

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
FRIDAY, APRIL 21, 2017**

GENERAL

President Brian McCormick called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on April 21, 2017. The meeting was held at United Power Headquarters in Brighton, Colorado. Present were Directors Ginny Buczek, Tim Erickson, Robert Grant, Elizabeth Martin, Brian McCormick, Ursula Morgan, Rick Newman, Susan Petrocco, Dave Rose, James Vigesaa and Tamra Waltemath. Chief Executive Officer Darryl Schriver and Executive Administrator Michele Sack were also present.

Others present for the meeting were staff members Bryant Robbins, Dean Hubbeck, Delaine Orendorff, John Parker, Mitzi Rea and Troy Whitmore.

INVOCATION/PLEDGE

Director Buczek gave the invocation and led in the Pledge of Allegiance.

INTRODUCTION OF NEW DIRECTOR

Tamra Waltemath was introduced as the incoming Director for the Mountain District.

AGENDA APPROVED

A motion was made by Director Rose, which was seconded and carried, to approve the agenda as presented.

INTRODUCTION OF NEW EMPLOYEE

COO Bryant Robbins mentioned a new employee, Jeff Soole, had recently joined the Operations Department.

ACTION ITEMS/SPECIAL REPORTS

The March 17, 2017 Regular Board meeting minutes were included in the Board packet for review. **A motion was made by Director Grant**, which was seconded and carried, to approve the March 17, 2017 Regular Board Meeting Minutes, as presented. **Director Waltemath abstained from this vote.**

Staff members Bryant Robbins, Dean Hubbeck, Delaine Orendorff, John Parker, Mitzi Rea and Troy Whitmore left the meeting at 9:15 a.m.

ELECTION OF OFFICERS

CEO Schriver reviewed the written procedure for electing officers prior to nominations and election by secret ballot. Following completion of the nomination and election of officers by secret ballot, **a motion was made by Director Buczek**, which was seconded and carried, to adopt the following Resolution Designating Officers of United Power Inc.

RESOLUTION DESIGNATING OFFICERS OF UNITED POWER, INC.

WHEREAS, the bylaws of United Power, Inc., require that officers shall be elected by ballot annually by the Board of Directors at the first meeting of the Board held after each annual meeting of members, or as soon thereafter as convenient; and

WHEREAS, United’s Board has met and elected officers by ballot according to the bylaws.

NOW, THEREFORE, BE IT RESOLVED, that the following officers shall serve United Power until a new slate of officers is elected or until such time as they are no longer eligible to serve in that capacity, whichever comes first:

President	James Vigesaa
Vice President	Susan Petrocco
Secretary-Treasurer	Elizabeth Martin
Assistant Secretary-Treasurer	Ursula Morgan

CREA BOARD MEMBER ELECTION

The Board conducted nominations and election by secret ballot for the Colorado Rural Electric Association Board and Alternate Board positions. Following nomination and election by secret ballot for the CREA Board and Alternate Board positions, **a motion was made by Director Vigesaa**, which was seconded and carried, to adopt the following Resolution Designating Representatives to the Board of Colorado Rural Electric Association, Inc.

**RESOLUTION DESIGNATING REPRESENTATIVE TO
BOARD OF COLORADO RURAL ELECTRIC ASSOCIATION, INC.**

WHEREAS, United Power, Inc. is entitled to designate a representative to serve on the Board of Directors of the Colorado Rural Electric Association, Inc., in accordance with the bylaws of said organization.

NOW, THEREFORE, BE IT RESOLVED, that United Power, Inc. Brighton, Colorado, hereby designates Ginny Buczek to serve on the Board of Directors of Colorado Rural Electric Association, Inc. and Ursula Morgan to serve as Alternative Director, effective immediately.

WUE BOARD MEMBER ELECTIONS

Following nomination and election by secret ballot for the Western United Electric Board and Alternate Board positions, **a motion was made by Director Vigesaa**, which was seconded and carried, to adopt the following Resolution Designating Representatives to the Board of Western United Electric Supply Corporation.

**RESOLUTION DESIGNATING REPRESENTATIVE TO
BOARD OF WESTERN UNITED ELECTRIC SUPPLY CORPORATION**

WHEREAS, United Power, Inc. is entitled to designate a representative to serve on the Board of Directors of the Western United Electric Supply Corporation, in accordance with the bylaws of said organization.

NOW, THEREFORE, BE IT RESOLVED, that United Power, Inc. Brighton, Colorado, hereby designates Brian McCormick to serve on the Board of Directors of Western United Electric Supply Corporation, and Tim Erickson to serve as Alternative Director, effective immediately.

DESIGNATE REPRESENTATIVES TO ASSOCIATED ORGANIZATIONS

Following review and discussion of Board member interest in serving as United Power’s representative or alternate to various association organizations, a **motion was made by Director Vigesaa**, which was seconded and carried, to adopt the following Resolution Naming Representatives to Associated Organizations.

RESOLUTION NAMING REPRESENTATIVES TO ASSOCIATED ORGANIZATIONS

WHEREAS, United’s official representatives and alternates to associated organizations shall be selected by the Board of Directors at the first regular meeting of the Board following the annual meeting of members; and

WHEREAS, other associated organizations require delegates to represent a region or district, and said delegates may in turn be authorized by United Power to serve.

