

Yampa Valley Electric Association, Inc.
Regular Meeting of the Board of Directors
Tuesday, February 23, 2021
2211 Elk River Road
Steamboat Springs, CO 80487

Chairman Tom Fox called the meeting to order at 9:00 a.m.

1. Call to Order

Upon calling roll, it was reported that the following were present at the Steamboat Springs office: Director Tom Fox, General Manager Steve Johnson, and Board Secretary Larissa Rock. The following were present via video conference: Directors Dean Brosious, Scott McGill, Jean Stetson, Ken Rogers, Patrick Delaney, Debbie Cook, Glynda Sheehan, and Sonja Macys; General Counsel Bryson Fredregill; Finance Manager Amy Mahon; Engineering Manager Benj Hoffner; Energy Solutions Manager Megan Moore-Kemp; and Power Supply Advisor Bill Leung. There were no members present via conference call.

2. Executive Session

A motion was made, duly seconded, and passed unanimously that the board of directors go into an executive session to consider documents and testimony given in confidence, and the general topics of such executive session will be to discuss and consider the items listed under “Section 2. Executive Session” of the February Regular Meeting Agenda posted on the YVEA website and in the YVEA offices on February 12, 2021. The topics listed under “Section 2. Executive Session” of the agenda include YVEA and Luminate COVID-19 response plans; YVEA personnel matters; power supply; Association-owned property matters; potential litigation items; broadband construction update, personnel update, operations update, grant opportunities, and asset acquisitions. Mr. Fox added that confidential discussion in Executive Session would also include director tenure discussion. Directors, General Manager, Board Secretary, and General Counsel were in attendance during such executive session. Finance Manager Amy Mahon, Engineering Manager Benj Hoffner, Energy Solutions Manager Megan Moore-Kemp, and Power Supply Advisor Bill Leung were present only for the portion of executive session where power supply information was discussed. Such executive session convened at approximately 9:05 a.m.

A motion was made, duly seconded, and passed unanimously that the board of directors exit executive session, take a brief recess, and return to open session at approximately 12:00 p.m.

Finance Manager Amy Mahon; Engineering Manager Benj Hoffner; Member Services Manager Kelli Richers; IT Manager Kelli Root; Operations Manager John Cromer; Human Resources Manager Randi Owens; Energy Solutions Manager Megan Moore-Kemp; and Luminate Broadband VPO Chris MacIntyre joined the meeting via video conference. Member Ray Beck joined the meeting via conference call.

3. Approval of Minutes

The board reviewed the minutes from the January 26, 2021 regular monthly board meeting.

A motion approving the minutes from January 26, 2021 as presented was made by Mr. Delaney, duly seconded by Ms. Sheehan, and passed unanimously.

4. Member-owner Comment

There were no member-owner comments.

5. Director Comments

Board members offered their appreciation to Ms. Stetson for her service as Director for District 3.

Mr. Delaney complimented Luminate Broadband's service in Hayden.

Ms. Macys provided an overview of Colorado legislation surrounding electric vehicles with regard to public transit, electric fleets, and infrastructure.

INFORMATION ITEMS

6. General Manager's Report

Mr. Johnson provided a comprehensive overview of the business conducted internally at YVEA and Luminate Broadband. Mr. Johnson noted that the annual audit is nearing completion and looks to be a favorable audit. Construction season is ramping up for both YVEA and Luminate and staff is working to secure contractors to assist in completing Construction Work Plan projects throughout the territory. Mr. Johnson noted that staff is currently reviewing locations for a level three electric vehicle charging station.

Mr. Johnson explained that with the addition of electric vehicles and EV charging stations, the potential for capacity issues also arises, adding that the addition is welcome and YVEA plans to ensure its system can accommodate the load prudently, keeping members educated as to capacity issues.

Mr. Johnson announced that through the grant process Luminate Fiber, LLC. has been awarded approximately \$21,800,000.00 in grant funding through the Federal Communications Commission's Rural Digital Opportunity Fund program auction.

Board members and staff discussed timely procurement of materials during the COVID-19 pandemic. Ms. Mahon noted that standard equipment such as transformers have been difficult to procure.

