

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
UNITED POWER, INC.
WEDNESDAY, NOVEMBER 28, 2018**

GENERAL

Chairman James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on November 28, 2018. The meeting was held at United Power Headquarters in Brighton, Colorado. Present were Directors Keith Alquist, Ginny Buczek, Tim Erickson, Brian McCormick, Ursula Morgan, Rick Newman, Susan Petrocco, Dave Rose, James Vigesaa and Tamra Waltemath. Chief Executive Officer John D. Parker, Chief Operating Officer Bryant Robbins, Chief Financial Officer Laurie Rydwell, Public Affairs Officer Troy Whitmore and Executive Administrator Michele Sack were also present. Director Elizabeth Martin was absent.

Others present for the meeting were staff members Erin Hane, Dean Hubbuck, Jerry Marizza, Robert Maxwell, and Ken McFadden.

INVOCATION/PLEDGE

Public Affairs Officer Troy Whitmore gave the invocation and led in the Pledge of Allegiance.

NEW EMPLOYEES

The following new employees were introduced:

- Leshay Bocker – Member Services Representative
- Leticia Lopez Varela – Member Services Representative

SAFETY MINUTE

- Risk and Compliance Director, Ken McFadden, provided an update on safety activities throughout United Power. He also shared that United Power, as of today, has 585 days without a lost time injury.

BOARD SECRETARY APPOINTMENT

Due to the absence of Secretary Martin, President James Vigesaa noted paragraph 6.13 in United Power's Bylaws, which states "6.13 Delegation of Duties. Election of Assistants: In case of absence of any officer or for any other reason that the Board may deem sufficient, the Board may delegate the powers and duties of any such officer to any other officer or director or may appoint a director as an assistant to any such officer to exercise the powers and duties thereof." Treasurer Ursula Morgan will be appointed to fill the role of Secretary for the Regular Board Meeting being held on November 28, 2018.

CONSENT AGENDA

The following items were listed on the consent agenda:

- Approval of Agenda
- Approve October 24, 2018 Regular Meeting Minutes
- Approve November 1, 2018 Regulatory Meeting Minutes
- Adopt Resolution Approving 2019 Board Meeting Dates
- Approve Policy Review C-12-Offers to Acquire United Power
- Approve Policy Review C-22-Charitable/Political Contributions
- Approve Revised CEO Signature for Previously Approved Resolution

Director Buczek requested the October 24, 2018 Regular Meeting Minutes be pulled from the consent agenda. **Director McCormick made a motion**, which was seconded and carried, to approve the consent agenda as amended.

Following discussion of the October 24, 2018 Regular Board minutes, **Director Buczek made a motion**, which was seconded and carried, to approve the minutes as amended.

RESOLUTION ESTABLISHING BOARD MEETING DATES FOR 2019

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 2019 Board Meetings:

Wednesday, January 23, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, February 27, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, March 27, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, April 24, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, May 22, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, June 26, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, July 24, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, August 28, 2019, 9:00 a.m.	Brighton Headquarters Office

Friday, September 20, 2019, 9:00 a.m.	Brighton Headquarters Office
Wednesday, October 23, 2019, 9:00 a.m.	Brighton Headquarters Office
Friday, November 22, 2019, 9:00 a.m.	Brighton Headquarters Office
Friday, December 20, 2019, 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 2019 are hereby established as set forth herein.

RESOLUTION AUTHORIZING THE DIVESTURE OF A LAND ASSET

WHEREAS, the substation land located at 88th Avenue and Tower Road in Commerce City, Colorado is no longer needed; and

WHEREAS, the City of Commerce City has begun a road widening project on Tower Road and needs to acquire additional land for the project; and

WHEREAS, the City of Commerce City has completed a thorough land appraisal; and

WHEREAS, United Power received and accepted an offer based on the land appraisal for the purchase of the property for \$166,811.

NOW, THEREFORE, BE IT RESOLVED that John D. Parker, Chief Executive Officer of United Power, Inc. is hereby authorized to sign all documents necessary to complete the transaction for the sale of the property located at 88th Avenue and Tower Road.

