

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

Regular Meeting

October 19, 2017

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Thursday, October 19, 2017 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	absent
S. James O'Connor	present
Robert Saunders	present
Sylvia Spangler	present
Janie VanWinkle	present
Dennis Haberkorn	present
Rod Martinez	present
Bill Rooks	present
Carolyn Sandeen-Hall	present

Others present: Tom Walch, CEO; Sherry Fix, IT Manager; Karen Allen, Network Administrator; Cathy Gledhill, Manager of Finance and Administration; Pat Kanda, Staff Accountant; Sarah Wheeler, Accounting Assistant; Bill Barlow, Operations Supervisor; Steve Don, Manager of Engineering; Matt Williams, Staff Engineer; Christmas Wharton, Communications Specialist;; Gregg Kampf, Attorney.

Minutes:

**MOTION:** Motion by Haberkorn second by O'Connor to approve the minutes of the September 20, 2017 regular meeting; carried.

Walch requested an amendment to the agenda to include the consideration of Certificate of Resolutions and Incumbency to authorize NRUCFC borrowing to refinance existing RUS and FFB indebtedness.

**MOTION:** Motion by Sandeen-Hall second by Spangler to approve the agenda as amended; carried.

I. CEO's Report

1. Staff members updated the board on activities in their respective departments. Wharton updated the board on preparations for Family Safety Day being held on October 26, 2017 from 9:00 a.m. through 1:00 p.m. at GVP headquarters. Walch informed directors that White River Electric is letting GVP use its high voltage demonstration trailer. Demonstrations will be provided on Wednesday October 25 for GVP personnel and on Thursday for the Family Safety Day. Wharton reminded directors that nominations for the "Who Powers You?" campaign sponsored by Touchstone Energy close on November 4. Wharton informed the board scholarship applications for the 2018 Washington, DC Youth Tour and Youth Leadership Camp will be available on GVP website November 1 and applications must be

received by January 5. She also relayed the GVP scholarship applications will be available December 1. The Member and Community Relations Committee agreed to meet after the November 15 board meeting to review the scholarship application criteria. Wharton informed directors GVP has been asked to participate in a national Boot Barn advertising campaign for FR (fire retardant) clothing. GVP linemen Mason, Blaylock and Mabley were selected for the photo shoot.

Barlow updated directors on current construction activity. Ward contracting crews will finish this season's underground cable replacement at Palisade Point this week and have three pole-spans to complete on the first stage of replacing conductor on the Kannah Creek 3-phase line upgrade. GVP crews are changing out poles earmarked for replacement in connection with the pole inspection and testing program. Walch relayed to directors Operations Manager Birch is negotiating a two-year contract with Asplundh Tree Experts, which will include a request for a taller bucket truck to enhance safety when trimming and removing large trees. Don reviewed with the board an offer from an individual to purchase a small tract of land in Whitewater owned by GVP that was formerly the site of a step-up transformer. The board agreed to wait until the refinancing of RUS debt has been completed before taking formal action on the offer. Allen informed the board IT staff is updating system maps with hazard symbols to alert operations personnel regarding potential safety issues. Fix updated directors on the RC3 cyber security awareness and training program sponsored by NRECA. She attended a workshop on October 8 with presentations from DOE, FBI, Department of Defense and Homeland Security. Fix also reported that GVP received the results of the initial cyber security assessment, scoring an 86% on practices and training, 49% on network segmentation and 39% on written policies and documentation. IT personnel, in coordination with all departments, will continue to implement procedures to strengthen GVP cyber security. Kanda presented the August 2017 financial reports, and summarized delinquent account and write-off activity. Kanda also reported to directors that he has distributed 2018 preliminary budget packets to department managers for preparation and presentation at November board meeting.

2. Walch commended Kanda for his diligence in coordinating the refinancing of RUS debt. Walch read the Certificate of Resolutions and Incumbency to authorize NRUCFC borrowing to refinance RUS and FFB existing indebtedness.

**MOTION:** Motion by O'Connor second by Sandeen-Hall to approve the Certificate of Resolutions and Incumbency; carried.

Attorney Dave Dodero entered the meeting.

**MOTION:** Motion by Haberkorn second by O'Connor to convene executive session to discuss annual IBEW contract pay increase issue and the Xcel Colorado Energy Plan; carried.

Executive session convened at 10:30 a.m.

Regular session reconvened at 11:15 a.m.

**MOTION:** Motion by Sandeen-Hall second by Rooks to authorize CEO Walch to conduct negotiations with IBEW business agent regarding wage index language in contracts; carried.

3. Walch reviewed the history of changes in medical insurance plans and premiums for staff personnel since 2014, noting company contribution has not been adjusted for CPI. He also reviewed the worksheet illustrating the impact of annual CPI to the \$1600 monthly contribution per staff employee. He noted that the Executive Committee has reviewed the worksheet and recommends an increase in company contribution to health insurance premiums from \$1200 to \$1300 per month per staff employee.

**MOTION:** Motion by Haberkorn second by Saunders to increase company contribution for staff personnel health insurance an additional \$100 per month; carried.

4. Walch informed directors he will be temporarily assisting with executive duties at GJEP until the new executive director has been hired. He also reported he has been asked to participate in the CFC Forum planning session, which will entail a trip to Washington, DC in December.
5. Walch reviewed with the board questions for consideration and future discussion in connection with deployment of Advanced Metering Infrastructure (AMI), including (1) the information campaign to our consumers and the public; and (2) the terms of any Opt-Out provision for our consumers. Kampf suggested the board may want to contact directors at San Luis Valley Electric to learn about their experiences with their AMI project.
6. Walch reported CARE/ACRE is changing its fiscal year to the calendar year and encourages 100% board participation to continue the support of rural values.

**MOTION:** Motion by O'Connor second by Haberkorn to approve the CEO report; carried.

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

## II. Legal

Kampf had nothing further to report.

## III. CREA/Western United

Martinez reported that he attended the CREA budget committee meeting and there will be no member dues increase for 2018. The CREA board meeting is October 28.

Saunders relayed the Western United meeting is next week.

## IV. Continuing Business

None.

## V. New Business

Walch distributed the Director's checklist for 2018 Meetings and Conferences and requested board members submit completed checklist by November board meeting.

***MOTION:*** Motion by Haberkorn second by Sandeen-Hall to adjourn; carried.  
Meeting adjourned at 12:00 p.m.

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Cathy Gledhill, Assistant Secretary

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Rod Martinez, President