

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

Regular Meeting

November 12, 2025

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, November 12, 2025 at 845 22 Road, Grand Junction, Colorado. President Brian Woods called the meeting to order at 9:08 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	present
Kyle Coltrinari	present
Gary De Young	present
Andrew Golike	present
Lindsay Gray	present
Joe Landini	present
Jesse Mease	present
Janie VanWinkle	present
Brian Woods	present

Others present: Tom Walch, CEO; Derek Elder, Chief Operating Officer; Joseph Michalewicz, Chief Financial Officer; Mike Kansgen, Director of Information Technology; Rita Sanders, Director of Member Services & Communication; Mark Shaffer, Operations Superintendent; Walter Fees, Manager of Engineering; Sarah Wheeler, Manager of Accounting and Human Resources; Jesse Pealer, Safety and Compliance Coordinator; Dan Reid, Warehouse and Facilities Supervisor; Lauren Phelps, General Accountant; Kobi Webb, Attorney; Chrystal Dean, future CEO.

II. Approve Minute Record of October 15 Regular Board Meeting

MOTION: Motion by Golike second by Mease to approve the minutes of the October 15, 2025 regular meeting; unanimously carried.

III. Approve Agenda

MOTION: Motion by Coltrinari second by Golike to approve the agenda with an amendment to include after executive session a motion to authorize a memorandum of understanding and to add a Director's Report or action regarding Christal Dean's engagement as CEO effective Jan. 2; unanimously carried.

IV. Guests and Public Comments

President Brian Woods introduced Chrystal Dean, who the board selected to be Grand Valley Power's next CEO effective January 2, 2026. Woods said that Dean will observe and is looking forward to meeting staff members. Walch said rate consultant Ben Bratrud will attend virtually during executive session to present on the EV-TOU rate class.

V. Staff Reports

Departmental Budget Presentations – Walch said that department heads present the proposed budget for the upcoming year. He said this method for presenting the budget is a great way to achieve maximum ownership and accountability, which works to control costs. Walch noted that this is a preliminary presentation on the 2026 budget and includes an estimate of projected margins for the

close of the year. The final budget will be presented for board approval at the December board meeting.

Walch provided an overview of the timeline to review the budget ahead of next month's board meeting. After the staff presentations at the November board meeting, directors are asked to review the proposed budget and communicate questions and concerns to the Finance and Audit Committee, which will make its final budget recommendations to the board at the December board meeting. The Finance and Audit Committee agreed to schedule its budget review meeting for December 10 at 3:30 p.m. All board members are welcome to attend and participate.

Michalewicz led the review and presentation of GVP's preliminary 2026 budget, noting that Grand Valley Power has updated the budget structure to align with personnel changes made in the past year. He said that Grand Valley Power has set itself up for success despite cost pressures and is meeting all required financial ratios. Michalewicz said equity is expected to decline to 38.6% at the end of 2026 due to project costs, but that remains above the level necessary to achieve favorable loan discounts. Michalewicz said the November rate change is projected to increase 2026 revenues by 3.49%. Directors discussed Xcel's rate increases for 2026, including 21% for transmission demand, 10% for generation demand, and 7% for generation electricity. He noted that projected growth of GS-TOU/D members is 1.5% in 2026, which is lower than previous years. Gross margins are anticipated to be \$1.49 million in 2026.

Department managers provided a review of 2026 projects and budgets for their respective departments.

Finance – Michalewicz provided a summary of the monthly financials and reported on the disconnects and write-offs. Walch noted that the cooperative is in strong financial condition with about 40% equity and \$2 million deferred revenue. GVP anticipates using some of the deferred funds in 2026 to help mitigate power supply costs paid to Xcel.

