

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
August 18, 2017

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, August 18, 2017, at the San Isabel Electric Association headquarters office, 781 E. Industrial Boulevard, Pueblo West, Colorado.

Call to Order - The meeting was called to order at 9:00 a.m. by President Deborah Rose, who presided. Secretary Dennis Maroney acted as secretary.

Check Presentation – The Board presented a check in the amount of \$15,000 to the Beulah Fire Protection and Ambulance District.

Demo Trailer – Mr. Schleich presented the demo trailer to the Board.

Roll Call - Upon calling the roll, the following Directors were present: Edward “Ray” Garcia, Donald Keairns, Joseph Costa, Deborah Rose, Doris Morgan, Jacque Sikes and Dennis Maroney, being a quorum of the Directors of San Isabel Electric Association, Inc. Also present were: Reginal Rudolph, General Manager; Ryan Elarton, CFO; Darryl Stewart, COO; Gary Eitel, CAO; General Counsel Sisto Mazza; Kevin Schleich, Line Superintendent; Bonnie Myers, Assistant to the General Manager.
Visitor: Bryan Ware, Beulah Fire Protection and Ambulance District; Kent Singer, CREA

Adopt Agenda – The President asked if the Board had any additions to the agenda. The agenda was then adopted.

Meeting Minutes – A motion was made by Mr. Costa, seconded by Ms. Morgan, and unanimously carried, that the minutes for last month’s regular Board meeting be approved.

Consent Agenda - A motion was made by Mr. Garcia, seconded by Ms. Sikes, that the consent agenda items be approved. The motion to approve the consent agenda items was unanimously carried, which includes: *Statistical Report, Monthly and Year-to-Date Operating Statements, Balance Sheet, Form 7, Check Register, RUS/CFC/Loan Fund Status, Manager’s Expense Reports, Work Order Inventory & Special Equipment Schedules, Outage Report, Cash Flow Statement, Summary of Write-Offs, Investment Analysis, Revenue Comparison, and Construction Work Load.*

Safety Meeting Report – The safety meeting report for July, 2017, has been submitted to the Board. A motion was made by Mr. Garcia, seconded by Mr. Maroney, and unanimously carried, that the safety meeting report be approved.

General Manager – Reg Rudolph – Mr. Rudolph submitted a written report to the Board and gave a verbal report.

CFO – Ryan Elarton – Mr. Elarton submitted a written report to the Board and gave a verbal report.

Update on Budget Process – Mr. Elarton submitted a written report to the Board and gave a verbal report.

Kent Singer, CREA – Mr. Kent Singer from CREA addressed the Board.

CAO – Gary Eitel – Mr. Eitel submitted written report to the Board and gave a verbal report.

COO – Darryl Stewart – Mr. Stewart submitted a written report to the Board and gave a verbal report.

Administrative Items

Donation Requests – Mr. Eitel gave the Board a presentation of donations. The following donation requests were submitted to the Board.

Soaring Eagles Center for Autism requested a donation for their 7th annual Comedy Night. A motion was made by Ms. Rose, seconded by Mr. Costa and unanimously approved to donate \$500.

CSU-Pueblo Football Team requested a donation for the sponsorship of a football game. A motion was made by Ms. Sikes and seconded by Ms. Morgan to donate \$5,000. A roll call vote was taken and the result was as follows: Mr. Maroney, Mr. Garcia, Ms. Sikes, Ms. Morgan, and Ms. Rose voted in favor of the motion and Mr. Keairns and Mr. Costa voted against the motion. The motion did carry.

La Veta Fire Protection District Auxiliary requested a donation to purchase a 4-person ATV that will be used for search and rescue missions. A motion was made by Mr. Keairns, seconded by Mr. Costa and unanimously approved to donate \$1,000.

Gardner Schools requested a donation for facility improvements. No action taken.

Pueblo Diversified Industries requested a donation for the 9th annual Harvest Walk and 50th Anniversary Celebration. A motion was made by Mr. Maroney, seconded by Ms. Morgan and unanimously carried to donate \$500 and promotional items.

Colton's Heroes requested a donation for the 2nd annual Colton's 5K run/walk for Childhood Cancer Awareness. No action taken.

Rotary Club of Pueblo West requested a donation for the 7th annual Oktoberfest. A motion was made by Ms. Morgan, seconded by Mr. Costa and unanimously approved to donate \$1,500.

Walsenburg Downtown Revitalization requested a donation for the Mountain Mining Days Festival. A motion was made by Ms. Sikes, seconded by Mr. Garcia and unanimously approved to donate \$1,000.

Donation Reports – Donation report was received from Pueblo County 4-H/FFA Showcase Sale.

Policy Review – Ms. Myers submitted a written report to the Board and gave a verbal report. Board and Employee Policies are on a yearly review cycle with five to six Policies being reviewed each month. Board Policies 4-4, 4-5, 4-6, and 4-12 and Employee Policy 2-1 were reviewed.

Board Policy 4-4, Identity Theft Prevention (Red Flag Rules), was submitted to the Board with minor clerical changes. A motion was made by Mr. Keairns to accept Board Policy 4-4 as presented, seconded by Ms. Morgan and unanimously carried.

Board Policy 4-5, Assistance to Other Power Suppliers and Public Utilities, was submitted to the Board for review.

Board Policy 4-6, Community Relations, was submitted to the Board for review.

Board Policy 4-12, External Communications, was submitted to the Board for review.

Employee Policy 2-1, Compensation Administration, was submitted to the Board with minor clerical changes. A motion was made by Mr. Keairns to accept Employee Policy 2-1 as presented with the addition of wording to paragraph B.1., seconded by Mr. Maroney and unanimously carried.

Notice of NRECA Director Election --

General Counsel's Report – General Counsel Sisto Mazza gave a verbal report.

The deadline for the candidate petitions was August 2, 2017 at 5:00 p.m. One petition was received for District 6, Reed White. No petitions were received for District 1. Ballots will be mailed to Members on August 18, 2017 and the last day for mail-in ballots to be received by SBS is September 14, 2017.

General Counsel Sisto Mazza submitted a Board Resolution approving the transfer of the Rye office to the Town of Rye by selling the property for \$1. A motion was made by Mr. Maroney, seconded by Ms. Sikes and unanimously carried to approve the Board Resolution.

Western United Electric Report – A written report was submitted to the Board, and Mr. Maroney gave a verbal report.

CREA Report – A written report was submitted to the Board, and Ms. Rose gave a verbal report.

Tri-State Report – A written report was submitted to the Board, and Mr. Keairns gave a verbal report.

Board Strategy Discussion – The Board discussed strategy.

Executive Session 1:28 p.m. A motion was made by Mr. Keairns, seconded by Ms. Morgan and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss ongoing litigation and developing negotiation strategies.

Regular Session 1:52 p.m. – A motion was made by Mr. Maroney, seconded by Ms. Morgan and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

Board Comments - The President called for comments from the Board.

September 2017 Regular Board Meeting – The September 2017 regular Board meeting will be held September 15, 2017, beginning at 9:00 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 2:06 p.m.

ATTEST:

/Deborah Rose/
President of the Board

/Dennis Maroney/
Secretary of the Board

We, the undersigned Directors of San Isabel Electric Association, Inc., on this date, September 15, 2017, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held August 18, 2017.

_____/Jacque Sikes/_____
_____/Edward R. Garcia/_____

_____/Deborah Rose/_____
_____/Dennis Maroney/_____

_____/Doris Morgan/_____
_____/Joseph Costa/_____

_____/Donald G. Keairns/_____
Being all the Directors of San Isabel Electric Association, Inc.