



Kansas Municipal Energy Agency
Executive Committee Meeting Minutes
December 14, 2023

Committee Members	City	Present/ Absent	KMEA Staff/Guests
Jeff Winkler	Baldwin City	Present	Gerry Bieker
Mike Muirhead	Garden City	Present	Neal Daney
Dustin Bedore	Goodland	Present	Paul Mahlberg
Chris Lindholm	Lindsborg	Present	Lisa Ferguson
Bret Glendening	Osawatomie	Present	Mike Meyer
Dave Hunsaker	Ottawa	Present	Terri Pemberton
Jon Quinday	Russell	Present	Mike Schmaderer
Jeff Scott	Stockton	Present	Tyson McGreer
Stacie Eichem	Wamego	Present	

Item No. 1 – Call the Meeting to Order

President Jon Quinday called the virtual meeting to order at 1:30 p.m. A quorum was present.

Item No. 2 – Seek approval for the following items:

- **Minutes from the November 16, 2023 Executive Committee Meeting**
President Quinday entertained a motion to approve the minutes from the November 16, 2023 Executive Committee Meeting. Mike Muirhead moved to approve the motion. The motion was seconded by Dave Hunsaker and carried unanimously.
- **Appropriations Report for November 2023**
Mike Meyer presented the Appropriations Report for November 2023. Chris Lindholm made a motion to approve the Appropriations Report for the month of November 2023. Dustin Bedore seconded the motion and the motion carried unanimously.
- **WAPA Firm Electric Service Allocation Assignment Agreements for the cities of Alma, Blue Mound, Elwood, Morrill, Prescott, Robinson, and Wathena**
Neal Daney provided an update on FES Assignment Agreement between KMEA and the WAPA cities. After approval by the Executive Committee, the agreement will be sent to WAPA. Approval by the Executive Committee gives Paul Mahlberg permission to execute a three-way agreement between KMEA, the 7 cities being added, and WAPA. Currently halfway through the process, and city agreements are being updated. After the agreements have been executed, WAPA will update the master agreement. The City of Bellview will be removed and the Cities of Alma, Blue Mound, Elwood, Morrill, Prescott, Robinson, and Wathena will be added. Reallocation will occur in 2024 due to the seven cities being added.

Mike Muirhead made a motion to give Paul permission to execute a three-way agreement between KMEA, WAPA, and the Cities of Alma, Blue Mound, Elwood, Morrill, Prescott, Robinson, and Wathena. Dave Hunsaker seconded the motion, and the motion carried unanimously.

Item No. 3 – Staff Updates

- **Regulatory Update**

Terri Pemberton provided regulatory updates on the following items:

- Evergy/TFR dispute, still pending.
- Evergy Reg asset docket – parties have a settlement in principle and are working to finalize the agreement. Once the agreement is finalized, it will be filed with FERC.
- AEP complaint – still pending. Parties have until the beginning of February to file comments with FERC.
- Evergy Metro TFR – formal complaint has been issued.
- Sunflower TFR – informal challenge has been issued.
- Local Planning – discussions proceeding according to schedule.
- KGS Tariff docket – pending a KCC Order.
- DG Taskforce – meeting this week w/Solar groups, internal discussion planned on December 21.
- Evergy Metro depreciation docket – being monitored.
- AG/Macquarrie update – AG refiled the case on December 13, after it was previously dismissed. Additionally, a new claim involving the Kansas False Claims Act has been added, which uses KMGA as a way to pursue that line of litigation. This could be a positive development for KMGA.
- Subpeona case – Terri attended oral arguments and the parties are awaiting a decision from the judge on the motion to compel.

- **Operations Update**

Gerry Bieker provided an operations update on the following topics:

- The Cities of Seneca and Moran are interested in KMEA financing substations. Gerry asked the Executive Committee how they felt about KMEA potentially financing substations for these two cities. Discussion ensued, with the consensus that the Executive Committee would be on board with potentially financing the substations for Seneca and Moran. Gerry will be meeting next week with Seneca and will meet with Moran in early 2024.

- **Member Services Update**

Tyson McGreer provided the following updates:

- A KMEA 101 presentation was given in the City of Ottawa yesterday.
- Preparations are underway for the 2024 Joint EMP Meeting and 2024 Annual Conference.