NOW, THEREFORE, BE IT RESOLVED that the following persons are hereby designated to associated organizations as follows:

<u>Name of Organization</u>	<u>Representative</u>	<u>Alternate</u>
Basin Electric Power Cooperative	Elizabeth Martin	Tamra Waltemath
CFC - National Rural Utilities Cooperative Finance Corp	Rick Newman	Brian McCormick
CREA - Colorado Rural Electric Association	Tim Erickson	Tamra Waltemath
Federated Rural Electric Insurance Exchange	Ursula Morgan	Tamra Waltemath
Mid-West Electric Consumer Association	Tim Erickson	Brian McCormick
NCSC – National Cooperative Services Corp.	Ursula Morgan	Tamra Waltemath
NISC – National Information Solutions Cooperative	Ursula Morgan	Tamra Waltemath
NRECA - National Rural Electric Cooperative Association	Elizabeth Martin	Susan Petrocco
NRTC - National Rural Telecommunications Council	Rick Newman	Ursula Morgan
PUC - Public Utilities Commission	Dave Rose	Robert Grant
SEDC – South Eastern Data Corporation	Dave Rose	Ginny Buczek
Tri-State G & T Association	Brian McCormick	Ginny Buczek
WUE - Western United Electric Supply Corporation	James Vigesaa	Rick Newman

APPOINT AUDIT COMMITTEE

Following discussion, **President McCormick appointed** the following Directors to the Audit Committee for the next year.

Ginny Buczek – Chair	Rick Newman
Tim Erickson	Susan Petrocco
Elizabeth Martin	Dave Rose
Brian McCormick	James Vigesaa
Ursula Morgan	

The Board recessed for break at 10:33 a.m. and reconvened at 10:45 a.m. with the entire Board and staff present, and Director Vigesaa presiding as President.

AUTHORIZE SIGNATURES ON BANK ACCOUNTS FOR NEW OFFICERS

A **motion was made by Director Buczek**, which was seconded and carried, to adopt the following Resolution Authorizing Signatures on the Summit Bank and Trust and Valley Bank accounts:

**RESOLUTION REGARDING SIGNATURES
ON ACCOUNTS AT CENTENNIAL BANK & TRUST, VALLEY
BANK & TRUST**

WHEREAS, United Power, Inc., ("Company") wishes to affirm its banking relationships with Summit Centennial Bank & Trust of Thornton, Colorado, and Valley Bank & Trust of Brighton, Colorado.

NOW THEREFORE BE IT RESOLVED, that Centennial Bank & Trust of Thornton, Colorado, and Valley Bank & Trust of Brighton, Colorado ("Banks") be and hereby is designated as depositories for the funds of the Company for the following accounts:

Centennial Bank and Trust

General Fund Account;
Accounts Payable Account;
AP Customer Refunds Account;
Payroll Account;
Finance EFT Account;
Capital Credits Account; and CIS Electric Payments Account.

Valley Bank & Trust

General Fund

BE IT FURTHER RESOLVED that checks, drafts, or other orders for payment, transfer, or withdrawal of any of the Company's funds or property on deposit with the Banks in said account shall be binding upon the Company when signed, manually or by use of facsimile or mechanical signatures, regardless of by whom or by what means the actual or purported facsimiles or mechanical signatures may have been placed thereon, so long as they resemble the facsimile specimens from time-to-time filed with the Banks by the Secretary or other officer of the Company, by any two of the following officers of the Company:

PRESIDENT	James Vigesaa
VICE PRESIDENT	Susan Petrocco
SECRETARY/TREASURER	Elizabeth Martin
ASSISTANT SECRETARY/TREASURER	Ursula Morgan
CHIEF EXECUTIVE OFFICER	Darryl W. Schriver
CHIEF FINANCIAL OFFICER	John D. Parker

BE IT FURTHER RESOLVED, that the Banks are authorized to accept and receive at any time for the Company's credit in such account, deposits made of funds, checks, and other evidence of indebtedness of monies payable to the order of the Company and other property in whatever form or manner transferred or endorsed and, if required by the Banks, to accept such deposits when endorsed and delivered on behalf of the Company by any one of the above officers of the Company; and

BE IT FURTHER RESOLVED, that all resolutions heretofore adopted by the Company with regard to said Banks which are inconsistent with this Resolution are void and of no further effect, provided, however, that all actions by the Banks pursuant to and in reliance upon said prior resolutions, before receipt of this Resolution, are hereby ratified and confirmed; and

BE IT FURTHER RESOLVED, that all of the powers conferred by the foregoing Resolution shall continue until notice in writing of change or termination of such authority shall be served upon the Banks with a copy of this Resolution; and

BE IT FURTHER RESOLVED, the Company's Accounting Supervisor will be the account administrator, but not an authorized signer on the account. The administrator's duties will include ability to access all account information including, but not limited to, checking balances, account transfers, wire transfer transactions and other normal operating activities.

