

MINUTES OF REGULAR MEETING BOARD OF DIRECTORS

OF

WHITE RIVER ELECTRIC ASSOCIATION, INC.

February 18, 2015

The meeting of the Board of Directors of White River Electric Association, Inc was held at the Headquarters of White River Electric Association, Inc. on February 18, 2015 at 1:10 P.M. with the following Directors present:

Dunham, Jordan, Parr, Hilkey, Pearce, Wyatt, and Welle.

Directors Absent: None

President Jordan called the meeting to order at 1:10 p.m. and presided throughout.

- Agenda It was regularly moved, seconded and passed to approve the agenda.  
Dale Dunbar was appointed as recording secretary.
- Public Comment There were no visitors for public comment.
- Guests Visitors present included Manager Michalewicz, Attorney Zagar-Brown, and Staff Members Dunbar, Sampson, and Bowers. Also Lindsay George with the Applegate Group, Inc. was present, and Andy Mueller was present by phone.
- Executive Session Upon motion by Director Pearce seconded by Director Hilkey and passed by all directors present it was approved to go in to executive session to discuss hydro issues.  
Upon motion by Director Pearce seconded by Director Welle and passed by all directors present it was approved to exit the executive session and reconvene the regular meeting.
- Minutes The minutes of the regular meeting of January 21, 2015 had been deposited in the Drop Box and Boardpaq. Upon motion by Director Pearce, seconded by Director Parr, and passed by all Directors present, the regular meeting minutes were approved.
- Bills and Checks The bills and checks for the month of January were reviewed by the Directors. It was regularly moved, seconded and passed, to approve the checks.
- Membership Seventeen applications for membership in the cooperative were submitted for approval, and upon motion by Director Dunham, seconded by Director Welle and passed by all Directors present, the following were accepted pursuant to the requirements of the By-Laws.
- Safety Operations Manager Sampson gave the safety report. The board reviewed the safety committee minutes from January 21, 2015. Items of interest were discussed by the board. Upon motion by Director Pearce, seconded by Director Parr, and passed by all Directors present, the safety report was approved.
- Donations Several donations were discussed. Requests were approved as follow;  
*Upon motion by Director Parr, seconded by Director Pearce, and passed by all Directors present, it was approved to donate \$2,500 to the Heritage Cultural Center with the RBC Historical Society.*  
A report was given that Meeker Chamber of Commerce dinner tickets were available, and also \$200 was given to the New Eden Pregnancy Center as a donation.
- Golf Tourney Upon motion by Director Welle, seconded by Director Pearce and passed by all directors present, it was approved to sponsor the Golf Tournament on June 19, 2015.
- Policy Committee The board of directors briefly discussed the policy committee meetings. No action was taken.
- Conflict of Interest Director Welle had filled out his conflict of interest statement that the board reviewed. No conflict was determined.
- Estate Retire. Upon motion by Director Welle, seconded by Director Hilkey and passed by all directors present, it was approved to retire the capital credits of a decedent estate.
- Manager's Manager Michalewicz discussed several items with the board.
- Renewables:  
Hydro – Nothing to report additionally.  
Solar – Manager Michalewicz updated the board regarding the progress of soil testing and engineering.

Manager Michalewicz reported on the operations of the Association for the month of January, 2015. The power bill for the month of January was \$4,919,664.16, the capacity commitment program credited \$102,893.66 there was 75,316,800 worth of kWh purchased, the average demand was 109,422 the cost per kilowatt-hour was 65.3196 and the member system TPP/MCP Factor was 92.5155. The Directors reviewed the statistical information for the month of December.

Other Mgmt Other items discussed of interest to the board.

- Telecom update keep moving forward – looking at putting a plan together
- Building update – engineering assessment being done will have core drill to reveal under floor excavation, Insurance has paid all but \$500.

Pioneers Tour A board tour of Pioneers Hospital will be scheduled for 3/18 at 10:00 a.m.

Thank You's Several thank you notes were passed around for the Directors to review.

Travel Employee requested to travel to the ACLARA conference in Nashville, TN. Upon motion by Director Wyatt, seconded by Director Pearce and passed by all directors present, it was approved to attend conference.

Cost of Service A proposal was presented to complete a cost of service study for White River Electric by Applied Energy Concepts, Inc. for \$16,300. Upon motion by Director Parr, seconded by Director Pearce and passed by all directors present, it was approved to proceed with the study.

Tri-State Upon motion by Director Pearce, seconded by Director Wyatt and passed by all directors present, it was approved for Ronald K. Hilkey to be the White River Electric Representative to Tri-State G&T.

Attorney Attorney Zagar-Brown reported to the board on DMEA and the petition circulating regarding FERC Jurisdiction.

Associated Director Jordan gave a brief CREA report. Included was the legislative session and the annual meeting.

Director Dunham reported that everything is going well at WUESC. Sales are up; the sales should exceed \$100 million. Also, the building in New Mexico will not be bought and discussion on the ERMCO Capital Credits.

Director Hilkey reported on Tri-State. Hilkey stated that the entire board report was on Boardpaq. Discussion was also held on the refinance of the RUS debt.

Manager Michalewicz reported on the Contract Committee. There will be no changes made to the current contract.

Director Dunham gave a brief report on the rate committee. A rate methodology has been selected and will be reviewed further .

No further business appearing before the board, the meeting was adjourned.

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Richard L. Parr, Secretary