

MINUTE RECORD – BOARD OF DIRECTORS – GRAND VALLEY RURAL POWER LINES, INC.

Regular Meeting

March 15, 2023

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, March 15, 2023, at 845 22 Road, Grand Junction, Colorado. President Sandeen-Hall called the meeting to order at 9:00 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	present
Kyle Coltrinari	present
Gary DeYoung	present
Don McClaskey	present
Jesse Mease	present
Bill Rooks	present
Carolyn Sandeen-Hall	present
Janie VanWinkle	present
Brian Woods	present

Others present: Tom Walch, CEO; Derek Elder, Chief Administrative Officer; Matt Williams, Chief Operating Officer; Rita Sanders, Director of Marketing & Communications; Pat Kanda, Finance Manager; Bill Barlow, Operations Manager; Karen Allen, Information Technology Manager; Lauren Phelps, General Accountant; Destry Smith, Energy Services Administrator; Jeff Hurd, Attorney.

MOTION: Motion by Woods, second by Mease to approve the minutes of the February 15, 2023, regular meeting; unanimously carried.

MOTION: Motion by Mease, second by McClaskey to approve the agenda; unanimously carried.

I. Guests and Public Comments

None.

II. Staff Reports

Tom Walch introduced new staff members Lauren Phelps, General Accountant, and Destry Smith, Energy Services Administrator. Smith, who interned at GVP and earned a business degree from Colorado Mesa University, returned to GVP two years ago as a journeyman lineman. GVP has seen a growing need to fill the Energy Services Administrator position, which has been vacant for several years. The position plays an important role in developing energy services programs for members.

Walch noted that Lauren Phelps also has a business degree from CMU. She has been one of our Customer Service Representatives for two years, where she has excelled at providing hometown service. Lauren will fulfill some of Pat Kanda's duties after he retires at the end of the month.

Walch also shared that it is Pat's last board meeting as GVP's Finance Manager. He has been instrumental in developing Grand Valley Power's solid financial foundation. Walch thanked Pat for his 30 years of hometown service, and for his friendship.

Member Services – Destry Smith shared that he hit the ground running in his first week on the job and has completed two home energy audits, a free service that GVP provides to residential members.

Smith has stepped in to relieve the engineering department workload by taking over the processing and inspection of distributed generation systems; he is engaged in training to expand his knowledge of energy efficiency, distributed energy resources, and key accounts management.

Walch shared that the co-op would like to partner with the Western Slope Food Bank of the Rockies to administer an energy assistance program that would allow members to make donations of both money and banked kilowatt hours to benefit GVP members in need. GVP would consider matching donations from unclaimed capital credits. Grand Valley Power is seeing a need for energy assistance programs. Several board members said it is an idea they would like GVP to explore.

Derek Elder noted that GVP has 30 to 40 members who receive benefits from the community solar farm, and the Hometown Relief fund expended \$60,000 during the pandemic to provide energy assistance to members.

Elder noted that April is true-up month for distributed generation. Grand Valley Power will buy down the banked kWh of net-metering members who have more than 4,000 off-peak or 400 on-peak kilowatt-hours banked. Elder said that at this time, 99 of the approximately 900 net-metering accounts (11%) have banked the minimum number of hours to participate in the buyback.

Elder reported that a new journeyman lineman, Joshua Stevens, will start work at GVP on Monday. He lives in Grand Junction and has been working for a contractor out of town.

Engineering – Williams shared he had hoped to have hired an engineering supervisor, but unfortunately the candidate did not accept the offer. Williams said more and more companies are countering new job offers to retain employees.

Walch noted that the cooperative might explore using a consultant or the services of a recruiting agency for this particular position, which has traditionally been difficult to fill.

Information Technology – Karen Allen shared that Tonya Archuleta is prepared to make the billing changes to support the upcoming rate change. She has been testing the new rates for April billing and is ready to roll those out. Walch noted that GVP has a very low tolerance for billing errors and appreciates that Tonya recognizes how important that is. Allen also noted there are many patches coming out for software and systems in use by GVP and the IT department is working hard to stay on top of this increasingly more critical task.

Operations – Bill Barlow reported that CREA Job Safety and Training Instructor Jesse Peeler visited GVP last week. During a crew observation he witnessed GVP's crew deal with a near miss caused by a splice failure that occurred when replacing a pole. An outage resulted, but power was restored, and the job was completed in a safe and timely manner. Peeler indicated that he was impressed with how the crew handled the situation.

Communications – *Colorado Country Life* Reader Survey Review – Rita Sanders shared the results of the 2022 Colorado Country Life (CCL) Reader Survey, which demonstrate that the print magazine is a critical component of GVP's communications strategy. The survey revealed that 73% of CCL readers across the state of Colorado say the magazine is their preferred source of co-op news and 81% of respondents regularly read Colorado Country Life magazine, devoting an average of 32 minutes per issue.

