

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

Regular Meeting

August 21, 2019

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, August 21, 2019 at 845 22 Road, Grand Junction, Colorado. President Martinez called the meeting to order at 9:00 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Don McClaskey	present
Robert Saunders	present
Sylvia Spangler	present
Janie VanWinkle	present
Dennis Haberkorn	present
Rod Martinez	present
Bill Rooks	present
Carolyn Sandeen-Hall	present
Jesse Mease	present

Others present: Tom Walch, CEO; Pat Kanda, Staff Accountant; Sarah Wheeler, Accountant/Benefits Administrator; Mike Birch, Operations Manager; Bill Barlow, Operations Supervisor; Matt Williams, Manager of Engineering; Sherry Fix, Information Technology Manager; Karen Allen; Network Administrator; Gary Billiet, Purchasing and Warehouse Manager; Gregg Kampf, Attorney.

Minutes:

MOTION: Motion by Sandeen-Hall second by McClaskey to approve the minutes of the July 17, 2019 regular meeting; carried.

MOTION: Motion by Haberkon second by Sandeen-Hall to approve the agenda; carried.

I. CEO's Report

1. Staff members updated the board on activities in their respective departments. Barlow informed directors operations personnel have completed line construction to Aspen Valley subdivision and are working on line construction to Enclave subdivision. Barlow noted contractors have completed installation of enhanced meters on the Grand Mesa. Birch reported that tree trimming crews will begin tree trimming on the Grand Mesa the first week of September. Walch reviewed with the board the value of an aggressive tree trimming policy with respect to reduced line loss and outage prevention. Billiet informed directors he will be interviewing three candidates this afternoon for the open position of Custodian/Material Handler. Williams informed directors that Honey Rock Orchards has executed a distributed generation interconnection agreement with GVP and installed a 44 KW solar array near its service location. However, the array is on the opposite side of railroad tracks from the consumer's meter. The consumer has not secured a crossing permit from the railroad and is asking to be allowed to offset consumption from his meter against solar array production that is not on the consumer side of the meter. As this form of virtual net metering does not conform with GVP's practices and policies, the request has been denied. Wheeler presented the June

2019 financial reports. Kanda summarized delinquent account and write-off activity.

2. Kanda reviewed with the board pertinent ratios from the 2018 CFC KRTA (Key Ratio Trend Analysis) report.
3. Walch reviewed the annual meeting and election process and asked for director input. The board requested staff continue to schedule entertainment for the dinner. The board also agreed with Walch that the board president present scholarship awards to the recipients. Walch and the board also discussed changes to the election process at the annual meeting. The board determined the biographies of candidates will no longer be read at the meeting, but the ballot box will be present for attendees who bring their completed mailed ballot to the annual meeting.
3. Walch updated the directors on evaluation of the wholesale power supply market. Walch updated directors the terms of the settlement between Delta Montrose Electric Association (DMEA) and Tri-State G&T. He noted that the parties may not disparage one another and DMEA cannot provide assistance to other cooperatives seeking to exit wholesale power contract with Tri-State. Walch informed directors Bob O'Neil, Washington counsel, is compiling a list of critical issues when considering wholesale power options.
4. Walch requested the January 2020 board meeting be rescheduled for January 22, 2020. The board concurred.

MOTION: Motion by McClaskey second by Haberkorn to approve the CEO report; carried.

MOTION: Motion by Sandeen-Hall second by Haberkorn to approve the consent agenda items, which includes approval of uncollectible account write-offs; carried.

5. Walch reviewed with the board the final version of the Prepaid Metering Program tariff.

MOTION: Motion by Saunders second by Sandeen-Hall to adopt the Prepaid Metering Program tariff; carried.

6. Martinez updated directors on work done by the Training and Education committee and the committee reviewing the CEO evaluation process. The directors discussed the travel supplement paid to directors for travel days prior to and following a conference. There was general consensus to reduce the travel supplement amount to \$150.00 per day, and specify that this supplement does not apply to days spent traveling to and from the session in question. Walch will present a revised Policy Bulletin No. 33 at the September board meeting for consideration by the board.

Election of Officers:

President Martinez turned the meeting over to General Counsel Kampf to conduct the election of board officers,

MOTION: Motion by McClaskey second by VanWinkle to nominate Carolyn Sandeen-Hall as President and elect by acclamation; carried.

MOTION: Motion by McClaskey second by Saunders to nominate Dennis Haberkorn as Vice-President and elect by acclamation; carried.

MOTION: Motion by Martinez second by Sandeen-Hall to nominate Janie VanWinkle as Secretary-Treasurer and elect by acclamation; carried.

Kampf turned the meeting back to President Martinez.

MOTION: Motion by Sandeen-Hall second by Spangler to appoint Dennis Haberkorn as delegate and Rod Martinez as alternate delegate to Western United Electric Supply Corporation; carried.

MOTION: Motion by Sandeen-Hall second by VanWinkle to appoint Rod Martinez as delegate and Dennis Haberkorn as alternate delegate to Colorado Rural Electric Association; carried.

II. Legal

Kampf reviewed the legal and fiduciary obligations of directors and Policy Bulletin No. 107, Conflict of Interest Policy.

III. CREA/Western United

The CREA report was included in the CEO report to the board. The Western United financials were also included in the CEO report.

IV. Continuing Business

None

V. New Business

None

MOTION: Motion by Haberkorn second by McClaskey to adjourn; carried.

Meeting adjourned at 1:20 p.m.

Pat Kanda, Acting Assistant Secretary

Rod Martinez, President