

Y-W ELECTRIC ASSOCIATION, INC.  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
March 17, 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 March 17, 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

Manager Loutensock, Rodney Dunker, Marjie Hottinger, Brandee Bullard and Attorney Fredregill were also present. Attorney Fredregill recorded the minutes of the meeting. Director Jim Soehner was absent.

AGENDA APPROVED

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

EMPLOYEE INTRODUCTION

Manager Loutensock introduced employee Travis Earls to the Board.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the February 18, 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 4-6 Reimbursement for Damages to Cooperative Property
- d. Policy 4-7 Purchase of Materials, Supplies, & Equipment
- e. Policy 5-1 Assistance to Other Cooperative Power Suppliers and Municipalities
- f. Capital credit refunds for estates of deceased members

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

## FINANCIAL REPORT

Brandee Bullard presented the list of bills paid by the Association in the month of February 2020. Bullard reviewed the Statement of Operations through January 2020. Bullard also reviewed the Loan Rate Comparison Report for March 2020.

Bullard and Loutensock presented the January Form 7, operating forecast, 6-year equity graph, Consumer Sales and Revenue Report, expense allocation graph, and general ledger. Loutensock reviewed Y-W's current T.I.E.R. and reported that the upcoming cost of service study will include an equity management plan. Loutensock presented the February 2020 power bill. He also presented graphs of demand, energy, and cost per kWh through February 2020.

Loutensock provided an update on travel limitations affecting presentation of the 2019 Annual Audit.

## HEADQUARTERS REPORT

Manager Loutensock reported on the status of the new headquarters building. After issuance of the Certificate of Occupancy, Y-W paid the final retainage to Iron Mike Construction ("IMC"). Y-W has a 1-year warranty, with IMC responsible for all defects in materials or workmanship. Concrete floor preparation is complete, and the warehouse is ready to receive material after relocation of business operations. Loutensock discussed plans for relocation from the existing headquarters building to the new location.

Rod Dunker reported on the engagement of M&M Trucking to backhaul crushed asphalt for use in the pole yard and around the headquarters. By using M&M Trucking, Y-W saved \$16,000.00.

Loutensock reviewed the status of outstanding headquarters projects. Dunker presented the costs for setting up the proposed oil processing room.

## EXISTING HEADQUARTERS

Manager Loutensock reported on the pending sale of the existing headquarters building to Stockmens Bank. Stockmens Bank has begun the Phase 1 environmental assessment. Parties are awaiting a title commitment and survey. The board discussed how to handle the sale of furniture from the existing headquarters.

## CAMU RATE SURVEY

Loutensock presented the CAMU rate survey. Y-W's residential, small commercial, and large commercial rates were all near the median of responding cooperative electric associations.

## WRAY WIND REPORT

Manager Loutensock presented the February Wray wind report.

## 2020 ANNUAL MEETING

Andy Molt reviewed ideas for the 2020 Y-W Annual Meeting of the Members. The current budget for the Annual Meeting is \$110,000. Molt presented sample door prizes. The board discussed the possibility of postponing the annual meeting if necessary due to the COVID-19 Pandemic.

## MANAGER REPORT

Manager Loutensock reviewed the delinquent accounts. He presented thank you notes. Loutensock reported on the status of the AMI deployment. He presented the NISC patronage statement, the CFC Annual Benefits of Ownership Statement, and the CFC Newsletter. Loutensock discussed the effects of COVID-19 and the precautions Y-W is taking.

President Schenk recessed the meeting at 3:07 p.m. and reconvened at 3:35 p.m.

## DONATION REQUESTS

Loutensock presented donation requests from the Medeles Benefit Committee, Akron After Prom, and Baby Bear Hugs. No action was taken.

## MANAGER GOALS AND OBJECTIVES

The board reviewed the Board's 2020 goals and objectives for Manager Loutensock. It was properly moved, seconded, and carried to approve the goals and objectives as presented.

## ELECT TRI-STATE REPRESENTATIVE

Loutensock presented a Certification of Election to the Tri-State Board. It was properly moved, seconded, and carried to elect Roger Schenk to the Tri-State Board of Directors.

## WESTERN UNITED REPORT

Director Schoenfeld reported that there was no meeting of the Western United Board of Directors. The next meeting has been postponed until May 21, 2020.

CREA REPORT

Director Travis reported on his attendance at the regular meeting of CREA board of directors. He provided an update on legislation under consideration, including legislation related to an early fire detection system, a renewable gas standard, community choice, and lawful off duty activities. He reported that Megan Gilman has been appointed to replace Frances Koncilja on the Colorado PUC. He reported on discussions of HB20-1225.

TRI-STATE REPORT

President Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. He reported on two resolutions from the Contract Committee. The first allows for a Class B partial requirements member, and the second requires that a minimum of 50% of the member's requirements be purchased from Tri-State. The Tri-State Board approved the 2019 patronage allocation. He reported that the Tri-State Board reviewed the long-term financial forecast. Schenk discussed Tri-State's 90/70 Carbon Reduction Plan and the associated legislation.

Schenk updated the Board on the pending PUC litigation between Tri-State, La Plata, and United Power. Schenk also reported on Tri-State's depreciation schedule considerations, dismissed regulatory assets, and deferred revenue.

NRECA ANNUAL MEETING

Manager Loutensock reported on his attendance at the NRECA Annual Meeting.

MEETING ATTENDANCE

The Board discussed attendance at upcoming meetings. Most meetings are being cancelled or postponed pending the outcome of the COVID-19 Pandemic.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 4:46 p.m.

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SECRETARY

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PRESIDENT