

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
June 18, 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 10:30 a.m. on June 18, 2019.

ROLL CALL

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

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

Manager Loutensock and Attorney Williamson were also present. Attorney Williamson recorded the minutes of the meeting. Director Stuart Travis was attending the Midwest Electric meeting and was absent from this meeting.

AGENDA APPROVED

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

PUBLIC COMMENT

Public comment was tabled until later in the meeting.

RUS CONSTRUCTION WORK PLAN

Alex Astley, James Ziebarth, and Rodney Dunker presented a revised construction work plan based on the Board's comments at the May Board meeting. Astley reviewed the changes made to the plan, which lowered the projected cost of the plan. Manager Loutensock presented a resolution approving the construction work plan as presented.

It was properly moved, seconded and carried to approve the plan and the resolution as presented.

Astley presented a summary of Y-W's environmental report, which must accompany the construction work plan. Astley presented a resolution approving the environmental report. It was properly moved, seconded and carried to approve the environmental report and resolution as presented.

FINANCIAL REPORT

Manager Loutensock reported on the status of the 2018 audit. Y-W received an extension to complete the audit. The report should be completed in July.

Loutensock presented the Statement of Operations, Operating Forecast, Financial and Operating Report, and Consumer Sales for April.

Director Lambley left the meeting at 11:53 a.m. and returned at 1:15 p.m.

Loutensock presented the May Cash Flow and Tri-State power bill. He reviewed graphs of demand, energy, and cost per kWh through May.

President Schenk recessed the meeting at 12:13 p.m. and reconvened the meeting at 1:07 p.m.

EMPLOYEE INTRODUCTIONS

Manager Loutensock introduced Ry Kautz, Tanner Hayes and Cody Hunt to the Board.

PUBLIC COMMENT

Harry Slusser, Town of Akron Trustee, addressed the Board about Y-W's plans regarding the existing headquarters buildings. He presented a letter from the Town Clerk expressing the Town and other local governments' wishes to keep the buildings active. The Board discussed the matter with Slusser. Slusser left the meeting.

Director Lambley re-entered the meeting.

APPROVAL OF MINUTES

It was properly moved, seconded and carried that the minutes of the regular meeting for the Board of Directors of May 21, 2019 be approved as presented.

REVIEW BILLS

The list of bills paid by the Association in the month of May 2019 was reviewed and discussed.

APPROVE NEW MEMBERS

It was properly moved, seconded and carried that the following persons be accepted into full membership in Y-W Electric Association, Inc.:

Anderson, Austin

Baum, Shane & Barkey, Kathryn

Buser, Joey & Metzler, Kara

Christensen, Reed

Headden, Blake & Kayla

Heiney, Christina

Lambert, Stephanie

Mainord, Josh & Karrie

Mavity, John & Medina, Nancy
Mountain Tower & Land, LLC
Peaker, Wes

Montanez, Benito O. & Gonzalez, Arlena
Neb, Kevin

HEADQUARTERS REPORT

Manager Loutensock reported on the status of the furniture for the new headquarters building. Staff inspected furniture provided to another co-op by Total Office Solutions and the staff felt the furniture was of sufficient quality for Y-W's needs. Loutensock reported on the status of the construction and finances.

Representatives from Total Office Solutions presented options for board room chairs. It was properly moved, seconded and carried to accept the bid with the Wish chair.

Andy Molt presented bids for high density storage. It was properly moved, seconded and carried to accept the Total Office Solutions bid.

DONATIONS

Andy Molt presented a summary of annual donations to area fire departments. It was properly moved, seconded and carried to donate \$200.00 to each fire department.

2020 ANNUAL MEETING

Andy Molt reported that the 2020 Annual Meeting will mark Y-W's 75th anniversary. It was properly moved, seconded and carried to hold the 2020 Annual Meeting in Akron at the new headquarters, to serve a beef dinner, and to hold an open house for members to see the new headquarters.

POLICY 2-12

Manager Loutensock presented Policy 2-12. It was properly moved, seconded and carried to approve the policy as presented.

POLICY 2-13

Manager Loutensock presented Policy 2-13. It was properly moved, seconded and carried to approve the policy as presented.

POLICY 2-1

Margie Hottinger presented revised Policy 2-1. It was properly moved, seconded and carried to approve the policy as presented.

EMPLOYEE OUTING

Margie Hottinger presented options for the employee outing. It was properly moved, seconded and carried to authorize Hottinger to plan the outing at the October 5 Colorado Eagles Hockey game and to authorize Hottinger to hire a bus if there is sufficient employee interest in riding the bus.

WESTERN UNITED ELECTRIC REPORT

Steve Schoenfeld reported that there was no meeting of the Western United Electric Board of Directors.

TRI-STATE REPORT

Roger Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors and the strategic planning session. Tri-State rejected Guzman Energy's offer. Tri-State is seeking to be regulated by FERC. Manager Loutensock presented a letter from the General Managers at DMEA, United Power, and LaPlata, requesting support for a letter to Tri-State asking Tri-State to delay the vote regarding FERC regulation. Tri-State issued an RFP for 100MWs of solar power. Schenk reported on his attendance at the Tri-State contract committee meeting.

MANAGER'S REPORT

Manager Loutensock presented the delinquent summary report. He presented thank yous. Loutensock reported on NRECA virtual leadership town hall meetings. He presented the AMI report and a letter regarding Stratton Co-op patronage. Loutensock reported that CoBank is seeking nominations for a vacancy on the CoBank Board of Directors. Loutensock discussed having staff present during Y-W Board meetings.

MEETING ATTENDANCE

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

Director Lambley left the meeting.

CAPITAL CREDIT REFUNDS

After consideration of the financial condition of the Cooperative, it was properly moved seconded and carried that the Board authorize the refunding of capital credits for the following deceased members:

| | |
|-------------------|------------|
| Winter, Victor N. | \$1,170.55 |
| Gartrell, Carl R. | 524.10 |

JULY BOARD MEETING DATE

It was properly moved, seconded and carried to hold the July Y-W Board meeting on July 23, 2019 due to a meeting conflict.

EXECUTIVE SESSION

It was properly moved, seconded and carried to go into executive session to receive privileged legal advice from Attorney Williamson regarding a potential claim, with the following in attendance: All Directors present at the meeting, Manager Loutensock, and Attorney Williamson. It was properly moved, seconded and carried to exit executive session.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 4:44 p.m.

SECRETARY

PRESIDENT