Michalewicz reviewed Grand Valley Power's equity management policy, which provides a target of retiring 3-5% of the member capital account on an annual basis. Michalewicz presented multiple capital credit retirement options, including management's recommendation that the board approve a retirement of 3.11% of the outstanding unretired member capital balance. This would accomplish retirement of all unpaid patronage capital up to and through 2007. The total retirement amount would be \$1,095,727.81, with 15,938 checks issued on December 12. This mailing would follow the first billing with the recent rate increase by two days. Directors discussed the value of getting a paper check rather than a bill credit. De Young said it can be a hassle to get a check that must be deposited. Gray pointed out that with modern deposit methods (simply transmitting a picture of the check being deposited to the bank) the process has been simplified. VanWinkle, Golike, and Woods agreed that paper checks remind members that they belong to a cooperative and benefit from the cooperative's economic activity. Walch reminded directors that GVP's Financial and Equity Management Policy calls for the issuance of paper checks for patronage capital retirements.

VI. Approve 2025 CashBack Credits

MOTION: Motion by Golike second by Gray to authorize a 2025 member capital retirement of \$1,095,727.81 representing 3.11% of the total outstanding unretired member capital, and issuance of CashBack Credit checks in that total amount; unanimously carried.

VII. CEO Report

Legislative Update – Walch provided an update on the proposed Robin Alerts bill, which seeks to impose obligations on utilities and co-ops to notify people with medical needs about disruptions to their electric service. Walch said the proposal mandates an onerous reporting process for utilities and co-ops to provide unrelated information to the state. The proposal was developed after a Delta resident died when their medical device failed during an electric outage. The bill will require care in how co-ops demonstrate the effective

methods they already take to notify consumers about outages.

Walch said an article in the Sentinel reported DMEA would raise its access charge to \$37.50, an overall rate increase of nearly 8%. He added that on a co-op managers' call, six or seven other co-ops in the state also voiced plans to increase rates 7-8%, and most of those would be in the form of an access charge that is higher than GVP's at \$33. Walch said as many as four will implement TOU and/or demand rates by the middle of 2026. He said Mountain View Electric and Highline Electric have requested information from Grand Valley Power about how we educated members about demand costs. Walch said GVP is on the leading edge of making these changes and communicating them to members.

Walch said GVP recently learned that the demand components in Xcel's transmission and energy rates are going up. He said this validates Grand Valley Power's implementation of a demand charge to better manage these increases in the cooperative's wholesale power bill.

Director Mease commented that communication about the increase has done a good job of helping people to understand demand and why Grand Valley Power is increasing rates.

Walch said that Grand Valley Power will match a donation that Guzman Energy is making on behalf of the cooperative to the Western Slope Food Bank of the Rockies to help mitigate SNAP benefits that have been delayed during the government shutdown.

MOTION: Motion by Mease second by Landini to accept the CEO report; unanimously carried.

VIII. Executive Session – Personnel Matters, Power Supply, Privileged Legal Report, Rate Discussion

MOTION: Motion by Mease second by Burtard to convene an executive session for the purpose of discussing personnel matters, for receiving a privileged power supply update, for receiving a privileged legal report, and for a rate discussion; carried 7-1 with De Young opposed to discussing rates in executive session.

Executive session convened at 12:40 p.m.

Regular session reconvened at 3:00 p.m.

MOTION: Motion by Coltrinari second by Gray to authorize Board President Brian Woods to execute a Memorandum of Understanding developed with a local utility as discussed in executive session; unanimously carried.

IX. Approve Board Resolution 25-03 – Authorizing Amendment of Electric Vehicle – Residential Single-Phase Time-of-Use (EV-TOU) Rate

MOTION: Motion by Coltrinari second by Golike to approve Board Resolution 25-03 – Authorizing Amendment of Electric Vehicle – Residential Single-Phase Time-of-Use/Demand (EV-TOU/D) Rate; unanimously carried.

X. Director Reports on Conference and Training Activities

Walch referred directors to Policy Bulletin No. 41 – Attendance at NRECA and CREA Annual Meetings and Other Meetings and asked directors which conferences they would like to attend outside of CREA.

