

**Yampa Valley Electric Association, Inc.**

Conclusion of Recessed Regular Meeting of the Board of Directors from Prior Month  
and Regular Meeting of Board of Directors

Thursday, July 16, 2015  
2211 Elk River Road  
Steamboat Springs, Colorado

The Board of Directors of Yampa Valley Electric Association, Inc., reconvened at 2211 Elk River Road, Steamboat Springs, Colorado at 11:00 a.m. on July 16, 2015. Chairman Dean Brosious reconvened the recessed meeting of June 18, 2015. Upon calling roll, it was reported that the following Directors were present: Dean Brosious, Frank Roitsch, Russell Garrity, Pat McClelland, Glynda Sheehan, Mike Brinks, Larry Ellgen, and Scott McGill. Also present were General Counsel, Tom Sharp and General Manager, Diane Johnson. After the Chairman declared that the Recessed Meeting was re-opened, there was no further business. The Chairman declared that all business of the Recessed Meeting was concluded and called for a motion to adjourn. Upon motion being made, duly seconded, and passed unanimously, the Recessed Meeting was adjourned.

**1. Call to Order**

Upon calling roll, it was reported that the following Directors were present: Dean Brosious, Frank Roitsch, Russell Garrity, Pat McClelland, Glynda Sheehan, Mike Brinks, Larry Ellgen, and Scott McGill. Also present were General Counsel, Tom Sharp; General Manager, Diane Johnson; Chief Operating Officer, Steve Johnson; Manager of Accounting Services and Warehouse and Facilities, Amy Mahon; Human Resources Manager, Randi Owens; Board Secretary Larissa Wilson; Member Relations Manager, Kathy Bertrand; Communications and Public Relations Manager, Tammi McKenzie, and member-owner Jeff Troeger.

**2. Executive Session**

After the Chairman declared the meeting open, a motion was made, duly seconded, and passed unanimously that the board of directors go immediately into an executive session under “new business” to consider documents and testimony given in confidence, and the general topics of such executive session will be to discuss and consider pending and potential property acquisitions, personnel matters, contract negotiations and pending or threatened litigation. Board members, Diane Johnson, General Manager, and Tom Sharp, General Counsel were in attendance during such executive session. Such executive session convened at approximately 11:00 a.m., and the board ended the executive session and returned to its public meeting session at approximately 1:00 p.m.

**3. Approval of Minutes**

A motion approving the minutes from the Recessed Meeting (other than the reconvened portion of such meeting this day) was made, duly seconded, and passed unanimously.

**4. Member-Owner Comment**

There were no Member-owner comments.

**5. Director Comments**

Mr. McGill noted it was nice to read the recent Steamboat Pilot article regarding the new electric vehicle charging station. Mr. Troeger’s son was featured in the article. Mr. McGill also had a conversation with an employee of Stagecoach Electric, an Association

contractor. This contractor had two conversations with various Association employees and had very positive things to say about both interactions.

Mr. Ellgen noted he knows one of the students, Wes Atkin, who visited Washington, D.C. Wes couldn't say enough about the experience. Mr. Ellgen thanked the board, on behalf of Atkin, for the opportunity. This experience provides a lot of leadership opportunities for students. Ms. Johnson added Mr. Atkin wrote thank you note to the Association.

Ms. Sheehan complimented staff on the year-in-review publication, the member satisfaction survey and the annual meeting.

Mr. Brosious received two letters from member owners commending the Association on its decision involvement with the solar garden and on its commitment to renewable energy going forward.

## **ACTION ITEMS**

### **6. Acceptance of the Financial and Statistical Reports**

Ms. Mahon presented June financials. A motion accepting the financial and statistical reports for May was made by Mr. Brinks, seconded by Mr. McClelland, and carried with a unanimous vote.

### **7. Board Policy 2-10: Approval of AMI Meter Reading Options Policy**

Ms. Johnson proposed a new policy to the board. The proposed policy would offer members an alternative meter reading option once AMI is in place. Questions around the proposed policy were addressed. Staff will finalize language and fee structure and present the final policy to the board in August for approval. The motion was made by Mr. McGill, duly seconded by Ms. Sheehan, and passed unanimously.

### **8. Election of Officers and Committee Appointments**

Chairman Dean Brosious and Vice Chairman Pat McClelland were re-elected for the year by secret ballot. Mr. Brosious then proposed the current board Vice President, Treasurer and Secretary be re-elected for the year. The motion was made by Mr. Garrity, duly seconded by Mr. Brinks, and the motion passed with a unanimous vote.

The board and staff agreed ad hoc committees would stand: Building Committee, Compensation and Benefits Committee; and remaining committees would disband: Executive, Audit, Policy, Finance, and Member Services. All related items will be brought to the full board, pending policy review/modification.

Mr. Brosious noted director appointments to other boards will stand for the coming year.

## **INFORMATION ITEMS**

### **9. Staff Reports**

#### **A. Finance**

Questions around financial reporting and trending were addressed. Ms. Mahon will provide explanations for variations via email to the board.

