

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

Regular Meeting

June 18, 2025

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, June 18, 2025 at 845 22 Road, Grand Junction, Colorado. Vice President Jesse Mease called the meeting to order at 9:01 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Joe Burtard	present
Kyle Coltrinari	present
Gary De Young	present
Lindsay Gray	present
Joe Landini	present
Jesse Mease	present
Carolyn Sandeen-Hall	present
Janie VanWinkle	present
Brian Woods	absent

Others present: Derek Elder, Chief Operating Officer; Joseph Michalewicz, Chief Financial Officer; Rita Sanders, Director of Member Services & Communication; Bill Barlow, Manager of Operations; Walter Fees, Manager of Engineering; Sarah Wheeler, Manager of Accounting and Human Resources; Tonya Archuleta, Member Support Supervisor; Jimmy Weber, Network & System Administrator; Jesse Peeler, Safety and Compliance Coordinator; Kobi Webb, Attorney.

II. Approve Minute Record of May 21 Regular Board Meeting

MOTION: Motion by Gray second by Sandeen-Hall to approve the minutes of the May 21, 2025 regular meeting; unanimously carried.

III. Approve Agenda

MOTION: Motion by Sandeen-Hall second by Landini to approve the agenda with an amendment to add an update on the Shoshone Water Rights contribution under the Management Report; unanimously carried.

IV. Guests and Public Comments

Present: Tyler McDermott of Western Colorado Alliance for Community Action; and Michael A. Shideler, member.

GVP Contract Lobbyists Steve Balcerovich and Tim Coleman presented virtually on the upcoming legislative session.

V. Staff Reports

Elder introduced Jesse Peeler, Grand Valley Power's new safety and compliance coordinator. Peeler was a lineworker before serving as CREA's job training and safety instructor. Elder shared that the cooperative recently terminated a lineworker who served in a specialized position, and that the position would be filled internally. He said a journeyman lineworker position would be posted soon.

Member Services and Communication – Sanders reported on preparations for the annual meeting and presented the Annual Report, which will be mailed to members July 7. She said ballots will be mailed July 8 to members. Information about the meeting and election and an RSVP form will be on the GVP website in the next two weeks. She said director candidates have until this weekend to turn in a series of answers to questions that will be posted on the Director Election web page for members.

Sanders and Archuleta highlighted a new Shared Savings marketing program that will be launched at the annual meeting and in the August issue of *Colorado Country Life* magazine. The program incentivizes paperless billing and automatic bank draft payments.

Sanders invited directors to attend Movies under the Stars in Glade Park on Friday, June 20 and reminded them to RSVP for the GVP Summer Picnic on July 10 at Bananas Fun Park. Directors discussed the annual meeting.

Information Technology – Weber reported that Grand Valley Power conducted its annual penetration test, which is a simulated attack on GVP's cybersecurity system. Weber said the test went very well, and no high or critical issues were discovered, which is rare. He said the test revealed some medium and low issues that will be evaluated and addressed. Weber said that GVP's third-party security software, SkyHelm, also detected the penetration test and shut it down immediately. Weber also reported that the redundant internet circuit is up and running and will provide a backup solution in case GVP's primary internet source goes down.

Engineering – Fees shared that the new transformer is installed at Highline and has been tested, but that the old transformer is non-operational as its bushings started leaking. Operations evaluated different types of bushings with lead times up to one year and ordered replacement bushings that have about 4-months lead time. Fees said the new transformer will handle the capacity until the old one can be repaired.

Safety – Peeler provided an update on safety and compliance through his first three weeks on the job. He noted he delivered his first monthly employee training, which covered working in the heat. Peeler reported that he also recertified lineworkers on traffic flagging. He is a certified trainer for the state and, going forward, will provide the bi-annual training in house.

Operations – Barlow reported that Grand Valley Power recently held a cross-department tabletop exercise based on a crisis that occurred a few months ago. The team practiced its response to an hours-long power outage caused by a traffic accident. The incident involved first responders as well as another utility and impacted Fruita Middle School operations. Barlow said that out of the exercise the team developed new guidelines for working with emergency services and the school district, as well as Crisis Communications procedures for outages, including using an internal Teams chat for communication.

Finance – Michalewicz provided a summary of the monthly financials and reported on the disconnects and write-offs. He noted that Distribution equity, currently above 39%, will decline due to projects and grants that will require cash expenditures for materials. He shared that collections also spiked in May because a commercial account declared bankruptcy and left a large debt with GVP.

Michalewicz reported that Grand Valley Power is expanding the fenced area in the back of the property and has installed a culvert. The area will be used for overflow materials and equipment for grant projects, as well as contractor parking. The work is Phase 1 of a 3- to 4-year project.

Michalewicz reported that Federated Insurance will no longer allow two-year renewal policies for insurance and has changed to one-year policies going forward, which will have implications for the cooperative's insurance rates. Michalewicz shared the options for when policy renewal could occur during the year and recommended an August 1 renewal date to coincide with higher cash flow, which could earn a better rate.

