

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

Regular Meeting

September 20, 2023

I. Call to Order, Pledge of Allegiance, Roll Call

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, September 20, 2023, at 845 22 Road, Grand Junction, Colorado. President Janie VanWinkle called the meeting to order at 5:00 p.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	present
Kyle Coltrinari	present
Gary DeYoung	present
Joe Landini	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; Joseph Michalewicz, Chief Financial Officer; Matt Williams, Chief Operating Officer; Rita Sanders, Director of Marketing & Communications; Bill Barlow, Operations Manager; Karen Allen, Information Technology Manager; Destry Smith, Energy Services Administrator; Sarah Abbott, Attorney.

II. Approve Minute Record of August 16 Regular Board Meeting

**MOTION:** Motion by Sandeen-Hall second by Coltrinari to approve the minutes of the August 16, 2023, regular meeting; unanimously carried.

III. Approve Agenda

**MOTION:** Motion by Rooks second by Burtard to approve the agenda; unanimously carried.

IV. Guests and Public Comments

None.

V. Staff Reports

Information Technology – Karen Allen reported that she and Tonya Archuleta traveled to the NISC Member Information Conference (MIC), which was informative and energizing. She said that Grand Valley Power has new mobile device management software and needs cooperation from directors to install the new client on their devices.

Operations – Bill Barlow shared that on the morning of September 6, Grand Valley Power experienced an outage that impacted 1,200 members. Xcel had shut down a substation for maintenance without providing proper notice, and a new dispatcher at DMEA had okayed the shutdown without notifying GVP. Our crews immediately responded and completed necessary switching to restore power. Barlow contacted Xcel, which attributed the error to personnel turnover. New managers in charge of the

maintenance work were not familiar with notification procedures used in the past. Directors discussed how the outage would impact SAIDI outage minutes. Member Services –Destry Smith reported Grand Valley now has 1,070 distributed generation customers and has received 240 new applications this year compared to a total of 255 applications last year. Smith said he participated in the Grand Junction Chamber Youth Professional Summit, and that he and Sanders attended the second part of the Principles of Leadership training. Smith said he conducted an energy audit with a distributed generation customer and helped them understand their net-metering use. He also hosted the new Preferred Solar Installers workshop. Four companies attended, and he will offer additional workshops as installers express interest.

Communications – Rita Sanders shared that Grand Valley Power will hold an employee breakfast fundraiser on the morning of October 18 to benefit Go Baby Go and its annual, safety focused GLOW Halloween event on October 31. The employee Christmas Party will be held on Dec. 15 at Absolute Prestige Ranch. She will email directors to invite them to help cook breakfast.

Human Resources – Derek Elder reported the vacant lineman position is posted and so far, GVP has three qualified applications. It is open through Sept. 29.

Elder shared that management staff members are covered by NRECA medical insurance. This insurance costs employees significantly more than the LineCo insurance available for GVP bargaining unit employees. Elder said that because there is a \$1,500 cap on the amount that Grand Valley Power contributes to staff healthcare premiums, all increases in recent years have been borne by employees. The insurance is basically catastrophic coverage because it is a high deductible (\$5,000) plan with a \$468/month premium out of pocket. Elder said that as GVP hires new employees, particularly those with children, they have been more concerned about the cost of health insurance. In several instances the high cost of health insurance has negatively impacted recruitment efforts for staff members. The leadership team proposes maintaining the 85/15% split for staff health insurance premiums but eliminating the \$1,500 cap on GVP's portion. This would cost GVP an additional \$2,300 per month or \$28,000 for the year.

**MOTION:** Motion by Rooks second by Sandeen-Hall to remove the cap on the co-op contribution to staff health insurance plans; unanimously carried.

Engineering – Walch shared that as part of the Empowering Rural America New ERA program, the federal government has approved \$9 billion for the clean energy transition, \$2 billion of which is reserved for smaller co-ops. The application process was announced in late July. Because the application process is complex, and the deadline for submissions was tight, Grand Valley Power engaged a consultant to assist with its submission.

