

MINUTE RECORD – BOARD OF DIRECTORS – GRAND VALLEY RURAL POWER LINES, INC.

Regular Meeting

July 25, 2024

I. Call to Order, Pledge of Allegiance, Roll Call

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, July 25, 2024 at 845 22 Road, Grand Junction, Colorado. President Janie VanWinkle called the meeting to order at 9:00 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	arrived during approval of June 26 minutes
Kyle Coltrinari	present
Gary De Young	present
Joe Landini	present
Jesse Mease	arrived following approval of agenda
Bill Rooks	present
Carolyn Sandeen-Hall	not present
Janie VanWinkle	present
Brian Woods	present

Others present: Tom Walch, CEO; Derek Elder, Chief Administrative Officer; Joseph Michalewicz, Chief Financial Officer; Matt Williams, Chief Operating Officer; Rita Sanders, Director of Marketing & Communications; Bill Barlow, Operations Manager; Sarah Abbott, Attorney.

II. Approve Minute Record of June 26 Regular Board Meeting

**MOTION:** Motion by De Young second by Rooks to add the source of information provided in the CEO's Net-Metering Working Group Report from June 26, 2024; motion failed 2-4.

**MOTION:** Motion by De Young second by Rooks to delete the reference to the rate philosophy priorities in the section "Discuss Development of Rate Philosophy;" motion failed 2-4.

**MOTION:** Motion by Woods second by Landini to approve the minutes of the June 26, 2024 regular meeting, as corrected to reflect that the director who seconded the motion by De Young to approve using the profit-sharing funds from Xcel to offset the cost of the true up charge from Xcel was Sandeen-Hall; unanimously carried.

III. Approve Agenda

**MOTION:** Motion by Woods second by Burtard to approve the agenda; unanimously carried.

IV. Guests and Public Comments

None.

V. Staff Reports

Operations – Walch reported that GVP received CREA's safety award for Overall Achievement in Excellence for 2023. He noted that it has been at least 20 years since Grand Valley Power last received the award. He said that the criteria used to select the recipient includes the number of accidents,

injury rates, participation in safety meetings, public education on safety topics, safety improvement plan development, and the completion of safety goals. Walch commended operations, Operations Manager Bill Barlow, the board, and leadership for their focus on safety. Walch also recognized Barlow for his 35 years of service to GVP.

Barlow shared photos of crews installing a replacement pole after a car struck a pole, as well as photos showing local students participating in an Extended Hours Field Trip to Grand Valley Power.

Barlow also reported on two recent outages. GVP crews responded quickly and safely to restore power after lightning struck one of the cooperative's 69 kV transmission lines and brought down trees in Orchard Mesa. Barlow said that the cooperative rolled its calls to DMEA while GVP dispatcher Linda Schroder coordinated with GVP crews to restore the outage. The second outage occurred in De Beque when Xcel lost power at its substation due to a wildfire.

Communication – Walch shared the positive feedback he has received from members about Grand Valley Power's annual report. Sanders shared the status of annual meeting preparations and reminded directors to RSVP for the meeting.

Member Services – Elder said he attended the Mesa County 4-H/FFA Junior Livestock Auction over the weekend. GVP partnered with Guzman Energy to purchase three pigs, a sheep, and a goat. Together GVP and Guzman supported five local youths.

Elder said that Destry Smith was attending a Club 20 summer policy meeting. Smith and Elder attended the JOLT Western Colorado Energy Summit in Montrose, where participants focused on the western Colorado energy future.

Elder reported that the election process is going smoothly with ballot returns on pace to be similar to last year's election. Directors discussed online voting vs. paper balloting.

Information Technology – Walch reported that Jimmy Weber is continuing work on the new Verkada security and video surveillance systems. He is presenting to the statewide IT group about the Verkada system in August. Walch reported that Michael Kansgen, formerly CMU's Director of Computing and Network Systems, has been hired as Grand Valley Power's new Director of Information Technology and will begin work at the cooperative on August 5.

Finance – Michalewicz provided a summary of the monthly financials and reported on disconnects and write-offs. He answered director questions about cash used by operating activities, grant opportunities, commercial power consumption, and the wholesale power cost adjustment and deferred revenue account. Michalewicz also reported that Eric Anderson of the National Rural Utilities Cooperative Finance Corporation will provide financial training to staff and board members in October, in conjunction with the monthly board meeting.