Sanders also shared the recipients of Grand Valley Power's scholarship program awards. The Scholarship Selection Committee spent a full day reviewing 28 applications for eight scholarships and selected the student winners from among homes served by Grand Valley Power. The winners will be notified in the coming days. Sanders noted that she attended the first meeting of Grand Junction's Electric Vehicle (EV) Working Group and will attend again with Smith. Sanders will be at the New Co-op Communicators Orientation next week at NRECA headquarters in Arlington, VA.

Finance and Accounting – January 2023 Financial Reports – Kanda provided a summary of the January 2023 financials. Directors discussed the seasonal trends in Line Loss and the impact of the 2022 rate restructure on members’ bills, including other factors (fuel cost adjustment) and what will be included in a future analysis of the impact. Kanda reported on disconnects and write-offs. He noted that to date, \$796,962 in Grand Valley Power Cashback Credit checks have been cashed.

In observance of his last meeting before retirement, Kanda thanked the Board of Directors and expressed his gratitude for their support.

III. CEO Report

Staffing Update – Tom Walch noted that Grand Valley Power has posted a Customer Service Representative (CSR) position to fill the vacancy left by Lauren Phelp’s job change. Walch said that Sarah Wheeler will move into a newly partitioned office when the furniture arrives and then Lauren will move to Sarah’s cubicle. Walch also noted that GVP will change the title of the new Accounts Payable Clerk position on its organization chart to Accounting Specialist and will post the job internally in the coming weeks. Other than the engineering supervisor position, Grand Valley Power will be fully staffed after the CSR and accounting positions are filled.

Legislative Report – Walch shared that the Colorado legislature approved a designation for Lineworker Appreciation Day to be observed on April 18. Walch said the Sierra Club is floating a partially drafted bill to expand the clean energy plan filing requirement to include more organizations. Traditional co-ops have voiced support for the effort. Walch also noted that Xcel has delivered a second response to the FERC complaint filed by GVP and other wholesale customer cooperatives.

Employee Survey Review – Walch noted that he has invited small groups of employees or individuals to voice their concerns and ideas to him and share what specific improvements GVP should focus on. He will then develop a plan to address concerns. Grand Valley Power is exploring an investment in training at multiple levels to continue to develop future leaders.

MOTION: Motion by Rooks, second by Coltrinari to approve the CEO report; unanimously carried.

IV. Consent Agenda

MOTION: Motion by McClaskey, second by DeYoung to approve the consent agenda; the motion unanimously carried.

Sandeen-Hall noted that she is getting emails from NRECA concerning director topics and shared one about a book on the Boeing Max 737 aircraft. In the book, the author discusses how Boeing’s board impacted the development of the aircraft by not focusing on safety. The author pointed out to directors that it is not just the job of a company’s managers to be concerned about safety, but it should also be a priority for directors.

V. Approve Banking Resolutions Changing Authorized Signatures on Depository Accounts

Walch shared that GVP is removing Pat Kanda and adding Joseph Michalewicz to documents authorizing signatures on depository accounts at Alpine Bank on behalf of Grand Valley Power. Hurd confirmed the documents are necessary for Grand Valley Power to conduct business operations.

MOTION: Motion by Woods, second by Burtard to approve the banking resolutions changing authorized signatures on depository accounts; the motion unanimously carried.

VI. Executive Session – Personnel Matters, Power Supply RFP Update, Legal Update

MOTION: Motion by Mease, second by Woods to convene an executive session for the purpose of discussing personnel matters, for receiving a privileged power supply RFP update and for receiving a privileged legal update; unanimously carried.

Executive session convened at 11:47 a.m.

Regular session reconvened at 4:55pm.

MOTION: Motion by DeYoung, second by Woods authorizing the Board President to finalize and deliver the CEO evaluation consistent with the board's discussion in executive session; unanimously carried.

MOTION: Motion by DeYoung, second by Coltrinari authorizing the Board President to negotiate an employment agreement with CEO Tom Walch, reflecting both discussions in executive session and executive compensation information from Colorado cooperatives, and to present that agreement for approval at the April 2023 board meeting; unanimously carried.

VII. Attorney's Report

Hurd reported that key legal issues had been covered in executive session.

VIII. CREA Report

The CREA report was provided in writing and included in the board packet.

IX. WUE Report

The Western United report was provided in writing and included in the board packet.

X. Continuing Business

None.

XI. New Business

None.

MOTION: Motion by DeYoung, second by McClaskey to adjourn; unanimously carried.

Meeting adjourned at 5:02 p.m.

Rita Sanders, Assistant Secretary

Carolyn Sandeen-Hall, President