Williams reported that if the submission is successful, it could provide significant savings on future power purchases. The grant would also involve Redlands Water and Power, with GVP benefiting from locally generated hydropower during peak periods.

Walch said the consultant suggested that GVPS' project scores better than others they had worked on.

Williams also prepared a Letter of Intent for the PACE program and has received a request for additional information.

Finance – Michalewicz provided a summary of the June financials. He reported on the disconnects and write-offs. He noted that GVP did well on net margins in July, which is important because margins are lower during the shoulder months with time-of-use rates. The board scheduled a Key Ratio Trend Analysis (KRTA) review with National Rural Utilities Cooperative Finance Corporation at 2 p.m. on October 10 with a staff review at 9 a.m. on October 11.

Walch said GVP is exploring scheduling strategic planning during the April 2024 board meeting. It would be a full day on April 16 and a half day on April 17.

## VI. CEO Report

Power Supply Update – Walch reported that Tri-State developed a “reverse RFP” seeking bids from prospective purchasers for excess power in its portfolio. He also said that Xcel and United Power have a new agreement, the details of which have not been released.

Legislative Report – Walch reported that he has received positive feedback from municipal utilities on his testimony at the Colorado Energy Office’s listening sessions on solar and net-metering requirements and policies. The CREA board discussed the topic and said it supports the legislation and policies that are in place.

Walch said Holy Cross is seeking an amendment to the Colorado law that would not change the current legislation on net-metering rate structure but would allow a cooperative to adjust its rate structure to include a delivery charge if specific net-metering penetration thresholds were reached.

Walch referred to a letter he received from a member in response to his *Colorado Country Life* column encouraging members to sign up for paperless billing. The member suggested that Grand Valley Power incentivize people to go paperless. Walch confirmed with the board that GVP should invest time in promoting the cost-saving paperless billing and payment methods to the membership.

Walch said he is up for re-election on the NISC board and is running unopposed. He noted that a new director orientation put on by NRECA, CFC and Federated Rural Electric Insurance Exchange will be held January 31-February 2. Walch said that while he was in Denver to attend the NISC MIC, he also attended an open house for CORE, which had the feeling of a street fair focused on safety.

**MOTION:** Motion by Sandeen-Hall second by Mease to approve the CEO report; unanimously carried.

## VII. Consent Agenda

**MOTION:** Motion by DeYoung second by Woods to approve the consent agenda items; unanimously carried.

## VIII. Establish Date, Time, and Venue for 2024 Annual Membership Meeting

GVP has held two dates for the 2024 annual meeting: August 1 and August 8, to give the board an opportunity to choose. August 1 lands on the first Thursday in August. Staff recommended the later date, as it tends to produce better attendance.

**MOTION:** Motion by Woods second by Sandeen-Hall to hold the 2024 annual membership meeting on August 8 at Colorado Mesa University at the same time as previous meetings; unanimously carried.

## IX. Review and Approve Resolution R23-06 Change in Authorized Signatories

Walch noted that the resolution allows changes to conform with the new board officers.

**MOTION:** Motion by DeYoung second by Coltrinari to approve Resolution R23-06 Change in Authorized Signatories.

## X. Appoint Delegates to Colorado NRECA Membership Meeting

The board appointed Brian Woods to be the delegate and Sandeen-Hall as the alternate for the Colorado NRECA Membership Meeting.

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

**MOTION:** Motion by Landini second by Sandeen-Hall 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 6:41 p.m.

Regular session reconvened at 7:58 p.m.

XII. Attorney's Report

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

XIII. Colorado Rural Electric Association Report

Woods encouraged the board to review a white paper published by CREA about net-metering in Colorado.

XIV. Western United Electric Supply Report

Mease reported that WUE has seen reduced sales for the past three months. In particular, sales are down by 30% in Colorado, Wyoming, and Nebraska.

XV. Continuing Business

None.

XVI. New Business

None.

XVII. Adjourn

**MOTION:** Motion by DeYoung second by Sandeen-Hall to adjourn; unanimously carried.

Meeting adjourned at 8:02 p.m.

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Rita Sanders, Assistant Secretary

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Janie VanWinkle, President