

VALLEY ELECTRIC ASSOCIATION, INC.

**REGULAR MEETING
OF THE
BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of Valley Electric Association, Inc. ("VEA") for conducting the business of Valley Communications Association, LLC ("VCA"), was held on Wednesday, January 30, 2019, beginning at approximately 4:38 p.m., at VEA's headquarters in Pahrump, Nevada.

Ken Derschan called the roll of Directors present: Ken Derschan, President; Rick Johnson, Vice President; Dave Hall, Secretary; and David Dawson, Treasurer.

Also present were: Angela Evans, Chief Executive Officer ("CEO"); Steve Morrison, Chief Financial Officer ("CFO"); Nate Johnson, Executive Vice President ("EVP") of Broadband; Mike Hengel, EVP of Communications & Regulatory Affairs; Amy Carlson, Executive Administrative Assistant; Josh Weber, Davison Van Cleve, PC, General Counsel.

Mr. Derschan called the meeting to order at 4:38 p.m.

1. Approval of the Agenda. Mr. Hall **moved** to approve the Agenda as presented. The motion was **seconded** by Mr. Johnson, and it was **approved** 4-0.
2. Member Comment. There was no member comment.
3. Director Comment. Mr. Derschan commented on his attendance at the National Rural Electric Cooperative Association communications breakout session in Alaska.
4. Approval of the Minutes. Mr. Dawson **moved** to approve the minutes of the Friday, December 21, 2018, Board Meeting for discussing the affairs of VCA. Mr. Hall **seconded** the motion, and it was **unanimously approved**.
5. Financial and Statistical Reports. Mr. Morrison presented the financial and statistical reports for the broadband business. He provided additional detail regarding the 2018 annual performance.
6. Unfinished Business. There was no unfinished business.
7. New Business. There was no new business.
8. CEO and Staff Reports.
 - a. CEO Report. Ms. Evans presented her report regarding VCA, including the results of her CEO tour, and the follow up with Members to address the concerns that she

and Staff heard. Ms. Evans also reported on the roll-out of the new pricing and broadband offerings.

- b. CFO Report. Mr. Morrison did not have any additions to his written report.
- c. Communications Report. Mr. Hengel reported in more detail on the communications that are being made to the Members regarding the pricing adjustment. He discussed the potential for negative responses in various districts, depending on what the predominant use or need for the service is in various locations.
- d. Broadband Services Report. Mr. Nate Johnson reported that Tonopah WiMax service would soon be able to go live, as the last details of the necessary agreements are being put in place. He also reported on the buildout in Mountain Falls and in some of the other districts.

Mr. Nate Johnson also reported on the new replacement options for the internet protocol television (“IPTV”) program that is being discontinued. The Board discussed over the top video products, including the Amazon Fire TV Stick and Roku. He noted that Staff is still working through the details and testing, and that Staff will bring a final recommendation to the Board.

Mr. Thurgood joined the meeting at 5:11 p.m.

Mr. Nate Johnson also reported on the winery event, at which residents in that area were given estimates for fiber, both aerial and buried drops.


The Board continued with questions regarding broadband buildout and the 2019 budget.

- e. Human Resources Report. There were no additions to the Human Resources Report.

It was determined that the next meeting of the Board of Directors to consider the affairs of VCA would be held on Tuesday, February 26, 2019, beginning immediately following the VEA Board Meeting.

There being no further business to come before the Board, Mr. Hall **moved** to adjourn the meeting. The motion was **seconded** by Mr. Johnson, and **approved** unanimously. The Board adjourned the meeting at 5:20 p.m.

DATED this 26th day of February, 2019.



Ken Derschan, President



Dave Hall, Secretary