

**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

Tuesday, January 17, 2018  
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 10:00 a.m. on January 17, 2018. Chairman Tom Fox reconvened the recessed meeting of December 19, 2017 (“Recessed Meeting”). Upon calling roll, it was reported that the following directors were present: Tom Fox, Dean Brosious, Larry Ellgen, Pat McClelland, Frank Roitsch, Russell Garrity, Glynda Sheehan, Scott McGill, and Jean Stetson. Also present were General Counsel Bryson Fredregill, 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: Tom Fox, Dean Brosious, Larry Ellgen, Pat McClelland, Frank Roitsch, Russell Garrity, Glynda Sheehan, Scott McGill, and Jean Stetson. Also present were General Counsel, Bryson Fredregill; General Manager, Diane Johnson; Operations Manager, Steve Johnson; Finance Manager, Amy Mahon; Member Services Manager, Kathy Bertrand; Human Resources Manager, Randi Owens; Board Secretary, Larissa Rock; Member-owners Dave and Linda McIrvin, Suzie Romig; and guests, students from the Yampatika Youth Program.

**2. Executive Session**

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 negotiations, personnel matters, contract negotiations, pending or threatened litigation, and consultations with special counsel. Board members, General Counsel, General Manager, and guests, Ms. Laura Laffoon, and Mr. Stuart Thomas were in attendance during such executive session. Such executive session convened at approximately 10:00 a.m. A motion was made, duly seconded, and passed unanimously that the board of directors exit the executive session and return to open session at approximately 1:00 p.m.

**3. Approval of Minutes**

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

**4. Yampatika Youth Program Renewable Energy Presentation**

Students from the Yampatika Youth Program presented their ideas for ways that YVEA could increase its renewable energy portfolio in the future.

## **5. Member-Owner Comments**

Upon the conclusion of the students' presentation, Mr. Dave McIrvin addressed the board. Mr. McIrvin noted that he bought into the CEC solar array and would be interested in purchasing more panels. Mr. McIrvin expressed his thoughts for a private/public alliance with other area entities. Ms. Suzie Romig addressed the board. Ms. Romig noted that YVEA member-owners are excited to know that there are solar panels at YVEA and that member-owners with respiratory issues count on YVEA to be progressive and keep air as clean as possible. Ms. Romig also noted that Yampa Valley Sustainability Council members would like to work with YVEA as part of a climate action strategy.

## **6. Director Comments**

Board members thanked the students from the Yampatika Youth Program for taking the time to come and present their ideas to the board. Mr. McGill and Ms. Sheehan congratulated staff and Ms. Mahon on how well the new campus is proceeding. Ms. Stetson thanked the students for presenting and expressed her hope for discussion on renewable energy at a later date. Mr. Brosious noted that CEC did sell all of its solar panel subscriptions. Ms. Johnson will research the production comparison from 2016 and 2017.

## **INFORMATION ITEMS**

### **7. Staff Reports**

#### **A. Financial Stability**

The Financial Stability report was discussed. Board members reviewed the report and provided their recommendations to staff. Board members discussed the possibility of various 2018 equity plan measurements and goals. The Finance Committee will review the current goals and present their recommendation to the board.

#### **B. Customer Service**

The Customer Service report was discussed. Board members reviewed the report and provided their recommendations to staff. Board members discussed the challenges of measuring customer satisfaction. Ms. Bertrand clarified for board members the number of truck rolls and estimated savings resulting from AMI implementation to date.

#### **C. Workforce Planning**

The Workforce Planning report was discussed. Board members reviewed the report and provided their recommendations to staff. Board members discussed NRECA's Next Generation Leader Experience program and inquired as to the possibility of YVEA participating in the program. Ms. Johnson noted that logistically it is difficult for mountain communities to participate. It places a huge burden on lean-staffed cooperatives like YVEA when sending employees to the required classes.

#### **D. Operational Stability**

The Operational Stability report was discussed. Board members reviewed the report and provided their recommendations to staff. Ms. Johnson noted the reliability and response report will be presented in March.

#### **E. Safety**

The Safety report was discussed. Board members reviewed the report and provided their recommendations to staff. Ms. Owens described the incident recorded in the

report for the month of December. The affected employee was actually injured in April and physical therapy efforts were ineffective. The employee underwent surgery in December. Ms. Owens also noted that the increase in near misses is due to increased awareness and better communication with and by staff.

**8. Quarterly Department Update**

Ms. Owens provided board members with an overview of activities and department goals in the Human Resources and Safety department. Ms. Mahon will present in April.

**9. CREA**

There was no CREA report.

**10. Western United**

There was no Western United report.

**11. RMEL**

There was no RMEL report.

**COMMITTEE REPORTS**

**12. Policy Committee**

Mr. McGill noted that he would like to meet with the members of the Policy Committee after the board meeting to plan the next meeting and the organization of that meeting.

