

Yampa Valley Electric Association, Inc.
Regular Meeting of Board of Directors
Tuesday, March 24, 2020
2211 Elk River Road
Steamboat Springs, Colorado

Chairman Tom Fox called the meeting to order at 10:15 a.m.

1. Call to Order

Upon calling roll, it was reported that the following were present at the Steamboat Springs office: Director Tom Fox, General Manager Steve Johnson, Board Secretary Larissa Rock. The following Directors were present via video conference: Dean Brosious, Sonja Macys, Scott McGill, Glynda Sheehan, Jean Stetson, Larry Ellgen, Patrick Delaney, Ken Rogers. General Counsel Levi Williamson was also present via video conference.

2. Executive Session

A motion was made, duly seconded, and passed unanimously that the board of directors go into an executive session to consider documents and testimony given in confidence, and the general topics of such executive session will be to discuss and consider broadband development, property development, asset acquisitions, COVID-19 response and business continuity, a member request for information, and discussion regarding a letter for distribution concerning a proposed bylaw amendment. Directors, General Manager, Board Secretary, and General Counsel were in attendance during such executive session. Such executive session convened at approximately 9:00 a.m.

A motion was made, duly seconded, and passed unanimously that the board of directors exit executive session and return to open session at approximately 12:00 p.m.

Finance Manager, Amy Mahon; Engineering Manager, Benj Hoffner; IT Manager, Kelli Root; and Operations Manager, John Cromer entered the meeting.

3. Approval of Minutes

The board reviewed the minutes from the February 25, 2020 regular monthly board meeting.

A motion approving the minutes from February 25, 2020, as presented, was made by Ms. Sheehan, duly seconded by Ms. Macys, and passed unanimously.

4. Member-owner Comment

There were no member owners present.

5. Director Comments

Board members agreed to discuss the NRECA Annual Meeting at a later date. Board members discussed YVEA's proactive measures put in place in response to the recent COVID-19 virus outbreak and associated social distancing restrictions ordered by state and local governments.

INFORMATION ITEMS

6. General Manager's Report

Mr. Johnson noted that during executive session the board discussed business continuity planning in response to COVID-19.

7. Staff Reports

The Financial Stability Report as prepared by Amy Mahon was reviewed and discussed. Ms. Mahon noted that YVEA has experienced no delays with regard to planned construction.

Mr. Delaney left the meeting.

The Customer Service and Energy Solutions Report as prepared by Kathy Bertrand was reviewed and discussed. Staff described the modified processes for collecting mail and payments, such as wearing proper personal protective equipment to handle all mail. Mr. Johnson provided an overview of the standby generator program, noting that 11 of the 99 projects are located in Wyoming.

Mr. Delaney returned to the meeting, announcing that due to the COVID-19 outbreak Routt county commissioners issued an executive order halting all new lodging reservations in Routt County beginning on March 27, 2020.

Engineering Report as prepared by Benj Hoffner was reviewed and discussed. Mr. Hoffner provided an overview of the modeling relationship between two outage management applications utilized by the mapping and engineering departments.

The Operations and Safety Report as prepared by John Cromer was reviewed and discussed. Mr. Cromer provided an explanation of the Days Away Restricted or Transferred (DART) report.

The Information Technology Report as prepared by Kelli Root was reviewed and discussed.

8. CREA

Mr. McGill provided a comprehensive update of the business conducted at the regular CREA board meeting.

9. Western United

Mr. McGill noted there was no meeting.

Engineering Manager, Benj Hoffner; IT Manager, Kelli Root;; and Operations Manager, John Cromer left the meeting.

ACTION AND DISCUSSION ITEMS

10. Review of the Financial and Statistical Reports for February 2020

Board members and staff reviewed the unaudited financial highlights from the month of February 2020, for YVEA. The board also reviewed the unaudited financial highlights for Luminare Broadband LLC.

11. Resolution 20-02 Approving the Date Change of the April Board Meeting

Board members agreed that the April regular monthly board meeting will remain the fourth Tuesday of April. Resolution 20-02 was not approved.

