

**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, August 18, 2016

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 August 18, 2016.

Chairman Dean Brosious reconvened the recessed meeting of July 21, 2016. Upon calling roll, it was reported that the following Directors were present: Dean Brosious, Pat McClelland, Frank Roitsch, Russell Garrity, Mike Brinks, Scott McGill, Larry Ellgen, Tom Fox and Glynda Sheehan. Also present were General Counsel, Tom Sharp, General Manager, Diane Johnson, and Board Secretary Larissa Wilson. 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, Pat McClelland, Frank Roitsch, Russell Garrity, Mike Brinks, Scott McGill, Larry Ellgen, Tom Fox and Glynda Sheehan. Also present were General Counsel, Tom Sharp, present until 3:51 p.m.; General Manager, Diane Johnson; Chief Operating Officer, Steve Johnson; Manager of Accounting Services and Warehouse and Facilities, Amy Mahon; Board Secretary Larissa Wilson; Human Resources Manager, Randi Owens; Member Relations Manager, Kathy Bertrand; Communications and Public Relations Manager, Tammi Strickland; Key Accounts Representative, Megan Moore-Kemp was present beginning at 2:00 p.m.; Guests Jennifer Kelly and Christy Headlee from Gensler were present until 2:00 p.m.; Guest Jeff Wernert from The Prime Group, LLC. was present via telephone beginning at 2:45 p.m.; Guest Jim Kohler from Calcon Constructors, Inc. was present through item 4.

**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, pending or threatened litigation, and consultations with special counsel regarding pending member bankruptcies. Board members, Diane Johnson, General Manager, and Larissa Wilson, Board Secretary, 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 Comments**

There were no member-owner comments.

Mr. Brosious introduced Mr. Jim Kohler from Calcon Constructors, Inc. Mr. Kohler provided the board and staff with a summary of Calcon's history and relationship with various projects in the Yampa Valley, and briefly discussed Calcon's role in the Steamboat Springs campus remodel.

## **5. Director Comments**

Ms. Sheehan complimented the Member Services Representatives on their friendly customer service.

Mr. McClelland noted crews recently installed an AMI meter at his residence, and the utility subcontractor was nice, cordial, and efficient.

## **INFORMATION ITEMS**

### **6. Staff Reports**

#### **A. Finance**

There were no questions.

#### **B. Operations**

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

There were no questions.

##### **II. Operations**

There were no questions.

##### **III. Engineering**

There were no questions.

##### **IV. IT**

There were no questions.

#### **C. Human Resources**

There were no questions.

#### **D. Communications & PR**

There were no questions.

#### **E. Member Relations**

There were no questions.

#### **F. Facilities and Warehouse**

There were no questions.

### **7. Building Update**

Ms. Jennifer Kelly and Ms. Christy Headlee from Gensler presented images and designs for the interior of the campus remodel. Discussion followed, including topics such as security and secured access to the campus, security of equipment and information, and the security and visibility of Dispatch and Member Services areas.

### **8. Member Satisfaction Survey Results**

Ms. Strickland presented the findings of Touchstone Energy's 2015 Commercial and Residential Customer Satisfaction surveys. The Association 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. The Association's rating does compare favorably with benchmarks. Ms. Strickland noted a survey of commercial members had not be conducted in two years, so it was difficult to compare survey ratings, however many of the ratings that were measured in both 2013 and 2015 have shown improvement. Ms. Strickland added that many ratings in both 2014 and 2015 residential surveys have also shown improvement.

#### **9. GRID Alternatives**

Mr. Johnson updated the board on the Association's solar garden project. GRID Alternatives has been prepping the site over the last few weeks. Major construction is set to begin on August 19, and should last six to eight weeks. The Association's solar garden will utilize micro inverters to monitor each panel's performance, allowing for more accurate analysis. This technology also adds more complexity to the project than other western Colorado cooperatives' projects. Ms. Johnson thanked Mr. Johnson and his staff for their tremendous effort and work behind the scenes.