Directors said they are considering attending: Golike – NRECA New Director Orientation in Arlington in March; Coltrinari, Gray, Mease, and VanWinkle – Legislative Conference in Washington, D.C. in April; Coltrinari and De Young – NRECA Summer School for Directors in Louisville, Kentucky in June.

MOTION: Motion by Mease second by De Young to approve directors' attendance at out-of-state conferences as described above; unanimously carried.

XI. Consent Agenda

MOTION: Motion by De Young second by Golike to approve the consent agenda items; unanimously carried.

XII. Policy Committee Report – Director Code of Conduct; Board Delegation of Authority to CEO

Director VanWinkle expressed disappointment that the board must have a conversation about director conduct. She said the question is how the board regulates the need for civil discourse and keeps dignity in the board room. VanWinkle said she is not sure if a policy will fix situations she has witnessed where a board member has been disrespectful to staff members and other directors. VanWinkle said she, too, is guilty of getting frustrated. She asked directors to consider if this is where they want to be; that she doesn't know that a policy will change the situation.

Walch said a policy has value in identifying expected behavior, and it's important to put those expectations in writing. He said many problems can be solved if people just know the expectations and try to meet them.

Director VanWinkle agreed that the board needs expectations but expressed concern that a policy would need to clearly state the problem, and the biggest is the lack of respect for staff members.

Director Golike identified the problem as why the board can't function in a productive manner. He said the board must make sure that it can function, otherwise it will be difficult to make the best decisions for members.

Walch said the policy would provide protection for board members during deliberations and in conduct outside of board meetings. He noted that Director De Young published an article in today's Sentinel undermining the action of the board in passing a rate increase.

Director Golike pointed out that De Young said he's a member of the board but in writing the letter he isn't acting as a board member. Golike said that doesn't matter. He expressed opposition to the rate increase vote in a public forum. Every reader of the article will understand that De Young is undermining the board action. Golike questioned if a Code of Conduct policy would have prevented De Young from publishing the article, but it possibly could have.

Director Coltrinari said the policy should prohibit this kind of conduct so that it doesn't happen again in the future.

Walch said directors must have the right to dissent, but it must be exercised in a way that doesn't undermine board action. He said that the published letter is not a sign of healthy board relations.

Director VanWinkle expressed concern that De Young's letter could increase threatening phone calls to the co-op and directors.

President Woods said De Young wrote the letter for his own self-interest. He said when the board comes to a consensus, directors may not agree with it, but they've got to get behind it. Woods said the board asked GVP's communications to inform members and explain why the rate increase is necessary, and De Young took a negative route.

Director VanWinkle said she has reached out multiple times to De Young to have conversations and asked him what directors can do to work better with him. She said the board values his opinion and knowledge and has made decisions that have come from his ideas, including the rotation of candidates on the ballot to eliminate voting bias. VanWinkle told De Young that when he is disrespectful to staff members it makes her angry.

Director De Young responded that he is not responsible for her emotions when he says something.

Director Golike told De Young he is responsible for his words and being self-aware and seeing the way he

impacts other people. Golike told De Young his article was clearly written to unseat board members.

Director De Young said he wrote the article to explain his vote.

Webb said De Young is a director and as such carries with him fiduciary duties to the co-op. She said the article could pose a legal risk for the organization.

Director Coltrinari said he understands from the conversation that directors are in favor of a policy to prevent actions like the publishing of a letter by a director against board action. He said that after today, he thinks it's more important that a code of conduct policy has more specificity to enforce when situations like this arise.

Directors discussed trust and the reasons for not disclosing confidential information.

Walch said that when motions are brought forward after executive session, directors have the opportunity to discuss non-confidential items before the vote is taken. Walch said that De Young's conduct is disrespectful to all managers and the board, and to say that the rate increase was only discussed in executive session is incorrect. Walch said that he provided a summary of the discussion in regular session and that De Young contributed to the discussion and could have provided more if he felt it was necessary.

Director De Young said the board needs to provide for discussion when it comes out of executive session.