12. Resolution 20-03 Appointment of Independent Third Party for Elections

Board members and staff reviewed resolution 20-03 presented for approval. The resolution appoints Survey & Ballot Systems as the independent third-party ballot handler for the 2020 Annual Meeting of the Members of YVEA, as defined in BP 1-17 Election Policy. A motion approving resolution 20-03 as presented was made by Ms. Stetson, duly seconded by Ms. Sheehan, and the motion passed unanimously.

13. Resolution 20-04 Appointment of Election Supervisory Committee

Board members and staff reviewed resolution 20-04 presented for approval. The resolution appoints Mr. Bryson Fredregill, Ms. Kathy Bertrand, Ms. Kelli Root, Ms. Kelli Richers, and Ms. Randi Owens to the Election Supervisory Committee for the 2020 Annual Meeting of the Members of YVEA, as defined in BP 1-17 Election Policy. A motion approving resolution 20-04 as presented was made by Ms. Stetson, duly seconded by Mr. Ellgen, and the motion passed unanimously.

14. Area and Street Lighting Rate Adjustments

The board reviewed staff’s proposed area and street lighting rate adjustments. Mr. Johnson noted that during franchise agreement discussions with the City of Steamboat, it was suggested that communities would like more lighting options, adding that the rate adjustments would bring cost recovery more in line with the cost of upgrading lighting, and offering more lighting options to communities. Board members and staff discussed the rates and the process for implementing the adjustments. A motion approving staff to move forward internally preparing proper documentation for delivery of the proposed rate adjustments to the Public Service Commission of Wyoming and the Public Utilities Commission of Colorado was made by Ms. Stetson, and duly seconded by Mr. Rogers. Discussion followed. Ms. Macys requested that staff conduct an impact analysis study prior to implementation. Mr. Johnson noted that YVEA typically conducts impact analyses to determine the impact to YVEA from a feasibility standpoint, as opposed to impact to members. Mr. Hoffner added that the proposed rate adjustment is a new rate, not an existing rate; the rate would apply to new or upgraded installations. A vote was taken, and the motion passed unanimously.

15. 2020 Rate Adjustment Discussion

Board members and staff discussed the April 1, 2020 implementation date for planned rate adjustments. Board members and staff discussed the possible financial impact of implementing the planned rate adjustments, giving special consideration to impact the recent COVID-19 virus outbreak has had on both members and the Association. A motion to delay the implementation of the rate increases from April 1, 2020 to July 1, 2020, re-evaluating the delay at each regular monthly board meeting was made by Mr. Delaney and duly seconded by Ms. Macys. Board members and staff discussed at length the financial impact of delaying implementation of the rate adjustments. A poll was taken, and the motion failed 4-5, with Ms. Sheehan opposed.

Ms. Mahon left the meeting.

16. Property Transactions

There were no transactions.

17. Luminate Broadband Transactions

There were no transactions.

COMMITTEE REPORTS

18. Policy Committee

There was no report.

19. Finance Committee

There was no report.

OTHER ITEMS

20. Upcoming Meetings

Board members unanimously agreed that Mr. Fox would work with Mr. Johnson and legal counsel to draft an opening letter to members to be included in the notice of annual meeting and proposed bylaw amendment information that will be mailed to each member prior to the 2020 Annual Meeting of Members.

21. Unfinished Business

Ms. Macys requested an update regarding renewable projects inquiries from Ski Corp, Hot Springs, and Humble Ventures. Mr. Johnson noted that he has been in communication with the various entities, although discussions have slowed recently due to the social distancing restrictions that have been ordered by state and local governments.

Mr. Johnson noted that the Tesla purchased by Luminate Broadband has been delivered and is awaiting proper branding before it will be added to the active fleet of company vehicles.

22. New Business

There was no new business.

23. Executive Session

There was no additional executive session.

24. Adjournment

A motion to adjourn this meeting of the directors of Yampa Valley Electric Association, Inc., was made, duly seconded, and passed unanimously. Chairman Tom Fox then declared this regular meeting adjourned at 3:00 p.m.

Chairman of the Board

Dated: April 28, 2020

Secretary of the Board

Dated: April 28, 2020