

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
WEDNESDAY, NOVEMBER 29, 2017**

GENERAL

President James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on November 29, 2017. The meeting was held at United Power Headquarters in Brighton, Colorado. Present were Directors Keith Alquist, Ginny Buczek, Tim Erickson, Elizabeth Martin, Brian McCormick, Ursula Morgan, Rick Newman, Dave Rose, James Vigesaa and Tamra Waltemath. Chief Executive Officer John D. Parker and Executive Administrator Michele Sack were also present. Susan Petrocco was absent due to a NRECA Governance Task Force meeting.

Others present for the meeting were staff members Alie Beauchamp, Dean Hubbeck, Jerry Marizza, Ken McFadden, Delaine Orendorff, Bryant Robbins, Laurie Rydwell, and Troy Whitmore.

INVOCATION/PLEDGE

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

AGENDA APPROVED

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

NEW EMPLOYEES

The following new employees were introduced:

- Laurie Rydwell – Chief Financial Officer
- Hector Avendano Castro – Project Coordinator II
- Andy Griffin – Financial Analyst II
- Bryce Lanckriet – Project Coordinator II
- Matthew Martinez – Journey Lineworker
- Nicolas Bashford – System Administrator
- Nathaniel Miell – Journey Lineworker
- Jason Roberts – Apprentice Lineworker
- Josh Cacka – System Operator

PUBLIC COMMENT

Maxine Mager, Owner of Creative Acres, was present for public comment and left the Board meeting following her discussion with the Board.

ACTION ITEMS/SPECIAL REPORTS

The October 25, 2017, Regular Board meeting minutes was included in the Board packet for review. **A motion was made by Director Martin**, which was seconded and carried, to approve the October 25, 2017, Regular Board meeting minutes as amended. **Director Alquist abstained.**

The November 3, 2017, Special Board meeting minutes was included in the Board packet for review. **A motion was made by Director Buczek**, which was seconded and carried, to approve the November 3, 2017, Special Board meeting minutes as amended. **Director McCormick abstained.**

FINAL 2018 REVIEW OF OPERATING AND CAPITAL BUDGETS

CEO Parker presented the final proposed Operating and Capital Budgets for 2018 which were included in the Board packet. The proposed budgets had been reviewed and discussed by the Board at both the September and October Board meetings. **Director Martin made a motion**, which was seconded and carried, to adopt the following Resolution approving the 2018 Operating and Capital Budgets.

RESOLUTION APPROVING 2018 OPERATING AND CAPITAL BUDGETS

WHEREAS, the Chief Executive Officer and his CEO Staff have developed and proposed an Operating and Capital Budgets for calendar year 2018; and

WHEREAS, over the course of five months, the Board of Directors has reviewed said Operating and Capital Budgets and has determined that they represent a realistic appraisal of work that should be accomplished in 2018, and

WHEREAS, the proposed Operating Budget requirements includes an overall general increase of approximately 1% for retail electric service rates in 2018, as previously approved by the Board, and

NOW, THEREFORE, BE IT RESOLVED that said 2018 Operating and Capital Budgets are hereby approved by the Board of Directors based on the low revenue projection case, and the Chief Executive Officer and his staff are authorized to carry out said Budgets within the budgetary guidelines contained therein.

INTEREST ON MEMBER DEPOSITS

On an annual basis, staff reviews the decision of the Colorado Public Utilities Commission in regard to the interest rate to be paid on customer deposits for Investor Owned Utilities and also surveys local banks to determine interest rates paid on simple savings accounts. CEO Parker and CFO Rydwell presented their findings which were included in the Board packet. Based upon that review, staff plans to retain in place for 2018 our present practice of not paying interest on member deposits. **Director Newman made a motion**, which was seconded and carried, to continue with the recommendation of staff of retaining United Powers present practice of not paying interest on member deposits.

LOBBYING AGREEMENT

Public Affairs Officer, Troy Whitmore, presented a summary on the proposed lobbying agreement with the lobbying firm of Rees Consulting and Public Affairs, Inc. Following discussion, a **motion was made by Director Erickson**, seconded and carried, to adopt the following Resolution Approving the Lobbying Agreement.

RESOLUTION APPROVING LOBBYING AGREEMENT

WHEREAS, it is essential that United Power’s voice be heard at the State Legislature and the Governor’s office as issues arise which could impact United Power and its member-owners; and

WHEREAS, issues such as renewable energy mandates, energy efficiency mandates, on-bill financing, feed-in tariffs, utility regulation amendments, and a variety of other issues may impact the members of United Power, Inc.; and

WHEREAS, the Lobbying firm of Rees Consulting and Public Affairs, Inc. has a proven track record of providing excellent lobbying services for United Power for more than a decade; and

WHEREAS, it is the Board’s desire that United Power continue to retain this lobbying firm to represent it during the upcoming legislative session.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of United Power, Inc. hereby authorizes the Chief Executive Officer to sign a lobbying Agreement with Rees Consulting and Public Affairs, Inc. for period December 1, 2017 through November 30, 2018.

CHRISTMAS BONUS RESOLUTION

CEO Parker presented an overview on the Resolution regarding the 2017 Christmas Bonus for United Power Employees. **A motion was made by Director Vigesaa**, which was seconded and carried, to adopt the following Christmas Bonus Resolution for United Power employees as amended during the Board meeting.