BE IT FURTHER RESOLVED that this resolution serve as written notice to be given to the purchase that United Power’s Board of Director’s has ratified and confirmed the execution, delivery and performance of the Sale Agreement.

FINAL REVIEW OF 2019 OPERATING AND CAPITAL BUDGETS

CFO Rydwell presented the final proposed Operating and Capital Budgets for 2019 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 Morgan made a motion**, which was seconded and carried, to adopt the following Resolution approving the 2019 Operating and Capital Budgets. **Director McCormick voted against this motion.**

RESOLUTION APPROVING 2019 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 2019; and

WHEREAS, over the course of several 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 2019, and

WHEREAS, the proposed Operating Budget requirements include a general retail rate increase of approximately .8% for 2019, as previously approved by the Board at the Regulatory Board Meeting on November 1, 2018, and

NOW, THEREFORE, BE IT RESOLVED that said 2019 Operating and Capital Budgets are hereby approved by the Board of Directors, and the Chief Executive Officer and his staff are authorized to carry out said Budgets within the budgetary guidelines contained therein.

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, retail choice, net metering issues, 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, 2018 through November 30, 2019.

FREDERICK FRANCHISE AGREEMENT

CEO Parker and COO Robbins discussed the status of the Frederick Franchise Agreement. This will be placed on the December Board agenda, and the agreement will be available at that time for the Board's review.

The Board recessed for a break at 10:24 a.m. and reconvened at 10:45 a.m.

Purchasing Director Curtis Subia joined the meeting at 10:45 a.m. and provided an update on the West building during CFO report.

CEO REPORT

CEO John Parker reviewed his November 2018 CEO report which was included in the Board packet.

The following reports were discussed and updated by CEO Staff:

- Chief Financial Officer
 - Quarterly Financial Review
 - Review Debt/Maturities/Interest Rates
 - Interest on Member Deposits
- Chief Operating Officer
- Public Affairs Officer
- Power Supply & Rates
- New Business
- Risk and Safety
- Human Resources

WESTERN UNITED

Western United CEO Mike Prom and CFO Greg Mordini joined the Board meeting to discuss the relationship between United Power and Western United. Upon completion of their presentation, they joined the Board for lunch.

The Board recessed for lunch at 12:20 p.m. and reconvened at 1:00 p.m.

BOARD DISCUSSIONS

- Appoint Committee to Research/Propose Revised Method of Recording Motions/Votes in Minutes.
 - Following discussion of the format of the Board minutes, Chairman Vigesaa asked for volunteers to form a committee, research and report back to the Board with their suggestions for future minutes. Those on this committee will be Directors Buczek, Erickson, Martin and Morgan.
- Battery Celebration Invite List

The Board recessed for a break at 2:37 p.m. and reconvened at 2:50 p.m.

EXECUTIVE SESSION

Director Buczek 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 2:50 p.m. with the Board and CEO Parker present.

Bryant Robbins, Dean Hubbuck, Michele Sack, Robert Maxwell and Troy Whitmore joined Executive Session at 4:23 p.m. while Director Newman excused himself.

Director Newman returned to Executive Session at 5:15 p.m.

Executive Session ended at 5:33 p.m.

Chairman Vigesaa made a motion, which was seconded, to remove Director Newman as the United Power representation on the Tri-State Board of Directors and replace him with John Parker pending further discussions. This motion failed with a 5-5 tie.

TRI-STATE REPORT

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

CREA REPORT

Director Buczek reviewed the Colorado Rural Electric Association October 2018 Board minutes and addressed Board questions.

WUE REPORT

Director McCormick reviewed the Western United Financial reports and the approved Western United August Board minutes. He also addressed Board questions.

MEETING SCHEDULE

The next Regular Board Meeting is scheduled for Wednesday, December 19, 2018 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

ADJOURNMENT

Chairman James Vigessaa declared the meeting adjourned at 5:42 p.m.



Michele Sack, Recording Secretary