



Kansas Municipal Energy Agency  
 Executive Committee Meeting Minutes  
 March 28, 2024

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

*\*Attended virtually via Microsoft Teams*

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

President Jon Quinday called the meeting to order at 10:30 p.m., which was held in person at the KMU Training Facility in McPherson, Kansas.

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

- **Minutes from the February 21, 2024 Executive Committee Meeting**  
 President Jon Quinday entertained a motion to approve the minutes from the February 21, 2024 Executive Committee Meeting. Mike Muirhead moved to approve the minutes. The motion was seconded by Chris Lindholm and carried unanimously.
- **Appropriations Report for February 2024**  
 Mike Meyer noted that he just received the first draft of the audit report. Will have more information at next meeting. Mike then presented the Appropriations Report for February 2024. Stacie Eichem made a motion to approve the Appropriations Report for the month of February 2024. Dustin Bedore seconded the motion and the motion carried unanimously.
- **Amendment to the Dogwood Participation Agreement**  
 Paul gave an overview of the proposed amendment to the Dogwood Participation Agreement. Missouri Joint Municipal Electric Utility Commission is increasing ownership interest on behalf of its participating entities – will now have four (4) participating entities. The amendment allows for proration of default in the event one of the participating entities defaults, rather than fully excluding MJMEC as a whole.

The Dogwood Project Participant Committee recommended approval of the amendment at their last meeting. Dave Hunsaker moved to approve the amendment. Jeff Winkler seconded the motion and carried unanimously.

### **Item No. 3 – Staff Updates**

#### **• Regulatory Update**

Terri Pemberton provided regulatory updates on a number of items, including the following:

- Regulatory Asset Docket – waiting for FERC order to approve settlement. Compliance filing made on February 9<sup>th</sup>.
- Evergy Metro TFR – issued informal challenge, reached conclusion on some.
- Evergy Central TFR
- Sunflower TFR
- Dogwood – Filing on ownership
- Evergy IRP presentation

#### **• Operations Update**

Gerry Bieker provided an operations update on the following topics:

- Neil Rowland's retirement and how Staff is preparing for that date in May. Paul noted that Paul Lampe has been hired as Neil's replacement and some duties are going to him, with others IT work going to Gideon.
- Insurance – property valuation increased, and deductibles on wind/hail damage. Prices keep increasing. Will continue to look for solutions. Tyson noted some concerns with what insurance companies are actually insuring – concern is that a premium will be paid and insurance will say asset is fully depreciated in the event of damage. Dave H noted that fire suppression is becoming an issue. Brett noted that they are still fighting with their insurance company on the transformer they lost last year. Brad Mears noted that KMU is exploring options as well and will keep us posted on what they learn.
- Still having conversations with cities regarding substation and generation project.

#### **• Member Services Update**

Tyson McGreer provided the following updates:

- KMU Conference is upcoming as is the Joint EMP meeting this summer.
- May 1 is our Spring BOD meeting. Registration emails will be forthcoming.
- Working on a couple of KMEA 101 presentations coming up in May.
- Working with cities on Grants. Assisting cities with Environmental questionnaires on the 40101d. There is a new street lighting grant that he's working on with some cities. \$1.9M available, and it's first come, first serve. Traffic lights qualify as well.

#### **• Mid-States Update**

Mike Schmaderer provided updates on the following topics:

- Dighton crew has been in La Crosse and Sharon Springs.
- Doing some Work in Russell and Cimmaron.
- Osage City crew has been busy as well.
- La Cross and Colby CAT generators are on-line. Testing is scheduled to take place next week. Washington and Oberlin are next.
- Herington is updating controls on an old unit.
- The Baldwin project coming along.
- Neodesha air permit is not yet approved but hope to have it by the end of month.
- Substation items – Louisburg sub is hot – April 8 the crew will put in additional buses – should have load in April.
- Morrill at about 80% done. Electrician had some health issues, which stalled the project, but things are back on schedule.

**Item No. 5 – General Manager’s Report**

Paul Mahlberg provided updates on the following topics:

- Group of Staff went to Springfield, MO to meet with SPP and other municipal groups. It was a good event with constructive conversation with key folks at SPP.
- Jonathan Mitchell is receiving an APPA award this year – congratulate him if you see him.
- Dogwood prepay – deal was closed on Monday. Discount was \$0.63, with net \$0.58 savings. Annual savings will be approximately \$182,000 per year.
- TCR/ARR optimization year is ending in May. Looking at approximately \$3.3-\$3.4 million for the year. 2019 was \$700,000, 2020 was \$1.4 million, 2021 was \$2.9 million, 2022 was \$5.6 million.
- Suzanne Lane resigned from KEPCo. We hope to continue having a constructive relationship with them on power supply and FERC issues.

**Item No. 6 – Old Business**

None.

**Item No. 7 – New Business**

- Financing for CAT Generation Project – City of Garnett. Paul gave an update on next cities getting CAT generation. Herington already has board approval, so we need to get approval from the full board for Garnett. They’re installing (2) 3MW units. Both cities have already signed their capacity agreements with KMEA. We need to do another mail-in ballot with parameters – price not to exceed \$8M at not more than 7% interest. Capacity agreement has tighter parameters. There would be no recourse bonds to KMEA.

Bret Glendening moved to “Recommend to the Board of Directors the approval of the ballot question authorizing the issuance of bonds for the purpose of financing the acquisition and installation of CAT generating units for the City of Garnett.” Chris Lindholm seconded the motion and it carried unanimously.

- Brad Mears gave an update on legislative initiatives (Net metering, 3<sup>rd</sup> Party PPA, ROFR, pole attachments, and broadband)

**Item No. 8 – 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 on Thursday, May 2, 2024 at 10:30 a.m. The KMEA BOD meeting is taking place virtually on May 1, 2024 at 1:30.

**Item No. 9 – Adjourn Meeting**

The meeting was adjourned at 11:30 p.m.



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Stacie Eichem, Secretary/Treasurer