

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF UNITED POWER, INC.
WEDNESDAY, MARCH 24, 2021**

GENERAL

Chairman Ursula Morgan called the regular meeting of the United Power Board of Directors to order at 9:01 a.m. on March 24, 2021. The meeting was held at United Power's Carbon Valley Service Center in Longmont, CO and via Zoom teleconference. Present were Directors Keith Alquist, Ginny Buczek, Tim Erickson, Brian McCormick, Ursula Morgan, Susan Petrocco, Dave Rose, and Tamra Waltemath. Directors Beth Martin and Rick Newman joined the meeting via teleconference. Director James Vigesaa was absent. Also present were 2021 Director candidates Brad Case, Steve Douglas, Ken Kreutzer and Steve Whiteside in person and Vicki Hutchinson via teleconference.

President & Chief Executive Officer Mark Gabriel, Chief Operating Officer Bryant Robbins, Chief Financial Officer Laurie Burkhart, Chief Energy Resource Officer Dean Hubbuck, Government & Regulatory Relations Officer Troy Whitmore, Risk & Compliance Director Ken McFadden, Engineering Director Robert Maxwell, Marketing & Communications Manager Heidi Storz and Executive Administrative Assistant Cheri Simmons were also present at the Longmont location; all abided by the Colorado Department of Health's social distance guidelines. Human Resources Director Erin Hane joined the meeting via teleconference.

INVOCATION/PLEDGE

Director McCormick gave the invocation and led in the Pledge of Allegiance.

ADDITION TO THE AGENDA

Chairman Morgan added New Director Orientation Book to the agenda for discussion.

INTRODUCTION OF DIRECTOR CANDIDATES

The following introduced themselves to the Board and Staff: Brad Case, Steve Douglas, Vicki Hutchinson, Ken Kreutzer and Steve Whiteside.

SAFETY MINUTE

Risk & Compliance Director McFadden provided an update on United Power's safety activities.

NEW EMPLOYEE

Newly hired President & CEO Gabriel introduced himself.

CONSENT AGENDA

The following items were listed on the consent agenda

- Approval of Agenda
- Approve February 24, 2021 Regular Board Meeting Minutes

Director Rose made a motion, which was seconded, and carried, to approve the consent agenda as amended.

STAFF REPORTS

The following reports were discussed and updated by President & CEO Gabriel, COO Robbins and Staff

- President & Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer

Following discussion, the Board approved, by unanimous consent, the purchase of substation land near highway 52 and I-25.

- Governmental & Regulatory Relations Officer

A brief recess was called at 10:46 a.m., with the meeting reconvening at 11:00 a.m.

- Chief Energy Resource Officer
- Risk & Safety
- Human Resources

CHANGES TO PATRONAGE CAPITAL RETIREMENT PROCESS

Following discussion **Director McCormick made a motion**, which was seconded, and carried, to adopt the following resolution. Directors Alquist, Buczek, Morgan and Newman opposed the vote.

RESOLUTION AUTHORIZING CHANGES TO RETIREMENT OF PATRONAGE CAPITAL PROCESS

WHEREAS, United Power (“the Cooperative”) has a goal and stated policy to make general retirement of patronage capital each year; and

WHEREAS, the Cooperative previously realized the benefits of combining the timing of notification of patronage capital allocations and retirements with the distribution of associated retirement funds which include greater transparency and reduced member confusion as well as diminished administrative burden to Cooperative personnel; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorizes the Chief Financial Officer (“CFO”) to accelerate the timing of patronage capital retirements from August to May combining the notification to members of the previous year’s allocation and the current year retirement into one member communication; and

NOW, THEREFORE, BE IT ALSO RESOLVED, that the threshold for patronage capital retirement bill credits to active members be increased from \$10 to \$50 in order to facilitate distribution to our members while reducing administrative burden to the Cooperative.

Legal Counsel Mark Williams, with Sherman and Howard, joined the meeting in person at 11:37 a.m.

EXECUTIVE SESSION/ATTORNEY CONTRACT EVALUATION

Director Petrocco made a motion, which was seconded, and carried, to enter Executive Session to discuss contract issues. The Board entered Executive Session at 11:48 a.m., with the Board, President & CEO Gabriel and Legal Counsel Williams present. All others were excused from the room and teleconference.

Executive Session ended at 12:25 and the Board recessed for lunch; reconvening at 1:01 p.m. All returned to the meeting except HR Director Hane and Risk & Compliance Director McFadden.