Ms. Bertrand noted that workshops in both Craig and Steamboat will be held to give members who attend an opportunity to apply for a subscription to GRID's program. Applications will be reviewed and members who are accepted into the program will be contacted by GRID.

Ms. Strickland updated the board on the various events promoting the project. GRID has been working to recruit corporate donations in the area. Donors will have the opportunity to participate in the construction of the solar garden. Daily onsite volunteer programs managed by GRID will also be ongoing throughout the construction period. These programs will include a mix of subscribers, community officials, and volunteers.

#### **10. AMI**

Mr. McGill noted he was surprised to learn only eleven members have opted out of the AMI program. Ms. Bertrand added that the low number of opt-outs can be attributed to the communication and information available to members provided by the Association.

#### **11. CREA**

Mr. McGill noted there was no meeting last month and that the CREA Energy Innovations Summit will be held on September 12.

#### **12. Western United**

Mr. McGill noted there was no meeting. The board congratulated Mr. McGill on his election to Treasurer of the Western United Board of Directors.

### **ACTION ITEMS**

#### **13. Acceptance of the Financial and Statistical Reports for July**

Ms. Mahon presented the board with the financial and statistical reports for the month of July. A motion accepting the financial and statistical reports for July was made by Mr. McClelland, duly seconded by Mr. Ellgen, and carried with a unanimous vote.

#### **14. Approval of Rate Proposal**

Ms. Mahon presented the updated rate proposal to the board for approval. Mr. Jeff Wernert of The Prime Group, LLC. was present via telephone. The board reviewed and discussed decisions made during previous rate proposal presentations. A motion to set the hybrid rate plan as discussed in the updated rate presentation for implementation over two years beginning on June or July 2017, was made by Mr. McClelland, duly seconded by Mr. Roitsch, and the motion carried with a unanimous vote.

### **PENDING APPROVAL ITEMS**

#### **15. Outbound Calling Issue: IVR Calls for Delinquent Payment**

Ms. Johnson explained that the FCC changed the ruling that had prohibited automated outbound calling for most notices. NISC and NRECA received a ruling that now permits automated calls. This new ruling will save the Association an estimated five hours daily, and roughly \$28,000 annually, in labor costs.

## **DISCUSSION ITEMS**

### **16. Open Director Discussion**

There was no Open Director Discussion.

## **OTHER ITEMS**

### **17. Unfinished Business**

A motion amending Board Policy 3-1, deleting the Objective sentence, and amending as discussed, to include position titles only, for each section, and striking the sentence, “by any authorized signor” was made by Mr. Ellgen, duly seconded by Mr. Fox, and the motion passed with a unanimous vote.

#### **a. Approval of Amendment to Board Policy 5-5: Membership List Dissemination**

A motion approving Board Policy 5-5 as amended to indicate that the Association will not provide member email information was made by Mr. Roitsch, duly seconded by Mr. Ellgen, and the motion passed with a unanimous vote.

#### **b. Scholarship Fund for Unclaimed Capital Credits**

Ms. Sheehan requested the board consider offering a scholarship utilizing unclaimed capital credit monies. Ms. Johnson suggested that Ms. Mahon research the bylaws to find support for the allocation. Staff will return to the board with more information on the ability to establish such a fund.

#### **c. Xcel Wind Farm**

Ms. Johnson provided the board with background on Xcel’s plan to build a 600MW wind farm on the eastern plains of Colorado.

### **18. New Business**

Mr. Fox requested that the Executive Session for September include a review of the General Manager’s contract. Mr. Brosious agreed and noted that September’s Executive Session will begin at 9:00am.

### **19. Recess**

A motion to recess this regular meeting of the directors of Yampa Valley Electric Association, Inc., until 9:00 am on Thursday, September 15, 2016 was made, duly seconded, and passed unanimously. The Chairman then declared this regular meeting recessed at 5:52 p.m.

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Chairman of the Board

Dated: September 15, 2016

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Secretary of the Board

Dated: September 15, 2016