

**MINUTES OF THE REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
UNITED POWER, INC.  
WEDNESDAY, DECEMBER 19, 2018**

**GENERAL**

Chairman James Vigesaa called the regular meeting of the United Power Board of Directors to order at 9:00 a.m. on December 19, 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, 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.

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

**INVOCATION/PLEDGE**

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

**ADDITIONS TO AGENDA**

Director Erickson and Director Martin requested adding, under Board discussions, the Tri-State Director position from the United Power Board.

**PUBLIC COMMENT**

Member Dan LaCoe was present for the Board meeting during public comment.

**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 606 days without a lost time injury.

**NEW EMPLOYEES**

The following new employees were introduced:

- Rachelle Cramer – Member Services Representative

## **CONSENT AGENDA**

The following items were listed on the consent agenda:

- Approval of Agenda
- Approve November 28, 2018 Regular Meeting Minutes

**Director Morgan made a motion**, which was seconded and carried, to approve the consent agenda as amended. Director Martin abstained from the vote.

## **DMEA PUC FILING**

Following discussions regarding the recent Public Utilities Commission (PUC) filing, by Delta-Montrose Electric Association (DMEA), **Director Morgan made a motion**, which was seconded and carried, to authorize the CEO to be allowed to intervene on the DMEA case filed with the PUC.

## **EXECUTIVE SESSION**

**Director Martin 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 9:49 a.m. with the Board and staff present. Director Newman excused himself from Executive Session.

The Executive Session ended at 10:02 a.m. and reconvened into regular session. Director Newman returned to the meeting.

**Director Buczek made a motion**, which was seconded and carried, to authorize the CEO to maintain supplementary legal counsel when necessary.

## **10 YEAR FORECAST**

CFO Laurie Rydwell provided an in-depth 10-year forecast which included all facets of United Power financials, rates, revenue, MWh sold, ratios and assumptions. The Board also discussed the risks and opportunities which will have an impact on the forecast.

The Board recessed for a break at 10:40 a.m. and reconvened at 10:57 a.m.

### **POLICY REVIEW C-31 - USE OF UNITED POWER OWNED TECHNOLOGY**

Director of Information Services, Alie Beauchamp, joined the meeting at 10:57 a.m. to discuss Policy C-31 and the revisions suggested by staff. **Director Morgan made a motion**, which was seconded, to adopt Policy C-31 as revised. Following discussion from the Board, the motion to adopt Policy C-31 with revisions suggested by staff will be postponed while staff addresses Board concerns. This policy will be brought back at a future Board meeting.

Following review of Policy C-31 Alie Beauchamp left the meeting.

### **GROWTH REPORT**

COO Bryant Robbins provided an update on the current growth United Power is experiencing in residential, commercial and oil and gas. He addressed Board questions and shared what has been requested of United Power, in all three areas, over the next 18 months.

### **FREDERICK FRANCHISE**

A requirement of United Power's purchase of the Frederick Power and Light system is the finalization of a new Franchise Agreement between the Town of Frederick and United Power. The Electric Franchise Agreement was approved by the Town of Frederick on November 27, 2018. Following discussion, **Director Buczek made a motion**, which was seconded and carried, to adopt the following Resolution Approving a 30-Year, Electric Franchise Agreement with the Town of Frederick.

### **RESOLUTION APPROVING OF A 30-YEAR, ELECTRIC FRANCHISE AGREEMENT WITH THE TOWN OF FREDERICK**

WHEREAS, United Power, Inc., has a long history of serving reliable and affordable electric power to the citizens and businesses of the Town of Frederick, Colorado; and

WHEREAS, United Power staff members and legal counsel have met and negotiated with Frederick staff members and legal counsel to arrive at a mutual point of agreement with the franchise renewal terms and conditions; and

WHEREAS, the Frederick Town Board of Trustees has approved the franchise on November 27, 2018; it is now appropriate for United Power's Board of Directors to approve the Frederick franchise.

NOW THEREFORE, BE IT RESOVED that the Board of Directors of United Power, Inc. hereby authorizes the Chief Executive Officer to sign the Frederick franchise agreement, which effectively establishes a franchise for a 30-year term.

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

Purchasing Director Curtis Subia joined the meeting at 1:00 p.m. and provided an update on the West building during the CFO report.

### **STRATEGIC PLAN UPDATE**

CEO staff provided an update on the 2018 Strategic Plan and specifically the following five objectives: Explore Power Supply Options, Optimize Distribution Operations, Satisfy our Member Needs, Engage and Develop Employees, and Promote Regulatory Policies.

### **CEO REPORT**

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

The following reports were discussed and updated by CEO Staff:

- Chief Financial Officer
  - Internal Control Review
  - West Building Update
- Chief Operating Officer
- Public Affairs Officer
- Power Supply & Rates
- New Business
- Risk and Safety
- Human Resources

The Board recessed for a break at 2:41 p.m. and reconvened at 2:55 p.m.

## **BOARD DISCUSSIONS/EXECUTIVE SESSION**

**Director McCormick 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 2:56 p.m. with the Board and CEO Parker present.

The Executive Session ended at 4:50 p.m. and reconvened into regular session and Michele Sack returned to the meeting.

## **TRI-STATE REPORT**

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

## **CREA REPORT**

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

## **WUE REPORT**

Director McCormick reviewed the November 2018 Western United financial reports and addressed Board questions.

## **EXECUTIVE SESSION**

**Director Erickson 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 5:15 p.m. with the Board, CEO Parker and Michele Sack present. Director Newman excused himself from Executive Session.

The Executive Session ended at 5:17 p.m. and reconvened into regular session. Director Newman returned to the meeting.

## **MEETING SCHEDULE**

The next Regular Board Meeting is scheduled for Wednesday, January 23, 2019 at 9:00 a.m. at Brighton Headquarters, 500 Cooperative Way, Brighton, CO 80601.

**ADJOURNMENT**

Chairman James Vigesaa declared the meeting adjourned at 5:20 p.m.

*Michele Sack*

Michele Sack, Recording Secretary