#### **B. Operations**

##### **I. Safety**

Mr. Johnson noted there were no accidents, injuries or near misses in the month of June. McGill inquired as to why the safety manual was distributed in print to each employee. Mr. Johnson replied that documentation that a manual

was distributed to each employee and acknowledgement they've received and read the manual is required.

## **II. Operations**

There were no questions.

## **III. Engineering**

Mr. Johnson provided clarification on the ARC Flash training attended by various staff.

## **IV. IT**

There were no questions.

## **C. Human Resources**

Ms. Owens noted the employee performance evaluations have been overall well received, keeping in mind this is a learning process.

## **D. Communications & PR**

Ms. McKenzie provided an update on Relay for Life. The Donations Committee will pay for the first luminaria each employee decorates, and match dollar-for-dollar other luminarias employees pay to decorate. Everyone is welcome to make donations to the team as well. The Donations Committee will also be giving away swag for any donations made at the event. The Association will be recognized as a sponsor at the event. Ms. Johnson noted that the decision about how to donate and to what cause is very much an employee driven decision. Employees on the committee establish the budget and creative ways to support causes important to them.

Ms. Johnson presented the findings of Touchstone Energy's 2014 Customer Satisfaction Survey. YVEA was compared to similar cooperatives across the nation. The intent of the survey is to assess member impressions on core services, image, and level of involvement in community. 250 of the Association's member-owners were surveyed. The sample was stratified to ensure it reflected overall membership. The Association's overall score is 78. This score is better than municipals, IOUs, and non-Touchstone members, however it is a bit below all who contributed to the study. The Association's rating does compare favorably with benchmarks. Ms. Johnson encouraged staff to work to improve the category ratings, and requested directors suggest which categories they would like staff to focus on and improve.

## **E. Member Relations**

Mr. Brosious noted the current connect/disconnect policy has changed. Landlords have the ability to disconnect service for nonpayment and this change needs to be relayed to staff.

## **F. Facilities and Warehouse**

Ms. Johnson noted the Building Committee interviewed four architectural design firms and chose Gensler to partner with Mountain Architecture in order to best utilize strengths of both firms and tap into local expertise.

Ms. Johnson offered to hold time before the next board meeting for directors and the Building Committee to meet with Gensler Architects. The Building Committee will then meet the following day to discuss next steps. Gensler will interview various leaders and Ms. Johnson would like Mr. Garrity to be involved in one of those interviews.

## **10. Advice Letter 50: Rate Tariff Adjustments**

Ms. Bertrand noted Advice Letter 50 is intended for board approval as the rate adjustment was presented to the board previously. Staff did not receive any more increases, changes, objections. McClelland, Brinks

**11. AMI**

Mr. Johnson and Ms. Bertrand presented an update on the AMI project. They introduced the team responsible for development and deployment of the project. In attendance for the presentation were: Kelli Root, IT Manager, Jason Hall, Lead Engineer, Emma Saleeby, Administrative Assistant, Tammi McKenzie, Communications and PR Manager, Steve Penabaker, Substations Manager, Larry Ball, Field Services Manager, Tina Bird, Member Services Manager. The team provided an overview of the project's current status, benefits of AMI, vendor selection process, policy and procedure, rates of return, system equipment, next steps, and timeline. Questions were addressed following the presentation. Mr. Garrity requested the AMI team conduct an in-depth review of the pilot and develop an exit strategy before moving forward with the project.

**12. CREA**

Mr. McGill noted there is no new update.

**13. Western United**

Mr. McGill gave an overview of the June financials. There were no questions.

**14. CEC**

Mr. Brosious noted that CEC's advertising in the Craig Daily Press is positive. Ms. Johnson added, the advertising hadn't been in the Association's marketing strategy, but but can be included going forward. Mr. Troeger added he tracks the solar array's performance daily. June was the first month with no outage.

**15. DMEA FERC Outcome**

Mr. Brosious noted DMEA did petition FERC on a particular set of issues. If a facility generates electricity in the Association's interconnected area, the Association is required to purchase the electricity, assuming an agreement on price is reached.

**DISCUSSION ITEMS**

**16. Headquarters Reconstruction**

There was no new update.

**OTHER ITEMS**

**17. Unfinished Business**

Mr. McGill noted the Policy Committee examined the current disconnect policy. After a full examination, the Committee recommends no change to the current policy. Staff will respond accordingly.

Mr. McGill also noted staff is getting conflicting instruction from the board. Mr. Brosious requested that directors please refrain from tasking individual staff with projects and to communicate first and foremost with Ms. Johnson and Mr. Brosious. Mr. Brosious added that if the board wants further consideration, they should contact Ms. Johnson or Mr. Brosious and information will be relayed accordingly.

**18. New Business**

There was no new business.

**19. Recess**

A motion to recess this regular meeting of the directors of Yampa Valley Electric Association, Inc., until 11:00 am on Thursday, August 20, 2015 was made, duly seconded, and passed unanimously. The Chairman then declared this regular meeting recessed at 4:45 p.m.

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Chairman of the Board

Dated: August 20, 2015

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Secretary of the Board

Dated: August 20, 2015