

Y-W ELECTRIC ASSOCIATION, INC.  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
April 21, 2020

A regular meeting of the Board of Directors of Y-W Electric Association, Inc. was held at the new headquarters of the Association, located at 26862 US Highway 34 in Akron, Colorado, at 1:00 p.m. on April 21, 2020.

ROLL CALL

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

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

Manager Loutensock, Rod Dunker, Andy Molt and Steve Marshall were also present. Director Jim Soehner, Attorney Williamson, Brandee Bullard, Marjie Hottinger attended via zoom video conference. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

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

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the March 17, 2020 Regular Meeting of the Board of Directors
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 5-2 Use of Cooperative Meeting Equipment
- d. Policy 5-3 Membership in Other Organizations
- e. Policy 5-4 Compliance with PCB Regulations
- f. Capital credit refunds for estates of deceased members

It was properly moved, seconded, and carried to approve the Consent Agenda.

MARCH BILLS

Trent Loutensock presented the list of bills paid by the Association in the month of March 2020.

## 2019 AUDIT

Kevin Kelso presented his firm's report of the 2019 audit of Y-W's financials via video conference. Y-W received an unmodified opinion.

It was properly moved, seconded, and carried to accept the Audit Report as presented.

Kelso left the meeting.

## FINANCIAL REPORT

Bullard reviewed the Statement of Operations, Investments, and Loan Rate Comparison through March 2020. Bullard reported that Y-W received final approval of its RUS loan. She presented the March Form 7.

Loutensock presented the February Operating Forecast, February Consumer Sales, and revenue and expense graphs. Loutensock presented the power bill through April 14, 2020. He also presented graphs of demand, energy, and cost per kWh through March 2020.

## REVOLVING LOAN FUND REQUEST

Brandee Bullard presented a loan request from Lazy Acre Beef Processing. Craig Lambley left the meeting during discussion of this request due to his personal relationship with the owner of applicant. The Board discussed the application and decided to deny the request as presented.

Lambley returned to the meeting.

## HEADQUARTERS REPORT

Manager Loutensock reported on the status of the new headquarters building.

## OIL PROCESSING PROPOSAL

Rod Dunker presented three options for oil storage and handling for the apparatus shop. Dunker recommended approval of option #1, the purchase of four 4,000-gallon oil tanks. It was properly moved, seconded, and carried to approve option #1 as presented.

## EXISTING HEADQUARTERS

Marjie Hottinger reported on the status of the sale of the existing headquarters building. Due to delays related to the Covid-19 Pandemic, Stockmens Bank requested an extension to the closing date. The consensus of the Board was to extend the closing date.

## OPERATIONS AND SAFETY REPORT

Rod Dunker presented the first quarter Operations Report. There were no lost-time accidents or consumer incidents in the first quarter. Dunker reported on safety training and new services.

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

## IT REPORT

Steven Marshall presented the first quarter IT Report. He reported on his work to enable employees to work at the new headquarters and home because of the Covid-19 Pandemic social distancing requirements.

## MEMBER SERVICES REPORT

Andy Molt presented the first quarter Member Services Report. He reported on energy audits, rebates, and the youth scholarship and youth tour. The 2020 youth tour has been cancelled. Molt asked if the Board would send two students on the 2021 youth tour. The consensus of the Board was to send two students in 2021.

It was properly moved, seconded, and carried to accept the IT and Member Services Reports.

## MANAGER REPORT

Manager Loutensock reviewed the delinquent accounts. He presented thank you notes. He reported on disconnect issues considering the Executive Order regarding utility disconnects. Loutensock reported on the results of the Board's strategic planning session. He reported on the status of the AMI deployment. He presented a request for a donation to the Workers' Compensation Coalition. It was properly moved, seconded, and carried to donate \$500 to the Workers' Compensation Coalition. Loutensock discussed the effects of COVID-19 and the precautions Y-W is taking. The offices remain closed to the public.

It was properly moved, seconded, and carried to donate \$1,000 to the Akron, Otis, Yuma, and Wray food banks.

## 2020 ANNUAL MEETING

The Board discussed options related to the 2020 Annual Meeting considering the Governor's Executive Order prohibiting gatherings of more than 10 people. It was properly moved, seconded and carried that, due to Covid-19 Pandemic restrictions, the 2020 Y-W Annual Meeting is canceled and the election of

Directors will continue by mail ballot only, maintaining the same deadlines currently set for the June 6, 2020 election.

### 2019 MARGIN ALLOCATION

Brandee Bullard presented the proposed allocation of 2019 margins. It was properly moved, seconded, and carried to approve the allocation as presented.

### ENGINEERING SERVICES CONTRACT

James Ziebarth reported that Y-W will need to engage an engineering services consultant to design the new \$301,094 Lonestar substation for a new load. The entire cost of the substation, including design, will be paid by the new indeterminate customer. It was properly moved, seconded, and carried to authorize General Manager Loutensock and staff to negotiate and execute a contract for the design of the substation, contingent on legal counsel approval.

### TRI-STATE REPORT

President Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. The meeting was held via video conference. Schenk reported on Tri-State's financials. The Tri-State Board approved the contract committee's recommended Contract Termination Payment methodology. Tri-State agreed on final terms of DMEA's exit from Tri-State. Tri-State saw a 6% decline in sales for the month, mostly due to the Covid-19 Pandemic. Schenk reviewed graphs showing the effects of weather on 2019 sales. He reported on Tri-State's plans for replacing the Craig and Escalante generation plants.

Stuart Travis left the meeting at 5:00 p.m. and Chet Gebauer left the meeting at 5:20 p.m.

### EXECUTIVE SESSION

Manager Loutensock reported that he received a confidential request from a member. It was properly moved, seconded and carried to go into executive session for discussion of a confidential member request with the following in attendance: All Directors in attendance at the meeting, Trent Loutensock, Attorney Williamson, Brandee Bullard, Steven Marshall, Marjie Hottinger, Rod Dunker and Andy Molt. It was properly moved, seconded, and carried to come out of executive session.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 5:55 p.m.

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SECRETARY

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PRESIDENT