Walch said the board does have that opportunity. Walch said that De Young lied when he published comments that there was no discussion in regular session about the rate increase. Walch said there absolutely was discussion in regular session.

Director De Young said Woods would cut him off.

Directors expressed the importance of respecting directors' time during discussions.

President Woods asked for the consensus of the board regarding a Code of Conduct policy.

Director Golike said the board needs the policy because it has demonstrated that it cannot self-regulate.

Director VanWinkle said she agrees that the board needs the policy, but she is concerned about how it can be made general but specific enough to cover all situations. She suggested taking another month to review the policy and have further conversations.

Director De Young said he has two concerns: 1. Who will pull the trigger at various points and 2. The board should follow Robert's Rules of Order.

Director Mease said he thinks general rules work better, but there must be a mechanism in place for when someone refuses to follow the rules.

Director Coltrinari expressed concerns about the generality of the policy but is open to this being the policy. He said the board needs a policy.

Director Gray said a policy is absolutely necessary.

Webb said the policy can be more specific or less, but everyone will be held to the same standards. She recommends not including Robert's Rules of Order as part of the policy because it is more than 700 pages. The strategy is that organizations generally adopt Robert's Rules as its procedures, but there is flexibility.

Director De Young said he suggests a simplified format.

Director VanWinkle said she would like to explore how the board can get to a level of respect that all directors expect, but she does not have the answer for how to do that.

President Woods said he believes the policy should be flexible with guidelines and boundaries. He asked Dean if she would like to contribute to the discussion.

Dean said she believes you cannot future proof policy. She suggested taking a step back, evaluating the ground rules and how the board works as a team, and building respect and trust with one another.

President Woods suggested tabling the policy for another month.

MOTION: Motion by De Young second by VanWinkle to send the policy back to the committee for further review; carried 7-1 with Golike opposed.

Walch said Grand Valley Power has survived 89 years without using Robert's Rules of Order. He noted that Robert's Rules introduces technicalities, and he does not want technicalities to get in the way of doing what is right. He said it's important that the board provide direction to the committee and to counsel, and for the board to either approve the policy or scrap it.

XIII. Consider Director Special Circumstances Supplement for Extra Meetings Required for CEO Search

Walch referred to Policy Bulletin No. 33, Director Compensation and Travel Reimbursement for Meeting Attendance, Section H. Special Circumstances Supplement, in the board packet. Walch said it took extra time and effort above and beyond what is expected from board members to conduct the CEO search, and at a minimum it would be fair for the board to authorize a \$200 payment to directors for participation in the CEO search. Director VanWinkle said she thinks the board is well compensated and would rather see her portion be donated to Toys for Tots. Director De Young said he must take vacation to attend meetings, and if the work was beyond what is expected, he would be for a supplement. Director Mease said he agrees that when directors must use vacation and comp time then they should be compensated.

MOTION: Motion by De Young second by Mease to authorize a \$250 special circumstances supplement to directors for the CEO search; failed 3-4.

XIV. Grand Valley Power CEO Search

President Woods said that by unanimous written consent, the board has confirmed Chrystal Dean as the next CEO of Grand Valley Power effective January 2, 2026. Woods asked that a copy of the written consent document signed by all directors be attached to the minutes.

XV. Colorado Rural Electric Association Director's Report

President Woods referred to CREA minutes for the report.

XVI. Western United Electric Supply Director's Report

Director Mease reported that Western United is expecting to issue another member capital retirement, and that Grand Valley Power may see another check retiring 2008 patronage. Mease noted that sales are down everywhere except in Colorado, and contractor sales are up.

XVII. Continuing Business

None.

XVIII. New Business

None.

XIX. Attorney's Report

Webb reported that key legal issues had been covered in executive session.

XX. Adjourn

MOTION: Motion by Golike second by Gray to adjourn; unanimously carried.

Meeting adjourned at 4:02 p.m.

Rita Sanders, Assistant Secretary

Brian Woods, President