

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

Regular Meeting

June 20, 2018

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, June 20, 2018 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
S. James O'Connor	present
Robert Saunders	present
Sylvia Spangler	present
Janie VanWinkle	absent
Dennis Haberkorn	present
Rod Martinez	present
Bill Rooks	present
Carolyn Sandeen-Hall	present

Others present: Tom Walch, CEO; Karen Allen, Network Administrator; Cathy Gledhill, Manager of Finance and Administration; Pat Kanda, Staff Accountant; Sarah Wheeler, Accounting Assistant; Mike Birch, Operations Manager; Steve Don, Manager of Engineering; Matt Williams, Staff Engineer; Derek Elder, Member Services Manager; Christmas Wharton, Communications Specialist; SueEllen Manley, Purchasing, Materials and Compliance Manager; Gregg Kampf, Attorney

Minutes:

MOTION: Motion by Haberkorn second by Saunders to approve the minutes of the May 16, 2018 regular meeting; carried.

MOTION: Motion by Saunders 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. Don reported the printer/scanner in the Engineering department had to be replaced. He noted that the technical support for this unit expired in 2012, and rather than budget for a new machine, the board was advised that it would be used until it was no longer functioning. In 2013, the replacement cost would have been \$20,000 for the printer/scanner, and the replacement machine just purchased is a better product at a cost of \$5,000. Don also informed directors Laramie Energy is requesting additional capacity for services east of Collbran and north of Vega Reservoir. As GVP's system capacity has reached its limit in this area, staff informed Laramie Energy fulfilling their request would require construction of a new substation. Laramie was further advised that since all other GVP loads in the area could be served with existing infrastructure, Laramie Energy would bear responsibility for the cost of the substation. Laramie Energy has not yet responded to this communication. Williams reported the power transformer will be energized next week at the Orchard Mesa

substation. He also informed directors that he and Wharton will be conducting informational sessions with employees about the GVP's enhanced metering project. Birch informed directors Hunter Henderson has been hired as a temporary part-time employee for the balance of 2018. He is working as a groundman. If his performance is satisfactory Birch will seek to hire Henderson as an apprentice in January 2019. Birch reported Ward Construction crew is completing line work in Collbran and then starts work on the next phase of underground cable replacement at Palisade Point. Gledhill informed directors Jennifer Barela begins part-time employment as a Consumer Service Representative on July 9. Elder relayed that he, Walch, and Wharton participated in a webinar regarding the NRECA Lexicon Project. The project is based upon focus group sessions held at several cooperatives across the country and has prompted NRECA to shift some of its fundamental messaging recommendations for electric cooperatives. Staff will try to use these findings when communicating about the enhanced metering project. Elder also reported the Election Supervisory Committee members Kampf and Pryor met on June 19 and reviewed petitions and qualifications of candidates submitting petitions to be placed on the ballot for election to the board of directors. The committee approved the applications and petitions of candidates Dennis Haberkorn, Bill Rooks and Jesse Mease.

MOTION: Motion by Sandeen-Hall second by Saunders to certify petitions of candidates Rooks, Haberkorn, and Mease for the 2018 GVP director election; carried.

MOTION: Motion by McClaskey second by Saunders to dispense with mail ballot and have the directors elected by the members present at the annual meeting; carried.

Wheeler presented the April 2018 financial reports. Kanda summarized delinquent account and write-off activity. Kanda reported the Xcel Energy production true-up is estimated to be a \$100,000 credit and Xcel Energy will issue a check in July or August. The amount will be recorded in the Wholesale Power Cost Deferred Revenue account to be used for reducing monthly consumer kWh charges in future months. Wharton reported that she participated in the Mesa County Communications Officers Association retreat. Wharton informed the board that five employees and one director would be participating in the St. Baldrick's head-shaving fund-raising event held at GVP on June 21. Wharton reported Grand Valley Power is sponsoring the Glade Park movie under the stars event on Friday June 29.

2. Williams and Wharton presented information to the directors regarding GVP's enhanced metering project. They reviewed the project objectives, communications strategy, and project timeline.
3. Walch referred the board to his CEO report for a review of developments in the Xcel Energy Colorado Energy Plan Portfolio docket pending before the Colorado Public Utilities Commission.
4. Walch informed the board CREA and Federated are conducting a Safety Strategy Lab in mid-July. The lab is a four-day event with individual daily participation from 1) Safety coordinators, 2) linemen, 3) Operations managers and 4) CEOs and General Managers.
5. Walch reviewed Resolution R18-03 authorizing execution of the CFC construction loan and establishing the As Offered Uncommitted Line of Credit.

MOTION: Motion by Sandeen-Hall second by Spangler to adopt Resolution No. R18-03 authorizing execution of CFC Power Vision Loan not to exceed \$19,910,285 and \$4,000,000 As Offered Uncommitted Line of Credit application; carried.

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

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

II. Legal

Kampf reported his firm assisted with CFC loan document review, including preparation of the attorney's letter. He recommended that his firm file the lien recordings with the counties. The board concurred. Kampf also relayed his firm is assisting with development of the cyber security policy.

III. CREA/Western United

Martinez reported CREA board is hiring a part-time employee for loss control administration. Western United's next meeting is August 30.

IV. Continuing Business

None

V. New Business

None

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

Meeting adjourned at 11:35 a.m.

Cathy Gledhill, Assistant Secretary

Rod Martinez, President