7. Staff Reports

The Finance, Facilities, and Warehouse Report as prepared by Amy Mahon was reviewed and discussed. Ms. Mahon announced the addition of a purchasing agent to YVEA staff and clarified that the benchmarks utilized in the finance report are industry standards identified by National Rural Utilities Cooperative Finance Corporation. Ms. Mahon noted that the Association's awarded grants from the Payment Protection Program have been forgiven.

The Customer Service Report as prepared by Kelli Richers was reviewed and discussed. Mr. Johnson noted that YVEA and Luminate offices will remain closed to the public until at least mid-March, following COVID-19 public gathering guidelines.

The Workforce Report as prepared by Randi Owens was reviewed and discussed. Board members and Ms. Owens discussed the impact that area housing and real estate inventory have on employee recruitment and retention.

The Engineering Report as prepared by Benj Hoffner was reviewed and discussed.

The Operations, Safety, and Fleet Report as prepared by John Cromer was reviewed and discussed. Mr. Cromer noted that fleet vehicles taken out of service are offered locally for sale or auction.

The Information Technology Report as prepared by Kelli Root was reviewed and discussed.

The Energy Solutions Report as prepared by Megan Moore-Kemp was reviewed and discussed. Board members and Ms. Moore-Kemp discussed the recent addition of an electric vehicle charging station in Yampa, Colorado.

The Luminate Broadband Report as prepared by Chris MacIntyre was reviewed and discussed. Board members and Mr. MacIntyre discussed construction progress throughout the territory.

8. CREA

Mr. McGill presented a comprehensive overview of the business conducted at the CREA board meeting.

9. Western United

Mr. McGill presented a comprehensive overview of the business conducted at the Western United board meeting.

10. Power Supply Update

There was no discussion.

ACTION AND DISCUSSION ITEMS

11. Review of the Unaudited Financial and Statistical Reports for January 2021

Board members and staff reviewed and discussed the unaudited financial and statistical reports from the month of January 2021 for YVEA. The board also reviewed the unaudited financial highlights for Luminate Broadband.

Ms. Mahon noted that the financials are not final and will not be accepted until the annual audit is closed.

12. Approval of Advice Letter 59: Proposed Rate Changes

Board members and staff reviewed an advice letter to be submitted to the Wyoming Public Services Commission for approval. The advice letter revises the current outdoor area and street lighting tariffs and includes a rate for LED lighting.

A motion approving advice letter 59 as presented was made by Mr. Delaney, duly seconded by Ms. Macys, and the motion passed unanimously.

13. Statewide Electric Rates Discussion

Mr. Johnson offered a summary of a statewide electric rates study published by the Colorado Public Utilities Commission. Mr. Johnson presented a comparison of YVEA's electric rates as they relate to the statewide average rates, noting that in most cases YVEA's rates are significantly lower than the average statewide rates per kilowatt hour. Mr. Johnson added that having a good understanding how YVEA compares to other cooperatives and IOUs across the state is important information for future rate studies and discussion.

COMMITTEE REPORTS

14. Policy Committee

There was no report.

15. Finance Committee

Board members and Mr. Johnson discussed the roles and responsibilities of the Treasurer. Mr. Johnson noted that a document summarizing this information will be presented to the board for continued discussion during March’s regular monthly board meeting.

OTHER ITEMS

16. Upcoming Meetings

Ms. Stetson announced that she will resign as Director for District 3, effective as of the adjournment of the March 23, 2021 monthly board meeting. Board members discussed the process of appointing a director to fulfill the remainder of Ms. Stetson’s term per the bylaws. Ms. Rock noted that she will work with interested members to validate their district representation and complete an application packet to be reviewed by the board prior to the March regular monthly board meeting, with the successful candidate being appointed after Ms. Stetson’s resignation.

17. Unfinished Business

There was no unfinished business.

18. New Business

Board members discussed the existing director district boundaries and definitions of the districts as defined by Association bylaws. Board members directed Mr. Johnson to work with legal counsel to prepare a summary of opportunities to eliminate overlapping of districts and allow for adequate representation for the districts.

19. Executive Session

There was no additional executive session.

20. Adjournment

A motion to adjourn this meeting of the directors of Yampa Valley Electric Association, Inc., was made, duly seconded, and passed unanimously. Chairman Tom Fox then declared this regular meeting adjourned at 1:50 p.m.

Chairman of the Board

Dated: March 23, 2021

Secretary of the Board

Dated: March 23, 2021