

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

Regular Meeting

March 17, 2021

The Board of Directors of Grand Valley Rural Power Lines, Inc., met in regular session on Wednesday, March 17, 2021 at 845 22 Road, Grand Junction, Colorado. In order to comply with COVID-19 social distancing guidelines, the board meeting utilized audio and video platforms allowing remote participation by directors, staff members, cooperative members and the public at large. President Sandeen-Hall called the meeting to order at 9:00 a.m. Attendees recited The Pledge of Allegiance.

ROLL CALL:

Don McClaskey	present
Sylvia Spangler	present
Janie VanWinkle	present
Dennis Haberkorn	present
Rod Martinez	present
Bill Rooks	present
Carolyn Sandeen-Hall	present
Jesse Mease	present
Joe Burtard	present

Others present: Tom Walch, CEO; Derek Elder, Corporate & Member Services Manager; Christmas Wharton, Communications Manager; Matt Williams, Engineering Manager; Thomas Wright, Staff Engineer; Gary Billiet, Purchasing and Warehouse Manager; Pat Kanda, Finance Manager; Joe Michalewicz, Controller; Sarah Wheeler, Benefits Administrator; Bill Barlow, Operations Manager; Karen Allen, Information Technology Manager; Tonya Archuleta, Applications Analyst; Gregg Kampf, Attorney.

MOTION: Motion by Martinez second by Haberkorn to approve the minutes of the February 17, 2021 regular meeting; carried.

Walch requested the agenda be amended to include an Executive Session during the CEO report to discuss contract interpretation/legal dispute issues.

MOTION: Motion by Haberkorn second by Mease to approve the amended agenda; carried.

I. Guests and Public Comments

Walch noted that Jeff Hurd with Ireland Stapleton Pryor & Pascoe, PC will be joining the meeting around 10:00.

II. CEO's Report

Staff Reports

Walch recognized Wharton for achieving the Certified Cooperative Communicator certification. Walch noted that the certification demonstrates professional competence within the communications field and detailed knowledge of the cooperative industry.

Coronavirus Continuity Plan – Walch noted that GVP continues to follow Mesa County Health Department guidelines while resuming normal business operations. Walch shared optimism that Mesa County will be able to fully re-open by May 1.

Communications – Wharton provided an update on the scholarship selection process, reporting that the Scholarship Selection Committee will meet on March 23 to review the applications and select recipients. Wharton also provided an update on the Lineworker scholarship. Wharton reviewed the Hometown Relief Fund program, noting that the program is currently set to expire on March 31. She reported that the program has awarded \$64,000 to GVP members who were financially impacted by COVID-19. VanWinkle asked if the requests for assistance have tapered off. Wharton shared that the requests have slowed over the last few months. The consensus of the board was to allow the program to expire on March 31.

Wharton shared an opportunity for directors and key members to participate in a pilot text and email communication's plan beginning in April.

Member Services – Elder provided a staffing update. Elder reported that GVP will begin providing notice about GVP's election process in the April *Colorado Country Life* magazine. He noted that the election process information will be published in April, May and June with petitions being available to be picked up beginning on May 3. Elder provided a summary of member satisfaction follow-up survey cards.

Warehouse – Billiet provided an update on the construction project for the road accessing the warehouse and yard. Billiet noted that the project is scheduled to begin on May 31 and be completed by July 1. Billiet indicated that GVP is working with Ute Water regarding access during the construction. Mease asked if lead times for material from Western United are stabilizing. Billiet noted that GVP continues to receive material in a timely manner. Haberkorn noted that Western United is giving co-ops priority on delivery of materials.

Engineering – Williams shared that number of new service requests continues to increase and, along with that, service planner workload has also increased. Williams provided an update on a new statute that requires engineering studies and certifications prior to boring under state highways. Williams noted that this will add up to \$10,000 to the cost of projects subject to this new law.

Operations – Barlow shared that Scott Bradley has been named as GVP's new serviceman/patrolman and Leif Karo was tabbed to fill Bradley's serviceman position. Barlow noted that the construction along G Road is progressing well and should be finished next month. Haberkorn shared appreciation for the construction crew working on the project and their focus on keeping traffic flowing with minimal impacts.

Walch noted that Ward Construction approached GVP regarding an extension of its open-end line construction contract with GVP. Walch asked for board input regarding such an extension. Haberkorn asked if staff is satisfied with the work that Ward Construction is performing for GVP. Barlow noted that Ward is very responsive and performs work in a safe manner. The board directed Walch to continue negotiations with Ward, seeking to limit any increase to a reasonable amount.