Michalewicz reported on the Aspen Park grant. He noted that an additional piece of equipment for switching is needed, and it has a 50-week lead time. Simultaneously, an Osprey has built a new nest in range of the project. Originally the project's work was to be completed this year, but the Colorado Energy Office has granted an extension to December 31, 2026 and will pay half of any additional costs.

Elder said that Grand Valley Power lineworkers will participate in the LightUp Navajo project in New Mexico in July. He noted that the grant extension will help spread out the work and prevent anticipated worker shortages.

VI. Management Report

Compensation Study – Elder reported that Grand Valley Power engaged with Dan Bruning, compensation consultant, to conduct a compensation study that will be reviewed in Executive Session. Elder said the study will benefit the cooperative by providing a fair analysis of wages as GVP enters negotiations with union employees. Overall, the analysis showed that GVP is at 97%, or just below the compensation midpoint. The study shows that the board has provided a fair budget to administer salaries and wages, and management has administered those wages across the board. Elder said Grand Valley Power continues to attract and retain a good quality workforce.

Shoshone Water Rights Contribution Update – Elder updated the board that the Colorado River District is looking to solidify its commitments and contacted Grand Valley Power about its contribution. He provided that last July, the board committed to contributing \$100,000 over a two-year period with the stipulation that the funds must be donated to a 501(c)(3) to benefit the purchase of the water rights. Elder said the first option the River District proposed for making the donation doesn't comply with the cooperative's policy, which requires the donation be given to a 501(c)(3). He said Colorado River District has suggested a second option, which is to donate the funds to a 501(c)(3) that would earmark the donation for the purchase of the Shoshone Water Rights. Elder said GVP is working with the Colorado River District to find solutions and will keep the board updated. The cooperative is trying to work within the parameters of the original resolution, comply with GVP policy, and meet the needs of the Colorado River District. The board discussed the options and said it is willing to continue the conversation around solutions.

Power Supply Update – Michalewicz provided a review of the 2024 Production and Transmission True-Up. He noted that GVP anticipates receiving a net credit of \$111,000 from the Public Service Company of Colorado (PSCo) for transmission true up. The funds will be added to the existing surplus account.

MOTION: Motion by Sandeen-Hall second by De Young to accept the Management Report; unanimously carried.

VII. Consent Agenda

MOTION: Motion by De Young second by Landini to approve the consent agenda items; unanimously carried.

VIII. Executive Session – Personnel Matters, Power Supply, Privileged Legal Report

MOTION: Motion by Coltrinari second by Sandeen-Hall to convene an executive session for the purpose of discussing personnel matters, for receiving a privileged power supply update and for receiving a privileged legal report; unanimously carried.

Executive session convened at 11:32 p.m.

Regular session reconvened at 12:28 p.m.

MOTION: Motion by VanWinkle second by Burtard to appoint Directors Coltrinari and Sandeen-Hall to participate in bargaining unit negotiations.

MOTION: Motion by Coltrinari second by Mease to authorize the negotiating committee to enter into an agreement within the rate range identified during executive session.

IX. Attorney's Report

Webb reported that the Election Supervisory Committee met and certified four director petitions for the 2025 Director Election: Kyle Coltrinari, Gary De Young, Andrew Golike, and Michael A. Shideler. The committee drew for random order on the ballot and determined that candidates would be rotated on an equal number of ballots.

X. Director Reports on Conference and Training Activities

Elder said NRECA's Summer School for Directors will be held July 11-15 in Colorado Springs, and directors can register on cooperative.com

XI. Colorado Rural Electric Association Director's Report

Mease reported that the Hotline school was held last month.

XII. Western United Electric Supply Director's Report

Mease reported that Western United is carrying \$67 million of inventory and continues to right-size inventory. The cooperative is considering opening a branch in eastern New Mexico to service Texas.

XIII. Continuing Business

Member and Community Relations Committee – Director Sandeen-Hall said that the board approved last month a contribution in honor of Pat Kanda to the Clifton Lion's Club as well as HopeWest and the Central High School tutoring program. Central High School is making administrative changes, but the secretary, Ann Bricker, spoke at his funeral and said the school provides Kanda Bucks in his memory to encourage kids in their math studies. Sandeen-Hall said GVP could support the program by dividing the \$2,500 contribution into five equal installments spread over five years. Sandeen-Hall asked if the board agrees to converting the one-time contribution into an equal five-year commitment in support of Kanda Bucks for students. The board agreed.

Michalewicz shared that Grand Valley Power is exploring an October 3 Memorial Golf Tournament in honor of Pat Kanda. Funds raised would be donated to charitable organizations in Pat's name.

XIV. New Business

None.

XV. Adjourn

MOTION: Motion by Landini second by De Young to adjourn; unanimously carried.

Meeting adjourned at 2:42 p.m.

Rita Sanders, Assistant Secretary

Jesse Mease, Vice President