

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
September 16, 2016

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, September 16, 2016, 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.

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; Chelsie West, Communications Manager; Bonnie Myers, Assistant to the General Manager. Visitor: Barbara Murfit, Pueblo West Women's League.

Pueblo West Women's League – Ms. Barbara Murfit expressed thanks for the donations that were made to two of the four Let's stART projects in Pueblo West.

Adopt Agenda – The President asked if the Board had any additions to the agenda. The agenda was then adopted with the change to do the Donation Requests as the first order of business.

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

Health Solutions requested a donation for the Sugar Skulls and Marigolds event. No action taken.

Sangre de Cristo Hospice & Palliative Care requested a donation for the 13th Annual Reflections Celebration and Tree Lighting. A motion was made by Ms. Sikes, seconded by Ms. Morgan and unanimously carried to donate \$500.

Pueblo Domestic Violence Community Task Force requested a donation for the Historical Ghost Walk. A motion was made by Ms. Sikes, seconded by Ms. Rose and unanimously carried to donate \$500.

La Animas Huerfano Counties District Health Department requested a donation for the 3rd Annual Elvira Martin Diabetic Walk. A motion was made by Ms. Sikes, seconded by Mr. Maroney and unanimously carried to donate \$500.

Senior Resource Development Agency requested a donation for the Circle of Friends 2016 Senior Benefit Dinner Cocktail's and Crooner's event. No action taken.

Red Creek Volunteer Fire & Rescue requested a donation to aid in the purchase of a wildland fire truck. A motion was made by Ms. Rose, seconded by Ms. Morgan and unanimously carried to donate \$500.

Rotary Club of Pueblo West requested a donation for the 6th Annual Oktoberfest. A motion was made by Ms. Morgan, seconded by Mr. Costa and unanimously carried to donate \$1,500.

Matching Funds – San Isabel Electric Association employees are requesting matching funds for the La Veta Booster Club which collected \$110. A motion was made by Mr. Garcia, seconded by Ms. Morgan and unanimously carried to match the \$110 raised by employees.

San Isabel Electric Association employees are requesting matching funds for the Gardner School Carnival fundraiser which collected \$102. A motion was made by Mr. Garcia, seconded by Mr. Costa and unanimously carried to match the \$102 raised by employees.

Donation Reports – Donation Reports were received from Spanish Peaks Cycling Association, Friends of Aguilar, Colorado State University Extension Pueblo County, and Greenhorn Valley Chamber of Commerce.

Meeting Minutes – A motion was made by Ms. Sikes, seconded by Mr. Maroney, and unanimously carried, that the minutes for last month's regular board meeting be approved.

Consent Agenda - A motion was made by Ms. Sikes, seconded by Mr. Keairns, 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 August, 2016, has been submitted to the Board. A motion was made by Ms. Sikes, seconded by Mr. Garcia, 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.

Growth Strategy Update – 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.

Key Ratio Trend Analysis – Mr. Elarton submitted written report to the Board and gave a verbal report.

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

Collective Bargaining Agreement – Mr. Eitel submitted a 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.

Board Strategy Discussion – The Board discussed strategy.

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

Annual Meeting Dress Rehearsal – The Board ran through the layout of the Annual Meeting.

Western United Electric Report – A written report was submitted to the Board, and Ms. Sikes 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.

Administrative Items

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 1-11, 4-6, 4-7, 4-8, and 4-13, and Employee Policy 2-2 were reviewed.

Board Policy 1-11, Preservation of Records, was submitted to the Board with proposed clerical changes, removal of Appendix I, and proposed changes to the retention periods in the Retention Schedule. A motion was made by Ms. Morgan to accept Board Policy 1-11 with the proposed changes, seconded by Mr. Maroney, and unanimously carried.

Board Policy 4-6, Community Relations, was submitted to the Board with proposed clerical changes and the addition of wording in the Objective and Policy. A motion was made by Mr. Maroney to accept Board Policy 4-6 as presented, seconded by Mr. Costa, and unanimously carried.

Board Policy 4-7, Use of Association Facilities and Equipment, was submitted to the Board with proposed clerical changes and approval for use of Association facilities and equipment from the General Manager or “Chief Officer of the Association”. A motion was made by Mr. Keairns to accept Board Policy 4-7 as presented, seconded by Mr. Costa, and unanimously carried.

Board Policy 4-8, Public Safety Around Electrical Facilities, was submitted to the Board for removal from Policy as it is presented in conjunction with the Work Plan. A motion was made by Mr. Keairns to remove Board Policy 4-8 from Policy, seconded by Ms. Morgan, and unanimously carried.

Board Policy 4-13, Energy Conservation, was submitted to the Board with proposed clerical changes and clarification in paragraph A. A motion was made by Mr. Maroney to accept Board Policy 4-13 as presented, seconded by Mr. Keairns, and unanimously carried.

Employee Policy 2-2, Per Diem and Expenses for Employees, was submitted to the Board with the proposed clerical changes and changes for consistency within Policy. A motion was made by Mr. Keairns to accept Employee Policy 2-2 as presented, seconded by Ms. Morgan, and unanimously carried.

CFC Voting Delegate and Director Candidate Vote – Ms. Rose appointed Mr. Keairns to be the voting

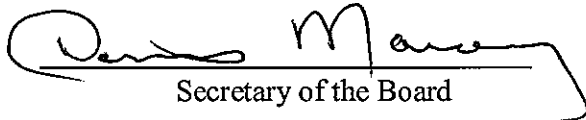
delegate and Ms. Sikes to be the alternate for the CFC District Meeting.

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

October 2016 Regular Board Meeting – The October 2016 regular board meeting will be held October 21, 2016, beginning at 9:00 a.m.

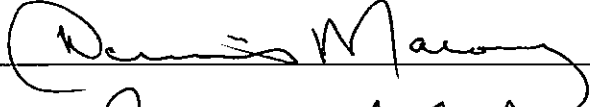
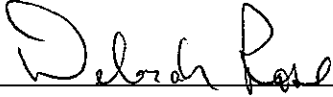
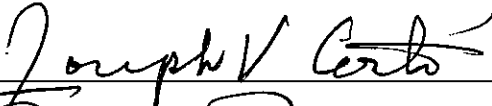
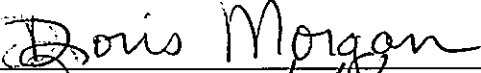
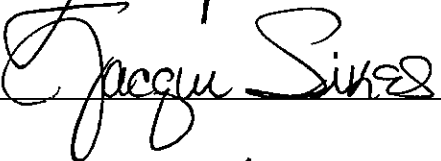
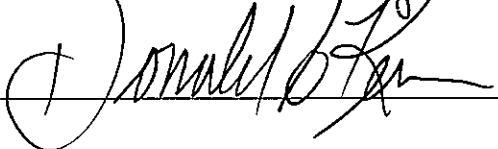

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 1:39 p.m.

ATTEST:


Secretary of the Board


President of the Board

We, the undersigned Directors of San Isabel Electric Association, Inc., on this date, October 21, 2016, do hereby certify and confirm in all respects, the foregoing minutes of the regular Board meeting, held September 16, 2016.

Being all the Directors of San Isabel Electric Association, Inc.