

**MINUTES OF THE REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
UNITED POWER, INC.  
WEDNESDAY, FEBRUARY 21, 2018**

**GENERAL**

President James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on February 21, 2018. 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. Director Petrocco was absent.

Others present for the meeting were staff members Dean Hubbuck, Jerry Marizza, Robert Maxwell, Ken McFadden, Bryant Robbins, Laurie Rydwell, Curtis Subia 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 amended.

**NEW EMPLOYEES**

The following new employees were introduced:

- Jovanny Alvarez – Member Service Representative
- Zachary Kinder – Communications Specialist
- Blanca Ordaz – Member Service Representative
- Samantha Visocky – Member Service Representative

**ACTION ITEMS/SPECIAL REPORTS**

The January 19, 2018 Regular 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 January 19, 2018, Regular Board meeting minutes as amended.

**APPOINT ELECTION CREDENTIALS COMMITTEE**

Public Affairs Officer Troy Whitmore discussed the appointment of an Election/Credentials Committee for the upcoming Annual Meeting. The committee oversees the registration process and ballot tabulation procedures at United Power’s Annual Meeting. Following discussion, **a motion was made by Director Martin**, which was seconded and carried, to adopt the following Resolution Appointing Election and Credentials Committee.

**RESOLUTION APPOINTING ELECTION AND CREDENTIALS COMMITTEE**

WHEREAS, the Annual Meeting of Members will be held Wednesday, April 18, 2018; and

WHEREAS, it is important that our Election and Credentials Committee be assembled to supervise registration procedures and to resolve any dispute regarding said registration; and

WHEREAS, the Election and Credentials Committee is also charged with overseeing the ballot counting process and settling related disputes.

NOW, THEREFORE, BE IT RESOLVED, that the following members of United Power, upon their acceptance, are hereby appointed to serve on the Election and Credentials Committee with the duties and authority set forth above.

<u>Name</u>	<u>Address</u>	<u>District</u>
Bill Alsdorf	1311 Strong Street, Brighton 80601	South
Carol Criswell	195 Valle Drive, Fort Lupton, 80621	East
Frank Howell	204 South 5 <sup>th</sup> Street, Brighton, 80601	South
Michael Jenet	16891 E. 107 <sup>th</sup> Avenue, Commerce City, 80022	East
James Long	8069 Morning Harvest Drive, Frederick 80504	West
Dale McCall	11274 County Road 17, Longmont, 80504	West
Troy Norby	251 Donna Street, Fort Lupton, 80621	East
Dennis Reid	6227 Saddleback Avenue, Firestone, 80504	West
Connie Sasse’-Price	P.O. Box 326, Rollinsville, 80474	Mtn.
Mary Zink	160 South 17 <sup>th</sup> Avenue Drive, Brighton, 80601	South

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## **WEST CAMPUS UPDATE AND CONSTRUCTION DISCUSSION**

Purchasing Director Curtis Subia presented the construction plan and optional phases for the new United Power West campus located at 9586 East I-25 Frontage Road. Following review and discussion, **Director McCormick made a motion**, which was seconded and carried, to approve an additional amount up to \$3,150,000 for the Phase 1 portion of the building and yard at the west campus.

Ward Electric, a subcontractor of United Power, will be leasing 1/3 of the west campus and related yards over the next 12 years. United Power will be building out their space as part of the project. **Director Morgan made a motion**, which was seconded and carried, to move forward with developing a lease with Ward Electric and funding the \$1,600,000 towards the Ward Electric buildout at the west campus. **Director McCormick and Newman voted against this motion.**

**Director Morgan made a motion**, which was seconded and carried, to approve the Phase 1 Add on Menu of \$1,150,000, at staff discretion.

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

## **POLICY REVIEWS**

The Board reviewed the plan and schedule for updating United Power's Corporate Policies. This is one of the key responsibilities of the Board. Currently, the Corporate Policies are scheduled for review on a biennial basis. The following policies are scheduled to be reviewed during 2018 and 2019:

### **MARCH 2018**

- C-02 Procedures for Conducting Director Election
- C-09 Corporate Attorney – Legal Counsel

### **APRIL 2018**

- C-05 Attendance or Participation at Meetings of the Board of Directors
- C-07 Responsibilities of the Board of Directors and Individual Directors
- C-19 Directors' Per Diem and Expenses

### **MAY 2018**

- C-13 Information Security and Use of Technology
- C-18 Patronage Capital Policy with appendix A & B

**JUNE 2018**

- C-08 Duties and Responsibilities of CEO
- C-28 Financial Goals

**JULY 2018**

- C-03 Debt Service Reserve
- C-19 Directors' Per Diem and Expenses

**AUGUST 2018**

- C-17 General Fund Control and Use

**SEPTEMBER 2018**

- C-25 Complaint Procedure and Anti-Retaliation

**NOVEMBER 2018**

- C-12 Offers to Acquire United Power Assets
- C-22 Charitable and Political Contributions

**DECEMBER 2018**

- C-11 Disclosure of Information
- C-31 Director Use of Company Owned Computer Technology

