.

### **Item No. 7 – Mid-States Update**

Mike Schmaderer provided an update on recently completed, pending, and future Mid-States projects.

### **Item No. 8 – Old Business**

None.

### **Item No. 9 – New Business**

Mike Muirhead announced upcoming staffing changes for Sunflower Electric Power Corp.

### **Item No. 10 – Executive Session, if needed**

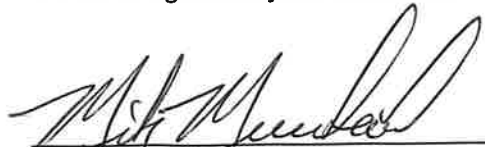
None.

### **Item No. 11 – Discuss and set date, time, and location for the next Executive Committee Meeting**

The next KMEA Executive Committee meeting will be held at 11:00 a.m., Thursday, June 9, 2022, at the Marriott Hotel in Overland Park, KS.

### **Item No. 12 – Adjourn Meeting**

The meeting was adjourned at 11:55 a.m.



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Mike Muirhead, Secretary/Treasurer