

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
WEDNESDAY, DECEMBER 20, 2017**

GENERAL

President James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on December 20, 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, Susan Petrocco, James Vigesaa and Tamra Waltemath. Chief Executive Officer John D. Parker and Executive Administrator Michele Sack were also present.

Others present for the meeting were staff members Dean Hubuck, Robert Maxwell, Jerry Marizza, Ken McFadden, Delaine Orendorff, Bryant Robbins, Laurie Rydwell, Curtis Subia and Troy Whitmore.

INVOCATION/PLEDGE

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

AGENDA APPROVED

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

NEW EMPLOYEES

The following new employees were introduced:

- Lorena Aguilar – Procurement Agent

ACTION ITEMS/SPECIAL REPORTS

The November 29, 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 November 29, 2017, Regular Board meeting minutes as presented. **Director Petrocco abstained.**

DEBT SERVICE RESERVE ACCOUNT

In early 2016, United Power adopted a corporate policy authorizing the establishment and use of a Debt Service Reserve Account (DSRA). United Power received approval to use the account from its main lender, Cooperative Finance Corporation (CFC), through 2019. At that time, the DSRA was to be used as a tool to reduce the immediate impact of a rate increase. We have not used the DSRA to offset rate increases for 2018 however it may be used in 2019 to reduce the impact of future rate increases. Following Board discussions, CEO Parker will return to the Board after discussions are completed with CFC regarding the extension and other potential uses of this fund.

Diedre Gregg-Donovan joined the Board meeting at 9:30 a.m.

GROWTH REPORT

United Power has seen substantial growth over the last year and future predictions show no slow down. COO Robbins provided an overview of the current and upcoming projects, which were included in the Board packet.

Diedre Gregg-Donovan left the Board meeting following the Growth Report.

The Board recessed for a break at 10:37 a.m. and reconvened at 10:50 a.m.

WEST BUILDING UPDATE

In early 2017, United Power purchased property located at 9586 East I-25 Frontage Road, Longmont, Colorado, to help ease the overcrowding at the headquarters location in Brighton, as well as provide a West district presence. Over the last several months, staff has been moving forward with the renovation plans for a move in date of mid-2019. Curtis Subia, Director of Procurement, provided an overview of the renovation plans which were included in the Board packet.

The Board recessed at 11:36 a.m. for the Legislative luncheon and reconvened at 1:18 p.m.

WEST BUILDING UPDATE cont.

Following further review, discussion and questions from the Board regarding the West building renovations, staff will return with updates and discussion during the February 2018 Board meeting.

Curtis Subia left the meeting at 2:53 p.m.

The Board and staff recessed for a break at 2:53 p.m. and reconvened at 3:10 p.m.

ROUND UP BYLAWS

United Power, Inc. is the sole member of the United Power Round-Up Foundation. This foundation is supported by more than 22% of our members who round up their monthly electric bill to help partnering organizations in our service territory who distribute the funds to needy individuals and families. The Operation Round-Up Board of Directors has requested the Foundation's by-laws be amended to make membership in United Power mandatory to serve as an Operation Round-Up Board member. **Director Petrocco made a motion**, which was seconded, to approve the Resolution Amending Operation Round-Up Bylaws. Following discussion, the motion was withdrawn. The United Power Board of Directors will discuss this further with the Round-Up Board of Directors during their Annual meeting on January 19, 2018.

CEO REPORT

CEO John Parker reviewed his December 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

Following staff reports, Ken McFadden left the meeting at 4:20 p.m.

BOARD DISCUSSIONS

- Board Strategy Workshop

EXECUTIVE SESSION

Director Newman 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 4:20 p.m. with the Board, CEO Parker, Executive Administrator Michele Sack and Dean Hubbuck present.

Dean Hubbuck left Executive Session at 4:28 p.m.

The Executive Session ended at 4:39 p.m. and the Board reconvened into regular session.

ASSOCIATED ORGANIZATIONS

No Associated Organization meetings will be held prior to the next Board meeting.

TRI-STATE REPORT

Director Newman reviewed his written Tri-State Board report for December 2017 and addressed Board questions.

CREA REPORT

Director Buczek reviewed the CREA Board report for December 2017 and addressed Board questions.

WUE REPORT

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

ROUND-UP FOUNDATION

The Round-Up Foundation November 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 Friday, January 19, 2018 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

ADJOURNMENT

President James Vigesaa declared the meeting adjourned at 5:42 p.m.



Michele Sack, Recording Secretary