

**Kentucky Municipal Energy Agency**

February 25, 2016 10:00 AM

Bowling Green Municipal Utility 801 Center St, Bowling Green, KY 42101

**Attendance Taken at 11:16 AM:**

Present Board Members:

Josh Callihan  
Herbbie Bannister (Proxy for Vent Foster)  
Ronald Herd  
Chris Melton  
Terrance Naulty  
Mike Withrow

Absent Board Members:

Vent Foster  
Eddie Gooch  
Phillip King  
Chrissy O'Hara  
Carl Shoupe

**A. MEETING OPENING**

**B. AGENDA REVIEW AND MODIFICATIONS**

**C. PERFORMANCE REPORTS AND MODIFICATIONS**

**C.1. Executive Committee Report**

**Motion Passed:** Motion to put the CEO position on hold and send such notice to all applicants moved by Terry Naulty and seconded by Herbbie Bannister passed with a motion by Terrance Naulty and a second by Herbbie Bannister (Proxy for Vent Foster).

**5 Yeas - 1 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes
Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	No
Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**C.2. Power Supply Consultant's Report**

**C.3. Financial Report**

Rationale:

**D. ITEMS PRESENTED FOR ACTION AT THIS MEETING**

**D.1. Proposed Professional Services Agreement with Public Financial Management**

Rationale:

Public Financial Management (PFM) will be providing a proposed engagement letter or professional services agreement for consideration by the Board.

The Board approved agreements with NewGen, Spiegel & McDiarmid, and nFront at its December meeting.

**Motion Passed:** Motion to authorize execution of the Public Financial Management (PFM) agreement passed with a motion by Josh Callihan and a second by Mike Withrow.

**6 Yeas - 0 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes
Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	Yes
Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**D.2. Proposed Professional Services Agreement with Rubin & Hayes**

Rationale:

Rubin & Hayes will be providing a proposed engagement letter or professional services agreement for consideration by the Board.

The Board approved agreements with NewGen, Spiegel & McDiarmid, and nFront at its December meeting.

**Motion Passed:** Motion to authorize execution of the Rubin & Hayes agreement passed with a motion by Mike Withrow and a second by Terrance Naulty.

**6 Yeas - 0 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes

Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	Yes
Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**E. Discussion Agenda**

**E.1. Agreements between KyMEA and Members**

Rationale:

Agreements that need to be put in place are as follows:

KyMEA and All Requirements Members for:

All Requirements Service (including power supply and other admin services)  
Purchase of capacity and energy from Member resources (Paris diesels, SEPA, other)

2. KyMEA and OMU

Sale of Capacity to OMU  
Power supply and other admin services  
Energy pooling arrangement

**E.2. Paducah and Princeton Membership**

Rationale:

Paducah and Princeton have expressed an interest in considering membership in KyMEA.

At the December meeting, the Board decided to have Terry and Chris have discussions with Paducah and Princeton concerning membership.

The Board will receive a status report regarding any discussions that have occurred.

**Motion Passed:** Motion to authorize the chairman to appoint a member of the board to negotiate a MOU with KMPA passed with a motion by Terrance Naulty and a second by Mike Withrow.

**6 Yeas - 0 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes

Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	Yes
Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**E.3. Consideration of Renewable Options**

Rationale:

At the January Meeting, the Board asked the Advisory Team to develop a resolution that would call for KyMEA to, during FY2017, specifically study certain renewable options with the aim of identifying initial options that could be implemented by May 1, 2019. One option to be considered would be community solar projects in those Members communities that have an interest.

**E.4. Executive Session Power Supply/Transmission**

Rationale:

Discussion of proposals to provide Power Supply Resources to KyMEA submitted in response to KyMEA's RFP and related plan for submitting applications for transmission service. The RFP included a commitment to not disclose proposal terms and provisions to competitors. KRS 61.810(1)(k) and 61.878(1)(c) allow for closed session where discussions regarding records or information disclosed to the agency or required to be disclosed to the agency as confidential or proprietary would if disclosed by the agency would provide an unfair advantage to competitors of the entity disclosing such information.

**F. Consent Agenda**

**Motion Passed:** Approval of the Consent Agenda as presented passed with a motion by Josh Callihan and a second by Terrance Naulty.

**6 Yeas - 0 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes
Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	Yes
Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**F.1. Approve Minutes of January 28, 2016 Special Board Meeting**

**F.2. Ratify and Approve Disbursements**

**F.3. Ratify and Approve Bids Accepted by the Chairman**

**F.4. Ratify and Approve Determination and Findings - Including Purchase**

**F.5. Personnel Items**

**G. ITEMS PRESENTED FOR ACTION AT A FUTURE MEETING**

**H. GOVERNANCE ITEMS**

**H.1. Policy Compliance Reports**

**H.2. Policy Review and Development**

**I. UPCOMING MEETINGS**

**Rationale:**

The KyMEA Board of Directors shall hold its regular meetings on the fourth Thursday of each month, except for the months of November and December when the regular meeting shall be held on the third Thursday.

The regular meetings shall convene and commence at 10:00 AM Central time on said dates.

The regular meetings shall be held at the Bowling Green Municipal Utility located at 801 Center St, Bowling Green, KY 42101 in Bowling Green, Kentucky or at such location to be designated by the Board.

March 24, 2016 at 10:00AM

April 28, 2016 at 10:00AM

May 26, 2016 at 10:00AM

June 23, 2016 at 10:00AM

July 28, 2016 at 10:00AM

August 25, 2016 at 10:00AM

September 22, 2016 at 10:00AM

October 27, 2016 at 10:00AM

**J. CLOSED SESSION PURSUANT TO KRS 61.810 (1) (k) and 61.878 (1) (c) for Discussion of proposals to provide Power Supply Resources to KyMEA submitted in response to KyMEA's RFP and related options for submitting applications for transmission service. The RFP included a commitment to not disclose proposal terms and provisions to competitors. KRS 61.810(1) (k) and 61.878(1) (c) allow for closed session where discussions regarding records or information disclosed to the agency or required to be disclosed to the agency as confidential or proprietary would if disclosed by the agency would provide an unfair advantage to competitors of the entity disclosing such information.**

**Motion Passed:** passed with a motion by Terrance Naulty and a second by Herbbie Bannister (Proxy for Vent Foster).

**6 Yeas - 0 Nays.**

Josh Callihan	Yes
Herbbie Bannister (Proxy for Vent Foster)	Yes
Eddie Gooch	Absent
Ronald Herd	Yes
Phillip King	Absent
Chris Melton	Yes
Terrance Naulty	Yes

Chrissy O'Hara	Absent
Carl Shoupe	Absent
Mike Withrow	Yes

**J.1. Combined Cycle Plant Interest Group Participation Agreement**

Rationale:

A proposal has been received for KyMEA to purchase power from a natural gas-fueled combined cycle generation plant to be constructed by the early 2020s.

The proposed Interest Group Agreement would provide for KyMEA to share in the process and costs of developing a power purchase agreement relative to combined cycle plant. The agreement would not commit KyMEA to purchase any amount of power from that plant.

**K. RETURN TO OPEN SESSION**

**L. ITEMS PRESENTED FOR ACTION AS A RESULT OF CLOSED SESSION**

**L.1. Consider Approval of Actions Necessary to Carry Out Closed Session Directives.**

**M. ADJOURNMENT**

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Chairperson

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Secretary