

**Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
October 15, 2019**

A regular meeting of the Board of Directors of Y-W Electric Association, Inc. was held at the office of the Association in Akron, Colorado at 10:00 a.m. on October 15, 2019.

ROLL CALL

President Roger Schenk called the meeting to order. Directors present were:

Chet Gebauer	Larry Winger
Craig Lambley	Joneal Young
Roger Schenk	Steven Schoenfeld
Jim Soehner	Stuart Travis

Manager Loutensock and Attorney Williamson were also present. Director Bob Bledsoe was absent. Director Larry Winger entered the meeting at 10:15 a.m. Director Craig Lambley entered the meeting at 1:07 p.m. Chet Gebauer entered the meeting at 2:15 p.m. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

It was properly moved, seconded and carried that the agenda be approved as presented.

PUBLIC COMMENT

There was no public comment.

NEW EMPLOYEE

Manager Loutensock introduced new employee, Justin Wert. Wert is an engineer.

Larry Winger entered the meeting.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the September 17, 2019 Board of Directors meeting
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 3-3 Service Rendered on Consumer's Premises
- d. Policy 3-4 Performance of Special Services for Members, Employees & Individuals
- e. Policy 3-5 Power Use Promotions Through Cash Contributions
- f. Capital Credit Refunds for estates of deceased members

The Consent Agenda was approved by unanimous consent.

2020 CAPITAL BUDGET

Y-W staff presented the 2020 capital budget and reviewed each item on the budget. It was properly moved, seconded and carried to approve the 2020 capital budget as presented in the amount of \$566,955.60.

FINANCIAL REPORT

Brandee Bullard presented the September Check Register. She presented the Statement of Operations, Operating Forecast, and Form 7, all through August.

Loutensock presented a 6-year history of Y-W's equity position. He presented the August consumer sales and loan rate comparison reports. Loutensock presented the September Tri-State power bill.

Bullard reported that Y-W Board Policy 4-8 sets 50-60% as Y-W's equity goal. Bullard and Loutensock presented their projection of Y-W's future equity position. Y-W will likely drop below 50% equity through 2020. The Board is comfortable operating below 50% through 2020.

President Schenk recessed the meeting at 12:07 p.m. for lunch and reconvened at 1:00 p.m.

ENERGY OUTREACH COLORADO

Brandee Bullard presented an analysis of Y-W's proposed contribution to Energy Outreach Colorado. It was properly moved, seconded and carried to approve the contribution as presented.

Craig Lambley entered the meeting.

EMPLOYEE WAGE COMMITTEE

Y-W employees Courtney Agan, James Lucero, Scott Porteus, and Stephanie Clarkson thanked the board for their benefits and the employee outing. Porteus presented the wage request from the employees. The employees requested a wage increase of 4%. Agan presented the employees' request for a four-day work week. The employees left the meeting. The board discussed the employees' requests. It was properly moved, seconded and carried to increase the employees' wages by 5.5%, effective January 1, 2020, with no planned increase for 2021. The employees re-entered the meeting. President Schenk informed the employees of the board's decision. The employees left the meeting.

Manager Loutensock requested authority to provide salary increases to staff level employees totaling \$21,500. It was properly moved, seconded and carried to authorize Loutensock to provide salary increases to staff totaling \$21,500.

Stuart Travis left the meeting.

OPERATIONS REPORT

Rod Dunker presented the third quarter operations report. There were no lost-time accidents in the third quarter. Dunker reviewed consumer incidents. He presented the Safety Report. He reported on safety meetings and training attended by employees. He reported on new services. He presented the Outage Report. He reported that there were no employee driving citations in the third quarter.

It was properly moved, seconded and carried to accept the Safety Report.

IT REPORT

Steven Marshall gave the IT report. He reported on computer replacements and the new phone system. He reported that he is replacing UPS batteries.

MEMBER SERVICES REPORT

Andy Molt reported on energy audits, rebates, scholarships, and renewable energy. Molt recommends holding the 2020 annual meeting of members on June 6, 2020.

President Schenk recessed the meeting at 3:20 p.m. and reconvened at 3:25 p.m.

HEADQUARTERS REPORT

Manager Loutensock reported on the status of the new headquarters building. The contractor is negotiating with the state regarding the fire suppression system. Loutensock presented financials for the headquarters.

Marjie Hottinger entered the meeting.

EXECUTIVE SESSION

It was properly moved, seconded and carried to go into executive session for confidential discussion regarding marketing of the existing headquarters buildings, with the following in attendance: All directors present at the meeting, Manager Loutensock, Marjie Hottinger, and attorney Williamson. It was properly moved, seconded and carried to exit executive session.

MANAGER'S REPORT

Manager Loutensock presented the delinquent account report. He presented thank yous. He reported on the status of the AMI project. He presented the CFC Board Report.

DONATIONS

Loutensock presented a summary of donations to FFA chapters in Y-W's territory. It was properly moved, seconded and carried to donate \$250.00 to each FFA chapter in Y-W's territory.

Loutensock presented a request from the Woodlin School Alumni group. The Board did not take action.

MEETING DELEGATES

The Y-W delegate to the Mid-West Electric annual meeting will be Craig Lambley and the alternate will be Jim Soehner.

The Y-W delegate to the Basin Electric annual meeting will be Craig Lambley.

GENERAL MANAGER REVIEW

The board discussed when to conduct Manager Loutensock's review. The consensus of the board was to conduct his review on February 4, 2020 during the board's strategic planning session.

WESTERN UNITED REPORT

Director Steven Schoenfeld reported that there was no meeting of the Western United Board of Directors.

TRI-STATE REPORT

Roger Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. He reported on Tri-State's financials. Tri-State's FERC filing was rejected, without prejudice. Schenk reported on his attendance at the Tri-State contract committee meeting. The committee will recommend an amendment to the contract that will allow each member to install community solar generation up to 2 MW, or 2% of the member's capacity, whichever is less.

MEETING ATTENDANCE

The board discussed who would be attending upcoming meetings and seminars.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 4:50 p.m.

SECRETARY

PRESIDENT