## VI. CEO Report

Net-Metering Working Group Report – Walch noted that the Colorado Energy Office will report to the Governor's office regarding conclusions reached by the Net-Metering Working Group.

Walch said, while the group produced little in the way of agreement between utilities and the solar lobby, it has been important to have cooperative representation on the group and share the impacts and challenges that distributed solar bring to cooperative distribution systems.

Review Cost-of-Service Study Consultant Selection – Walch said he communicated with the board about the selection of Power System Engineering (PSE) as Grand Valley Power's Cost-of-Service Study consultant. He reported that the committee chose PSE in part because Rich Macke, one of the senior principals at PSE, will participate in the process. Walch noted that PSE has the most experience dealing with the challenges that Grand Valley Power is experiencing, including the growth of distributed generation.

Director Woods said the selection process went well and noted that PSE has experience in Colorado and was well prepared for the presentation.

The board discussed next steps for the Cost-of-Service study.

Walch cited recent inaccurate social media posts that diminish the work of Grand Valley Power's Board of Directors and its employees.

**MOTION:** Motion by De Young second by Mease to approve the CEO report; unanimously carried.

VII. Consent Agenda

**MOTION:** Motion by Woods second by Coltrinari to approve the consent agenda items; unanimously carried.

VIII. Approve Resolution R 24-06 – Approve Donation to Support Acquisition of Shoshone Water Rights

**MOTION:** Motion by Woods second by Burtard to approve Resolution R 24-06, Donation to Support Acquisition of Shoshone Water Rights; approved 5-0 with De Young and Rooks abstaining.

IX. Executive Session – Personnel Matters, Privileged Legal Report, Power Supply Update

**MOTION:** Motion by Mease second by Burtard to convene an executive session for the purpose of discussing personnel matters, for receiving a privileged legal report, and for receiving a power supply update; unanimously carried.

Executive session convened at 11:25 a.m.

Regular session reconvened at 1:18 p.m.

X. Attorney's Report

Abbott reported that she continues to work on an employee handbook. She said she also has been addressing questions about the election for the Election Supervisory Committee. Abbott reported that she attended the NRECA legal conference.

XI. Director Reports on Conference and Training Activities

Director Coltrinari reported that he attended NRECA director training in Branson, Mo. He said he was glad to have a couple of years' experience under his belt when he attended because he got more out of the conference. Conference topics included the importance of safety in an environment where electrical contacts are increasing, kilowatt hour usage trending down among consumers as costs increase, and cybersecurity.

Director Coltrinari said there was also discussion about the importance of a board having Position Statements on key topics to provide consistency to members. GVP directors noted that once the board has adopted a motion, that becomes the official position of the board.

XII. Colorado Rural Electric Association Director's Report

CREA Staffing Issues – Director Woods reported that the CREA board met virtually in June and the next meeting is in August. Directors discussed CREA staffing challenges and expanding associate memberships. Walch said that cooperative managers have an upcoming meeting during which they will discuss CREA staffing issues. Walch and other officers of the CREA Managers Association will also be meeting with members of the CREA Board Executive Committee regarding these and other issues.

CARE Committee Report – Walch reported that NRECA’s political action committee, America’s Electric Cooperatives, broke with its longstanding position that it does not endorse a candidate in a race for an open seat and has endorsed GVP counsel Jeff Hurd in the race for the open seat in Colorado’s Third U.S. Congressional District. The organization is making a \$5,000 contribution to Hurd’s campaign.

XIII. Western United Electric Supply Director’s Report

Director Mease reported that Western United Electric Supply’s report is in the board packet. He said sales are down slightly in Colorado. Inventory has increased and WUE is assessing what is in stock so it can be efficient.

XIV. Continuing Business

President VanWinkle asked about plans for a press release about the Shoshone Water Rights donation. Grand Valley Power will send a press release at the time the donation is delivered.

XV. New Business

Directors discussed new businesses coming into Mesa County and the potential for them to be situated in Grand Valley Power’s service territory.

XVI. Adjourn

**MOTION:** Motion by Landini second by Coltrinari to adjourn; unanimously carried.

Meeting adjourned at 1:48 p.m.

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Rita Sanders, Assistant Secretary

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Janie VanWinkle, President