IT – Allen shared that she was selected to be a presenter in a CREA "Lunch and Learn" web series. Allen noted that directors should have received an informational email from CREA and encouraged directors to contact her if they have questions about the webinar series. Allen provided a report on an audio/visual update in the engineering conference room. Allen praised IT staff members Jimmy Weber and Tonya Archuleta for their work behind the scenes on special projects. Walch noted that Archuleta's approach to management of the Xcel Fuel Cost Adjustment (FCA) Pass Through billing process has been exceptional, as she worked with Controller Joe Michalewicz and other staff members to develop cost effective and timely solutions to complex billing challenges.

Finance – Michalewicz provided an update on the Cost-of-Service Study (COSS) process. Michalewicz noted that GVP selected GDS to perform the COSS for GVP. He indicated that GDS will be collecting data in April and focusing on forecasts in May. Preliminary recommendations will be made in June and firmed up in time for the July board meeting.

Kanda provided a summary of the monthly financial reports. Kanda reviewed the disconnects and collections report for February. Kanda reported that \$1,075,000 of the 2020 CashBack Credits have been cashed. Kanda shared that Kevin Kelso plans to have the financial audit presentation ready for the April board meeting.

Power Supply – Jeff Hurd joined the board meeting.

MOTION: Motion by McClaskey second by Mease to convene an executive session to discuss contract interpretation/legal dispute issues; carried.

Executive session convened at 10:29 a.m.

Regular session reconvened at 11:30 a.m.

Walch provided a summary of the Xcel FCA Pass Through impacts. Walch noted that GVP received notice that the Xcel FCA for the month of February is \$2,371,000. Walch reviewed the communications plan and timeline for communicating with members regarding the FCA.

MOTION: Motion by Martinez second by Mease to provide authority for the CEO to enter into agreements for legal and consulting services relating to Xcel FCA Pass Through issues as proposed during executive session; carried.

Legislative Update – Walch shared an update on the HB 21-1131, the Cooperative Governance Bill. Walch stated that GVP is already in compliance with the proposed updates in HB 21-1131. Walch noted that the Wildfire Mitigation bill, which would limit cooperative liability in connection with wildfires, is garnering bi-partisan support. Walch shared appreciation for CREA's efforts to push the bill through. Haberkorn inquired if Sangre de Cristo has received any pushback regarding their monthly fee to fund wildfire mitigation efforts. Walch noted they have received pushback from some members, but it is believed that the cooperative has considerable support, as but Sangre de Cristo's exposure to wildfires is significant. Walch reported on the RTO legislation and noted that it is still moving forward.

MOTION: Motion by Haberkorn second by Spangler to approve the CEO report; carried.

MOTION: Motion by Martinez second by McClaskey to approve the consent agenda items; carried.

III. Consider Rescheduling June Board Meeting

Sandein-Hall asked for director input regarding a possible date change for the June board meeting due to a conflict with the CFC Forum scheduled for June 14-16.

MOTION: Motion by Mease second by Martinez to move the June 2021 board meeting to June 17; carried.

IV. Executive Session – CEO Performance Review and Salary Adjustment

MOTION: Motion by Mease second by VanWinkle to convene an executive session to discuss the CEO performance review and salary adjustment; carried.

Executive session convened at 1:15 p.m.

Regular session reconvened at 2:25 p.m.

MOTION: Motion by Mease second by Spangler to approve the CEO evaluation as proposed during executive session; carried.

MOTION: Motion by Haberkorn second by Mease to approve a 5% salary increase for the CEO to be effective January 1, 2021; carried.

V. Attorney's Report

Kampf noted that he will be meeting next week with CenturyLink regarding a proposed pole attachment agreement. Kampf shared that he has worked with Wharton regarding email notifications. Kampf noted that he has worked with Williams to update contract language.

VI. CREA Report

Martinez noted that CREA board notes were included in the board packet. Martinez reminded directors to sign up for the April 6 cybersecurity training through CREA.

VII. WUE Report

The Western United report was included in the board packet.

VIII. Continuing Business

Walch reported that the Colorado Public Utilities Commission opened a miscellaneous docket to review the Fuel Cost Adjustment for retail customers.

IX. New Business

Rooks shared information from the U.S. Senate: Committee on Agriculture regarding CO2 injection into the ground.

MOTION: Motion by McClaskey second by Martinez to adjourn; carried.

Meeting adjourned at 2:40 p.m.

Derek Elder, Assistant Secretary

Carolyn Sandeen-Hall, President