

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
FRIDAY, JULY 26, 2017**

GENERAL

President James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on July 26, 2017. The meeting was held at United Power Headquarters in Brighton, Colorado. Present were Directors Ginny Buczek, Tim Erickson, Elizabeth Martin, Ursula Morgan, Rick Newman, Susan Petrocco, Dave Rose, James Vigesaa and Tamra Waltemath. Director Brian McCormick joined the meeting by tele-conference. Director Grant was not present. Interim Chief Executive Officer John D. Parker and Executive Administrator Michele Sack were also present.

Others present for the meeting were staff members Bryant Robbins, Dean Hubbeck, Ellen Judish, Jerry Marizza, Ken McFadden, Delaine Orendorff 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 Morgan, which was seconded and carried, to approve the agenda as presented.

ACTION ITEMS/SPECIAL REPORTS

The June 7, 2017, Special Board meeting minutes and the June 30, 2017 Regular Board meeting minutes were included in the Board packet for review. **A motion was made by Director Morgan**, which was seconded and carried, to approve the June 7, 2017, Special Board meeting minutes as presented. **A motion was made by Director Morgan**, which was seconded and carried, to approve the June 30, 2017, Regular Board meeting minutes as presented.

2018 BUDGET: FINANCIAL GOALS/KEY DRIVERS/KEY ASSUMPTIONS

Included in the Board packet was the 2018 Budget Key Drivers presentation. CEO Parker gave a high level overview of various factors and assumptions that will be key drivers in the development of the 2018 operating and capital budgets. He and staff addressed Board questions.

2016 WRITE OFFS

The annual analysis of the 2016 accounts receivable is complete for uncollectible accounts, and was included in the Board packet for review. Since 2013 electric account write-offs have decreased each year resulting in a total decrease of 47%. The substantial decrease is due to a combination of requiring deposits at the start of service, robust collection efforts and improvements in the local economy.

Director Buczek made a motion, which was seconded and carried, to accept the report on uncollectible accounts as presented, and proceed with action as recommended for the benefit of the membership.

STRATEGIC PLANNING SESSION UPDATE

Delaine Orendorff, Chief Human Resources Officer, discussed the status of the Strategic Plan for United Power, which was included in the Board packet for review. This updated report focuses on initiatives and objectives in which progress was made. Overall, departments and employees are on track in terms of timeframes identified for reaching goals. The Strategic Plan contains eight (8) initiatives and 42 objectives. Progress was reported on 35 specific goal areas related to the objectives. CHRO Orendorff addressed Board questions.

The Board recessed for a break at 10:35 a.m. and reconvened at 10:52 a.m.

CEO REPORT

Interim CEO John Parker reviewed his July 2017 CEO/CFO written report which was included in the Board packet. The following topics were discussed and updated by Interim CEO Parker and the Executive Leadership Team:

- Engineering and Rates
- New Business
- External Affairs – Key Accounts & 2017 Legislative Agenda
- Risk and Safety
- Human Resources
- Operations
- Member Services

The Board recessed for lunch at 11:54 a.m. and reconvened at 1:00 p.m.

BOARD DISCUSSIONS

Clifton Lewis, Corporate Strategic Planning Consultant with Traversa Consulting, has been working with United Power over the last several months. He has been working with Senior Staff creating a new Organizational Chart which was included in the Board packet for review. Mr. Lewis joined the Board meeting and discussed this new plan and addressed Board questions. The new organizational chart will be shared with staff and implemented over the next month.

EXECUTIVE SESSION

Director Buczek 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 1:59 p.m. with the Board, Interim CEO Parker and Executive Administrator Michele Sack present.

The Board recessed for a break at 2:30 p.m. with Interim CEO Parker and Executive Administrator Michele Sack leaving the meeting. The Board reconvened at 2:45 p.m. returning to Executive Session.

The Executive Session ended at 4:45 p.m. and the Board reconvened into regular session with Interim CEO Parker and Executive Administrator Michele Sack returning to the meeting at 4:55 p.m.

Following Executive Session, the resignation of Director Grant was accepted and approved effective July 31, 2017.

ASSOCIATED ORGANIZATIONS

No Associated Organization meetings are scheduled before the July Board meeting.

TRI-STATE REPORT

Director Newman reviewed his written Tri-State Board Report for July 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 June 2017 and addressed Board questions.

WUE REPORT

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

ROUND-UP FOUNDATION

The Round-Up Foundation June 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

NEW CEO APPOINTMENT

Following Executive Session and further discussion by the Board of Directors, **a motion was made by Director Martin**, which was seconded and carried, to appoint John D. Parker as the new Chief Executive Officer of United Power.

MEETING SCHEDULE

The next Regular Board Meeting is scheduled for Wednesday, August 23, 2017 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601

ADJOURNMENT

President James Vigesaa declared the meeting adjourned at 5:47 p.m.



Michele Sack, Recording Secretary