CHRISTMAS BONUS RESOLUTION

BE IT RESOLVED, that the Board of Directors of United Power, Inc. recognizes employees for their outstanding dedication and commitment to our mission over the past year;

BE IT RESOLVED, that the Board of Directors of United Power, Inc. recognizes the workforce on an annual basis in the form of an annual bonus;

BE IT RESOLVED, that the Board of Directors assist the Chief Executive Officer of United Power with an all employee meeting to formally recognize our workforce accomplishments, and also assist the CEO with the presentation of a holiday/year-end bonus;

BE IT RESOLVED, the Board of Directors hereby authorizes the Chief Executive Officer to render payment of a holiday/year-end bonus to United Power's employees in the manner that the CEO deem appropriate for each employee working at United Power in a full time or part time capacity;

BE IT RESOLVED, that the Board of Directors authorizes a bonus of \$500 for employees and \$750 for the staff who report to the Chief Executive Officer, as determined by the Chief Executive Officer, of United Power;

AND BE IF FURTHER RESOLVED, that a letter of appreciation from the Board of Directors and the Chief Executive Officer be placed throughout the facilities of United Power so the employees of United Power will know of the Board's appreciation to the employees.

The Board recessed for a break at 10:36 a.m. and reconvened at 10:49 a.m.

ESTABLISHING BOARD MEETING DATES FOR 2018

CEO Parker provided an overview of the proposed 2018 dates for the monthly Board of Directors’ meetings which was included in the Board packet. **A motion was made by Director Buczek**, which was seconded and carried, to adopt the following Resolution Establishing Board Meetings Dates for 2018, as presented during the Board meeting. **Director Martin and Morgan** voted against this Resolution.

RESOLUTION ESTABLISHING BOARD MEETING DATES FOR 2018

WHEREAS, United Power’s Bylaws require that at least one Regular Board Meeting shall be held each month within the service area of the Cooperative at such time and place as the Board may provide by motion; and

WHEREAS, it has been customary for the Board to establish the Board Meeting dates annually in advance so that all Board Members can plan their schedules accordingly; and

WHEREAS, the Board wishes to set aside the following dates, times, and places for the 2018 Board Meetings:

Friday, January 19, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, February 21, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, March 21, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, April 25, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, May 23, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, June 27, 2018 9:00 a.m.	Brighton Headquarters Office
Wednesday, July 25, 2018, 9:00 a.m.	Mountain District
Wednesday, August 22, 2018, 9:00 a.m.	Brighton Headquarters Office
Friday, September 21, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, October 24, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, November 28, 2018, 9:00 a.m.	Brighton Headquarters Office
Wednesday, December 19, 2018, 9:00 a.m.	Brighton Headquarters Office

NOW, THEREFORE, BE IT RESOLVED by motion adopting this resolution, that the Board Meeting dates, times, and places for 2018 are hereby established as set forth herein.

AUTHORIZE SIGNATURES ON BANK ACCOUNTS FOR NEW OFFICERS

A motion was made by Director Morgan, which was seconded and carried, to adopt the following Resolution Authorizing Signatures on the Citywide Banks of Thornton, Colorado, and TBK Bank of Brighton, Colorado.

**RESOLUTION REGARDING SIGNATURES
ON ACCOUNTS AT CITYWIDE BANKS AND TBK BANK**

WHEREAS, United Power, Inc., ("Company") wishes to affirm its banking relationships with Citywide Banks of Thornton, Colorado, and TBK Bank of Brighton, Colorado.

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

<u>Citywide Banks</u>	<u>TBK Bank</u>
General Fund Account;	General Fund
Accounts Payable Account;	
AP Customer Refunds Account;	
Payroll Account;	
Finance EFT Account;	
Capital Credits Account;	
and CIS Electric Payments.	

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	John D. Parker
Chief Financial Officer	Laurie Rydwell

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 Finance and Forecasting Director 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.

EXECUTIVE SESSION

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

The Board went into Executive session at 11:03 a.m. with the Board, CEO Parker, Executive Administrator Michele Sack, COO Bryant Robbins, CFO Laurie Rydwell, Dean Hubbuck and Jerry Marizza present.

The Executive Session ended at 12:10 p.m. and the Board recessed for lunch. The Board reconvened at 1:06 p.m.

CEO REPORT

CEO John Parker reviewed his November 2017 CEO written report which was included in the Board packet. The following topics were discussed and updated by CEO Parker and CEO Staff:

- Chief Operations Officer
- Chief Financial Officer
- Public Affairs Officer
- Power Supply & Rates
- New Business
- Risk and Safety
- Human Resources

The Board and staff recessed for a break at 2:22 p.m. and reconvened at 2:36 p.m. with the Board, CEO Parker, CFO Rydwell, and Executive Administrator Michele Sack present.

BOARD DISCUSSIONS

- Board Strategy Workshop
- Internal Controls Audit

Following the internal controls audit discussion at 3:18 p.m., CFO Rydwell left the Board meeting

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 3:19 p.m. with the Board, CEO Parker, and Executive Administrator Michele Sack present.

The Executive Session ended at 4:40 p.m. and the Board reconvened into regular session.

ASSOCIATED ORGANIZATIONS

The Midwest Annual Meeting is scheduled for December 11-14 2017, and it will be in held in Denver, Colorado.

TRI-STATE REPORT

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

CREA REPORT

There was no CREA Board meeting held since the last Board meeting.

WUE REPORT

Director McCormick reviewed the Western United Electric report for October 2017 and addressed Board questions.

ROUND-UP FOUNDATION

The Round-Up Foundation October 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, December 20, 2017 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

ADJOURNMENT

President James Vigasaa declared the meeting adjourned at 5:00 p.m.



Michele Sack, Recording Secretary