

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
WEDNESDAY, SEPTEMBER 27, 2017**

GENERAL

Vice-President Susan Petrocco called the regular meeting of the United Power Board of Directors to order at 9:18 a.m. on September 27, 2017. The meeting was held at the Gilpin County Library in Blackhawk, Colorado. Present were Directors Ginny Buczek, Tim Erickson, Elizabeth Martin, Brian McCormick, Ursula Morgan, Rick Newman, Susan Petrocco, Dave Rose (arriving at 9:28 a.m.), James Vigesaa (arriving at 9:22 a.m.) 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 Bryant Robbins, Dean Hubbeck, Ellen Judish, Jerry Marizza, Julie Stephens, Ken McFadden, Delaine Orendorff 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 Newman, which was seconded and carried, to approve the agenda as amended.

ACTION ITEMS/SPECIAL REPORTS

The August 23, 2017, Regular Board meeting minutes was included in the Board packet for review. **A motion was made by Director Morgan**, which was seconded and carried, to approve the August 23, 2017, Regular Board meeting minutes as presented.

1st REVIEW: O & M BUDGETS

Interim CFO Ellen Judish provided details on the proposed 2018 O & M and Capital Budgets which were included in the Board packet. Interim CFO Judish and staff addressed Board questions. Staff noted that certain budget line items will be modified to reflect more current estimates and the proposed budgets will be reviewed again at the October Board meeting.

COMMUNITY STORAGE CONCEPT

New Business Director, Jerry Marizza discussed the new Community Storage Concept, which was included in the Board packet for review. The Community Storage Concept provides United Power members the means to participate in a peak shaving program where the benefits are shared between the co-op and the member. Following review and discussion, **Director Newman made a motion**, which was seconded and carried, to implement the community coincidence peak reduction plan as a pilot project.

The Board recessed for a break at 10:40 a.m. and reconvened at 11:00 a.m.

DEMAND RATE PILOT UPDATE

Power Supply & Rates Director, Dean Hubbuck, discussed the status of the Residential Demand Service Pilot which was offered to employees of United Power. This pilot began in early 2017 with 22 participants. The feedback received from the participants will help finalize the pilot and develop the rate as an optional offering to our members in 2018. The next steps and timeline will be shared with the Board in the coming months.

INSURANCE SUMMARY

Risk and Compliance Director, Ken McFadden, discussed United Power's property and liability insurance coverages and expected insurance premium levels for the 2017-2018 periods. A handout of these insurance coverages was included in the Board packet. Director McFadden and CEO Parker answered Board questions.

CARE 527 CONTRIBUTION

The Colorado Advocates for Rural Electrification (CARE), our statewide political action committee, is once again asking Colorado's distribution cooperatives to consider corporate contributions to CARE's 527 membership account. A motion was made by **Director Buczek**, which was seconded and carried, to approve the donation of \$15,000 to the Colorado Advocates for Rural Electrification (CARE) for 2018.

25 YEAR SERVICE AWARD

A motion was made by Director McCormick, seconded and carried, to adopt the following Resolution honoring Vicky Schenfeld for her 25 years of Dedicated Service to United Power.

RESOLUTION HONORING VICKY SCHENFELD FOR 25 YEARS OF SERVICE

WHEREAS, Vicky Schenfeld completed 25 years of service with United Power, Inc., as of the 5th of August, 2017; and

WHEREAS, United Power's Board of Directors wishes to show its appreciation to Vicky for her many years of service.

NOW, THEREFORE, BE IT RESOLVED that Vicky Schenfeld is hereby awarded a check equal to \$1,500.00 as an expression of United Power's gratitude for her many years of faithful service.

IN WITNESS WHEREOF, the said Corporation has caused this Resolution to be signed by its officers and members of the Board and to be sealed with the seal of the Corporation this 27th day of September, 2017.

The Board recessed for lunch at 12:04 p.m. and reconvened at 12:52 p.m.

CEO REPORT

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

- Engineering and Rates
- New Business
- External Affairs
- Risk and Safety
- Human Resources
- Operations
- Member Services

The Board recessed for a break at 2:22 p.m. and reconvened at 2:40 p.m. with the entire Board CEO Parker and Michele Sack present.

BOARD DISCUSSIONS

- Director Appointment/South District
- United Power Bylaws

ASSOCIATED ORGANIZATIONS

The National Rural Electrical Cooperative Association (NRECA) Region 7 meeting is scheduled for October 16-18, 2017. It will be held in Denver, Colorado at the Sheraton Hotel. The Colorado Rural Electrical Association (CREA) Energy Innovations Summit meeting will be held October 28-31, 2017. It will be held in Denver, Colorado at the Westin Hotel.

TRI-STATE REPORT

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

WUE REPORT

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

ROUND-UP FOUNDATION

The Round-Up Foundation August 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

EXECUTIVE SESSION

Director Morgan 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 4:10 p.m. with the Board, CEO Parker and Executive Administrator Michele Sack present.

The Executive Session ended at 4:48 p.m. and the Board reconvened into regular session.

MEETING SCHEDULE

The next Regular Board Meeting is scheduled for Wednesday, October 25, 2017 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

ADJOURNMENT

President James Vigesaa declared the meeting adjourned at 4:50 p.m.



Michele Sack, Recording Secretary