POLICY REVIEW

Director Morgan made a motion, which was seconded and carried, to move the review of Policy C-02, Procedures for Conducting Director Election, after Executive Session.

Jerry Marizza, New Energy Program Rep, joined the meeting at 10:51 a.m.

BATTERY STORAGE

Engineering & Rates Manager Dean Hubbuck discussed the Energy Storage project which was previously approved by the Board of Directors during the 2017 Operating and Capital Budget on November 18, 2016. Discussion ensued concerning the modification of the original plan from partnering with another cooperative to the current consideration of a solo project. The modified plan and budget presented by staff resulted in the following Resolution. A **motion was made by Director Martin**, which was seconded and carried, to adopt the Resolution Authorizing to Proceed with the Energy Storage Project. **Director Grant** opposed this motion.

RESOLUTION AUTHORIZING TO PROCEED WITH THE ENERGY STORAGE PROJECT

WHEREAS, the Board of Directors of United Power, Inc. approved the 2017 Operating and Capital Budget on November 18, 2016; and

WHEREAS, the primary scope of work for the Energy Storage project was an approved project for 5 MW/20 MWh single installation; and

WHEREAS, the scope of work has been revised to include two sites for a total of 4.5 MW/18 MWh, located at 9586 I-25 Frontage Road, Firestone and 500 Cooperative Way, Brighton; and

WHEREAS, the approved 2017 Capital Budget includes adequate funding for the Energy Storage project to be located at two sites; and

WHEREAS, the Board of Directors of United Power, Inc. authorizes staff to proceed with the revised project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Power, Inc. hereby authorizes the Chief Executive Officer to sign all documents necessary to complete the transaction for the Energy Storage projects.

At 12:00 p.m. the Board recessed for lunch and a safety demonstration from the Operations Department; reconvening at 1:24 p.m. with Director Newman abstaining from the remaining portion of the Battery Storage discussion.

Director Newman returned to the Board meeting at 1:52 p.m.

NATURAL GAS ENGINE PROJECT

Engineering & Rates Manager Dean Hubbuck discussed the Natural Gas Engine project which was previously approved by the Board of Directors during the 2017 Operating and Capital Budget on November 18, 2016. The primary scope of work for the Natural Gas Engine project was an approved project for a 3.8 MW installation located at 1405 14th Street, Fort Lupton, Colorado. Currently Tri-State G & T is reviewing their standby rate and due to a potential an impact on this project, **Director Buczek made a motion**, which was seconded and carried, to pull the Resolution “Authorizing to proceed with the Natural Gas Engine Project”. Staff will proceed with a feasibility study on the generator project for the City of Brighton and Gilpin School district, and present such at a future Board meeting.

CEO REPORT

CEO Schriver reviewed his April 2017 written report which was included in the Board packet. The following topics were discussed and updated by CEO Schriver and the Executive Leadership Team:

- Engineering and Rates
- External Affairs
- Financial and Safety
- Human Resources - 2016 Strategic Plan
- Information Services – TOU Rate Pilot Project
- Operations
- Member Services

The Board recessed for break at 2:57 p.m. and reconvened at 3:15 p.m.

EXECUTIVE SESSION

Director Martin made a motion that the Board go into Executive Session to discuss personnel and contract issues. The motion was seconded and carried.

The Board went into Executive session at 3:15 p.m. with the Board, CEO Schriver and Executive Administrator Michele Sack present.

CEO Schriver and Michele Sack left Executive session at 4:03 p.m.

Director Morgan left Executive Session and 5:07 p.m. and returned at 5:10 p.m.

The Executive Session ended at 5:20 p.m. and reconvened into regular session with CEO Schriver Executive Administrator Michele Sack returning to the meeting.

The Board recessed for break at 5:20 p.m. and reconvened at 5:26 p.m.

ASSOCIATED ORGANIZATIONS

President Vigessaa discussed the upcoming Legislative Conference which will be held April 23-26, 2017 in Washington D.C.

TRI-STATE REPORT

Director Newman reviewed his written Tri-State Board Report for April 2017 and also discussed the Tri-State Rate Committee. Director Buczek discussed the Tri-State Contract Committee.

CREA REPORT

Director Buczek reviewed the CREA report from March 2017 and addressed Board questions.

WUE REPORT

Director Rose reviewed the Western United Electric report for March 2017 and addressed Board questions.

BOARD DISCUSSIONS

- 2017 Strategic Planning Session
- Tri-State Survey
- Dinner with Tri-State and Mid-West Energy Co-op Board
- Annual Meeting Review
- Policy C-02 will be reviewed at a future Board meeting.

ROUND-UP FOUNDATION

The Round-Up Foundation March Update and Year-to-Date Summary by Director District were included in the Board packet for review and discussion.

WRITTEN REPORTS

The following written reports were included in the Board packet for review and discussion:

Absences and Regular Hours Worked
New Memberships by District
Report on Collection Activities

MEETING SCHEDULE

The next Regular Board Meeting is scheduled for Wednesday, May 24, 2017 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601

ADJOURNMENT

President James Vigasaa declared the meeting adjourned at 6:30 p.m.



Michele Sack, Recording Secretary