- **Mid-States Update**

Mike Schmaderer provided updates on the following topics:

- A Dighton crewmember that had a recent medical procedure continues to show improvement with their recovery.
- The Osage City crew recently completed work in the Cities of Elsmore and Troy.
- Work on the City of Girard's substation is complete.
- Steel is being set in the City of Morrill.
- Work on the substation in the City of Augusta is on hold.
- Generation work for the Cities of LaCrosse and Colby is scheduled to be completed in February 2024.

Item No. 4 – General Manager’s Report

Paul Mahlberg provided updates on the following topics:

- Office Space Allocation – One of the goals set by the Joint Board for Paul for this year was to look into renting out a portion of the back office in Overland Park to potentially create a revenue stream for the agency. A number of years back, an interested party inquired about the space for his small business. Gilmore & Bell looked into this possibility and determined that if we were to lease to a “for-profit” entity, we would lose our tax-exempt status. It is estimated that we are avoiding \$30,000 annually in taxes by being a tax-exempt entity. Paul also mentioned that KMEA’s staff numbers have increased, and currently there is only 1 open office available. Due to all of the aforementioned reasons, Paul suggested that KMEA not rent out any portion of the office to an outside entity, and the Executive Committee concurred.
- Everygy is planning to purchase a share of Dogwood, KMEA will be monitoring this development.
- The last payment on a \$1 million loan on KMEA’s office building was made on 12/1/2023, and KMEA now officially owns the building. Our annual lease payments were approximately \$90,000.
- Net Metering Update -KMU DG Taskforce will meet with the Solar groups on December 15th to continue discussions. The Taskforce met with Stanion two weeks prior to discuss Stanion’s active participation in solar meetings, and the adverse effects their participation could cause.

Item No. 5 – Old Business

- Solar/PACE Grant Update – KMEA requested an extension to submit the application. This request was granted partially, giving KMEA until January 26, 2024, to submit. KMEA also hired Kiewit to review the economic model and provide recommendations. An NDA was signed with Savion so information could be shared with the USDA. We received a determination from the USDA that the loan will only have 20% forgiveness, despite the initial request and assumption that it would receive 40% forgiveness. There are also environmental considerations with regards to the land in question, as there is considerable tribal activity in the area. The requisite economic studies will likely be cost prohibitive. Discussion ensued among the Executive Committee with regards to whether the benefits outweighed the potential risks of pursuing this project. The Executive Committee decided to halt the pursuit of this grant due to all factors involved.
- 40-101d Grant Update – Tyson McGreer discussed KMEA applying for the grant requesting funds to purchase 1-2 substation transformers and three options were presented:
 - Option #1 – purchase one 10 MVA transformer.
 - Option #2 – purchase one 10 MVA transformer and one 20 MVA transformer.
 - Option #3 – The City of Stockton has offered to give a 5/7 KVA transformer to KMEA. The transformer would need to be rewound.

Discussion ensued, and the Executive Committee determined they preferred Option #2, and instructed Staff to look at options of having the Stockton 5/7 KVA transformer rewound outside of the grant application.

Item No. 6 – New Business

Paul mentioned a service territory issue that was occurring in the City of Oberlin. A John Deere dealership is building a new facility outside of the city’s electric service area. The city recently annexed in the land and was going through the process of selecting the electric provider. Prairie Land Cooperative is the current supplier in this area and is actively seeking to remain the supplier. The City of Oberlin has spent upwards of \$30,000 on outside legal fees thus far. KMEA’s Regulatory Fund could be used by Oberlin instead of paying out of pocket. Oberlin’s City Council has decided to stop the legal process and let Prairie Land remain as the supplier, to avoid additional legal costs. If the City changes their mind, the KMEA Regulatory Fund would be available for use by the City.

Item No. 7 – Discuss and set date, time, and location for the next Executive Committee Meeting

The next Executive Committee Meeting will be held at the KMU Training Facility in McPherson and will take place on Thursday, January 25, 2024 at 1:30 p.m.

Item No. 8 – Adjourn Meeting

The meeting was adjourned at 3:07 p.m.



Stacie Eichem, Secretary/Treasurer