JOHNSTOWN FRANCHISE AGREEMENT

Following discussion, **Director Buczek made a motion**, which was seconded, and carried, to adopt the following resolution:

**RESOLUTION TO APPROVE 20 YEAR ELECTRIC FRANCHISE AGREEMENT
WITH THE TOWN OF JOHNSTOWN**

WHEREAS, United Power, Inc., has a long history of serving reliable and affordable electric power to the citizens and businesses in the Town of Johnstown, Colorado; and

WHEREAS, United Power staff members and legal counsel have met and negotiated with Johnstown staff members and legal counsel to arrive at a mutual point of agreement with the franchise renewal terms and conditions; and

WHEREAS, the Johnstown Town Board of Trustees intend to begin franchise approval procedures in April 2021; it is now appropriate for United Power’s Board of Directors to approve the Johnstown franchise.

NOW THEREFORE, BE IT RESOVED that the Board of Directors of United Power, Inc. hereby authorizes the President and Chief Executive Officer to sign the Johnstown franchise agreement, which effectively establishes a franchise for a 20 year term.

Legal Counsel Williams left the meeting following the Johnstown franchise agreement discussion.

Jackson Thornton’s CPA Woody Trimble joined the meeting via teleconference at 1:20 p.m.

ANNUAL AUDIT

Audit Committee Chairman Buczek and CPA Trimble briefed the Board and Staff regarding the Audit Committee’s work and recommendations on the annual audit of the consolidated financial statements of United Power, Inc., conducted by Jackson Thornton Certified Public Accountants & Consultants. CPA Trimble also praised Staff’s work on the Cooperative’s financial records.

Following review, **Director Erickson made a motion**, which was seconded, and carried, to adopt the following resolution:

RESOLUTION ACCEPTING THE 2020 ANNUAL AUDIT REPORT

WHEREAS, an examination of the financial statements of United Power Inc. and its wholly owned subsidiary, Consumer Services Association, was completed by Jackson Thornton & CO., P.C., as of December 31, 2020; and

WHEREAS, Jackson Thornton & CO., P.C. has issued an unqualified opinion dated March 10, 2021 on the Consolidated Financial Statements of United Power, Inc., for the year ending December 31, 2020; and

WHEREAS, the duly appointed Audit Committee of United Power’s Board of Directors has reviewed the Audit Report and recommends acceptance.

NOW THEREFORE, BE IT RESOLVED that said audit report on the audited financial statements for the period January 1, 2020 through December 31, 2020, prepared by Jackson Thornton & CO., P.C., is hereby accepted.

EXECUTIVE SESSION

Director Rose made a motion, which was seconded and carried, to enter Executive Session to review the audit at 1:58 p.m. The Board and CPA Trimble were present; all others were excused from the room and teleconference.

Director Buczek made a motion, which was seconded, and carried, to end Executive Session at 2:04 p.m. CPA Trimble left the meeting (teleconference) at 2:05 p.m.

A brief recess was called at 2:18 p.m., with the meeting reconvening at 2:30 p.m.

CREA REPORT

Directors Buczek and Martin updated the Board on CREA activities.

WUE REPORT

Director Alquist updated the Board on WUE activities.

TRI-STATE REPORTS

Director McCormick recapped his Tri-State report and answered the Board’s questions, followed by Chief Energy Resource Officer Hubbuck’s Tri-State recap.

The Board recessed briefly at 3:40 p.m., reconvening at 3:50 p.m.

EXECUTIVE SESSION

At 3:50 p.m. **Director Alquist made a motion**, which was seconded, and carried, to enter Executive Session to discuss personnel matters. The Board and President & CEO Gabriel were present. All others were excused from the meeting, both in person and via teleconference. COO Robbins rejoined the meeting, which was still in Executive Session, at 4:00 p.m.

Director Buczek made a motion, which was seconded, and carried, to end Executive Session 4:22 p.m.

LITIGATION/EXECUTIVE SESSION

Director Rose made a motion, which was seconded, and carried, to enter Litigation/Executive Session at 4:24 p.m. to discuss contract issues. Director McCormick was excused from the meeting at this time. The rest of the Board members, President & CEO Gabriel, COO Robbins, CERO Hubbuck, CFO Burkhart, GRRO Whitmore and EAA Simmons.

Director Alquist made a motion, which was seconded, and carried, to end Executive/Litigation Session at 5:50 p.m., returning to regular session. Director McCormick returned to the meeting at 5:51 p.m. and the meeting reconvened into regular session.

GILPIN GENERATOR FUNDS

Following brief discussion, **Director Buczek made a motion**, which was seconded, and carried to approve additional funds needed to finish the Gilpin County generator project.

BOARD DISCUSSIONS

Chairman Morgan asked the Board to review the New Director Orientation materials within Boardvantage and propose changes before United Power's annual meeting on April 15, 2021.

ADJOURNMENT

Chairman Morgan declared the meeting adjourned at 5:54 p.m.

MEETING SCHEDULE

The next regular Board meeting is scheduled Wednesday, April 28, 2021 at 9:00 a.m. and will be held at United Power's Carbon Valley Service Center, 9586 E I-25 Frontage Road, Longmont, CO and via teleconference to observe the State's current health guidelines.



Cheri Simmons, Recording Secretary