**13. Finance Committee**

Ms. Stetson inquired as to the approach that should be taken for the committee meetings. Ms. Stetson noted that the Finance Committee will meet during the morning or afternoon of the next board meeting. Ms. Johnson asked Ms. Stetson if she would like to include Ms. Johnson and Ms. Mahon at the meeting. Ms. Stetson confirmed that they will be included in the meeting. Mr. McGill noted that the policy concerning each board member's financial responsibility for a spouse or guest at functions needs immediate attention, and the Policy Committee may present their recommendation to the board at the February meeting.

**ACTION ITEMS**

**14. Acceptance of the Financial and Statistical Reports for December 2017**

Ms. Mahon presented preliminary and unaudited financial highlights from the month of December to the board for approval. A motion accepting preliminary and unaudited financial and statistical reports for December as amended was made by Mr. Brosious, duly seconded by Mr. Ellgen, and carried with a unanimous vote.

Ms. Johnson noted that staff anticipates that Amendment 17-07 may not be necessary as the budget variance may not be as significant as anticipated. Mr. Roitsch congratulated Ms. Mahon on coming within three percent of the budget for construction on the Steamboat campus. Ms. Johnson clarified for board members the concept of 'aid to construction', and the relationship between aid to construction and the budget. The franchise agreement process was discussed as an area to research for potential changes to the agreement process as well as related tariffs. Mr. Fox noted that the process should go to the Finance Committee first, then to the Policy Committee, and finally to the board for recommendation to General Manager and staff.

**15. Allocation of Funds for Deceased Members Capital Credits**

Each year the Association allocates funds to finalize estates for deceased members. A motion to approve an allocation of up to \$117,395.43, to refund capital credits to estates of deceased members during 2018 was made by Mr. Brosious, duly seconded by Mr. Ellgen, and the motion passed unanimously.

**16. Ratification of the Powerline Vision Loan Resolution**

At the December 19, 2017 regular meeting of the board of directors, the board was presented with Resolution 17-09 authorizing Yampa Valley Electric Association, Inc., to enter into a loan agreement establishing a line of credit with the National Rural Utilities Cooperative Finance Corporation (CFC). A motion to adopt Resolution 17-09 was properly made, seconded, and carried at the December 19, 2017 meeting.

A motion to ratify the board's decision at the December 19, 2017 to adopt Resolution 17-09 was made by Mr. McClelland, duly seconded by Mr. Roitsch, and the motion passed unanimously.

**17. Approval of Resolution 17-03P: Board Policy 1-2**

Mr. Fredregill noted that approving this resolution will bring Board Policy 1-2 in compliance with Association bylaws. A motion approving Resolution 17-03P was made by Mr. Ellgen, duly seconded by Mr. McClelland, and the motion passed unanimously.

**18. Approval of Resolution 18-01: Change of July 2018 Meeting Date**

Board members discussed moving the July 2018 meeting date from July 18, to July 25, 2018. A resolution moving the July 2018 regular meeting of the board from July 18 to July 25 will be presented the February board meeting.

**19. Property Transactions**

Ms. Johnson announced that the property referred to as Overlook has officially sold. Ms. Stetson suggested that an annual report of accomplishments be created and distributed with the annual report of the Association. Brief discussion was held regarding how to manage the Association's remaining properties. No decision was made.

**PENDING APPROVAL ITEMS**

**20. Tariff for PURPA Generators**

Ms. Johnson noted this item is a placeholder. Ms. Johnson noted that staff is awaiting a particular FERC case to close and then they will have an update.

**21. Tariff Changes for Net Metering**

There were no tariff changes for net metering discussed.

**OTHER ITEMS**

**22. Unfinished Business**

There was no Unfinished Business.

**23. New Business**

Board members and staff held a robust discussion, heavily debating a multitude of scenarios for Craig campus operations. No decision was made. Board members agreed to continue discussion in order to reach a decision regarding Craig campus operations that will responsibly and efficiently serve members in Moffat County and the surrounding area.

Board members agreed that the annual meeting of the Association will be held in Craig, Colorado, at the Craig Clarion Inn on the previously agreed upon date of June 20, 2018. The annual meeting will begin after the June regular meeting of the board of directors is adjourned.

**24. Recess**

A motion to recess this regular meeting of the directors of Yampa Valley Electric Association, Inc., until 10:00 am on Tuesday, February 21, 2018 was made by Mr. Brosious. Board members discussed the difference between recessing and adjourning the

regular monthly board meetings with Mr. Fredregill. Board members agreed to adjourn regular monthly meetings.

Mr. Brosious withdrew his motion to recess.

A motion to adjourn this regular meeting of the directors of Yampa Valley Electric Association, Inc., was made by Mr. Ellgen, duly seconded by Mr. McClelland, and the motion passed unanimously. The Chairman then declared this regular meeting adjourned at 4:50 p.m.

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Chairman of the Board

Dated: February 21, 2018

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Secretary of the Board

Dated: February 21, 2018

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