**JANUARY 2019**

- C-01 Policy Origin and Approval

**MARCH 2019**

- C-30 Identity Theft Red Flags Rule

**MAY 2019**

- C-10 Approval and Execution of Contracts, Agreements, and Other Instruments

## **RESOLUTION SUSPENDING MAIL-IN BALLOTING FOR THE 2018 DIRECTOR ELECTION**

The United Power 2018 Annual Meeting will be held April 18, 2018 at the Adams County Fairgrounds. In December of 2017, a solicitation was sent out to every United Power member indicating that the cooperative's director election is coming up. This year, for the first time since 2005, United Power will not have a contested election for the four Director Seats up for re-election. The By-Laws of the cooperative require a director election is held, however a mail-in ballot may not be necessary, therefore a resolution was presented to the Board, by staff, to suspend mail-in balloting for the 2018 director election. **Director McCormick made a motion**, which was seconded and carried, to table this resolution until a time when legal counsel is available for discussion.

## **CEO REPORT**

CEO John Parker reviewed his February 2018 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

The Board recessed for lunch at 12:00 p.m. and reconvened at 1:00 p.m. continuing with staff reports.

- Chief Financial Officer
- Public Affairs Officer
  - Key Accounts
  - Annual Meeting Agenda
- Power Supply & Rates
- New Business
- Risk and Safety

## **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 1:34 p.m. with the Board, CEO Parker, Michele Sack, Bryant Robbins and Dean Hubbuck present.

Bryant Robbins and Dean Hubbuck left Executive Session at 1:55 p.m.

The Executive Session ended at 2:05 p.m. and the Board reconvened into regular session with the entire Board present, CEO John Parker, CFO Laurie Rydwell, PAO Troy Whitmore and Executive Administrator Michele Sack present.

The Board recessed for a break at 2:38 p.m., with Director Alquist leaving the Board meeting, and reconvened at 2:56 p.m.

**RESOLUTION SUSPENDING MAIL-IN BALLOTING FOR THE 2018 DIRECTOR ELECTION (cont.)**

**Director McCormick made a motion**, which was seconded and carried, to bring the resolution regarding mail-in balloting off the table. Mark Williams, legal counsel for United Power, joined by tele-conference to discuss the proposed resolution. Following review and discussion, **Director Buczek made a motion**, which was seconded and carried, to adopt the following resolution:

**RESOLUTION SUSPENDING MAIL-IN BALLOTING FOR THE 2018 DIRECTOR ELECTION**

WHEREAS, the 2018 United Power Director election will be held in conjunction with the 2018 Annual Meeting of Members of Wednesday, April 18, 2018; and

WHEREAS, four Director District races are up for election this year; and

WHEREAS, the United Power membership, per state statutes and Board policy, was duly informed of the procedures for becoming a candidate for a Director position; and

WHEREAS, no challengers have filed to oppose the four incumbent directors who are running for re-election, or have withdrawn his candidacy; and

WHEREAS, write-in candidates are prohibited by Board Rules and Regulations; and

WHEREAS, the Board has determined, after thorough discussion at the 2/21/18 Board meeting, that in this exceptional circumstance, it would be prudent to save approximately \$80,000 in the cost of mail-in ballots during the 2018 Director election; and

WHEREAS, pursuant to United Power bylaw 4.05.01 an in-person election will still be conducted at the April 18, 2018 Annual Meeting of Members in order to fulfill United Power's obligation to conduct a Director election;

WHEREAS, the Election and Credentials Committee, as a member committee independent of the Board and Senior Management, shall convene and oversee the counting and storage of the ballots during the election at the Annual Meeting to ensure the sanctity of the election process. Such committee shall certify the results of the election pursuant to Section 5.e of the policy previously issued by the Board.

WHEREAS, candidate forums will continue to be conducted in advance of the annual meeting in order for members to communicate with the Board candidates; and

WHEREAS, the United Power Board has instructed staff to use all reasonable resources to publicize the suspension of this year's mail-in balloting, but to also make clear that in-person balloting will take place at the annual meeting convening at 4:30 p.m. and concluding by approximately 6:30 p.m.

NOW, THEREFORE, BE IT RESOLVED, that the United Power Board of Directors suspends the mail-in ballot procedures for the 2018 Director election.

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The Board recessed for a break at 2:38 p.m. and reconvened at 2:56 p.m.

### **ASSOCIATED ORGANIZATIONS**

NRECA (National Rural Electric Cooperative Association) will be holding their annual meeting February 25-28, 2018 in Nashville, TN.

### **TRI-STATE REPORT**

Director Newman reviewed his written Tri-State Board report for February 2018 and addressed Board questions.

### **CREA REPORT**

Director Buczek reviewed the CREA Board report for January 2018 and addressed Board questions.

### **WUE REPORT**

Director McCormick reviewed the Western United Electric report from January 2018 and addressed Board questions.

## **ROUND-UP FOUNDATION**

The Round-Up Foundation January Update was 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, March 21, 2018 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

## **ADJOURNMENT**

President James Vigasaa declared the meeting adjourned at 4:17 p.m.



Michele Sack, Recording Secretary