

**MINUTES**  
**Board of Directors Meeting**  
**San Isabel Electric Association, Inc.**  
**July 28, 2017**

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, July 28, 2017, at the San Isabel Electric Association Trinidad office, 1930 E. Main Street, Trinidad, Colorado.

**Call to Order** - The meeting was called to order at 8:54 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; Fred Sola, Engineering Manager; Bonnie Myers, Assistant to the General Manager.  
Visitor: Jonathan Taylor, City of Trinidad Economic Development

**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 Ms. Morgan, 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. Morgan, 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 June, 2017, has been submitted to the Board. A motion was made by Mr. Costa, seconded by Mr. Keairns, 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.

**Equity Management** – Mr. Elarton submitted a written report to the Board and gave a verbal report. A motion was made by Mr. Keairns to retire distribution capital credits on a 25-year cycle, in the amount of \$902,000, using a 50-50 hybrid method of FIFO and LIFO, seconded by Mr. Garcia and unanimously carried.

### **Board Education**

**Workstudio/Stakes** – Mr. Sola submitted a written report to the Board and gave a verbal report.

**E&O Acronyms** – Mr. Stewart submitted a written report to the Board and gave a verbal report.

**Jonathan Taylor, City of Trinidad Economic Development** – Mr. Taylor gave a presentation on economic development in Southern Colorado.

**COO – Darryl Stewart** – Mr. Stewart submitted a 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.

**Board Resolution 2017 Restatement** – A resolution to restate the retirement security and 401(k) plans was submitted to the Board. A motion was made by Ms. Sikes, seconded by Mr. Keairns and unanimously carried to approve the resolution as presented.

### **Administrative Items**

**Quarterly Donation Report** – Mr. Eitel submitted a written report of donations from October 2015 through June 2017.

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

Rye Booster Club requested a donation for the 20<sup>th</sup> Annual Golf tournament. A motion was made by Mr. Maroney, seconded by Mr. Costa and unanimously carried to donate \$500.

Liberty Point Elementary requested a donation to help with the purchase of accelerated reading software. A motion was made by Ms. Morgan, seconded by Mr. Costa and unanimously carried to donate \$750.

Beulah Challenger/Mountain Park Environmental Center requested a donation for the 5K/10K/Half Marathon. A motion was made by Ms. Rose, seconded by Ms. Sikes and unanimously carried to donate \$500.

CSU-Pueblo Football Team requested a donation for the sponsorship of a football game. No action taken.

John Mall Football requested a donation for equipment upgrades. A motion was made by Ms. Sikes, seconded by Mr. Garcia and unanimously carried to donate \$3,000.

Red Creek Volunteer Fire & Rescue requested a donation to purchase two AED units. A motion was made by Ms. Rose, seconded by Mr. Costa and unanimously carried to donate \$500.

**Donation Reports** – Donation reports were received from National Alliance on Mental Illness Southeast Colorado and Trinidad State Junior College Educational Foundation.

**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 4-1, 4-3, and 4-10 and Employee Policies 1-11 and 1-12 were reviewed.

Board Policy 4-1, Requests for Association Information, was submitted to the Board with minor clerical changes. A motion was made by Mr. Garcia to accept Board Policy 4-1 as presented, seconded by Mr. Keairns and unanimously carried.

Board Policy 4-3, Attachments to Association Poles, was submitted to the Board for review.

Board Policy 4-10, Donations and Contributions, was submitted to the Board with minor clerical changes. A motion was made by Mr. Maroney to accept Board Policy 4-10 as presented, seconded by Ms. Morgan, and unanimously carried.

Employee Policy 1-11, Death of an Employee, was submitted to the Board for review.

Employee Policy 1-12, Employee Courtesy to the Public, was submitted to the Board for review.

**Executive Session 1:56 p.m.** – A motion was made by Mr. Garcia, seconded by Mr. Maroney and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss negotiation strategies.

**Regular Session 3:20 p.m.** – A motion was made by Mr. Keairns, seconded by Ms. Sikes and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

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

The Nominating Committee met on July 5, 2017. Ms. Rose was nominated for the district 1 – Beulah, Wetmore & Vicinity Director position and Mr. Keairns was nominated for the district 6 – La Veta, Cuchara & Vicinity Director position. The deadline for the nomination by petition is August 2, 2017.

**CARE 527 Membership** – CARE 527 Membership requested a contribution to the account. The Board contributed \$5,000 in 2016. A motion was made by Ms. Sikes to donation \$5,000, seconded by Mr. Maroney and unanimously carried.

**Basin Electric Power Cooperative Designation of Authorized Representative** – Ms. Rose appointed Mr. Maroney to be the voting delegate and Mr. Keairns to be the alternate for the Basin Electric Power Cooperative Annual Meeting.

**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** – A written report was submitted to the Board. The Board discussed strategy.

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

**August 2017 Regular Board Meeting** – The August 2017 regular Board meeting will be held August 18, 2017, beginning at 9:00 a.m.

**Adjourn** - There being no further business to come before the meeting, the meeting was adjourned at 3:52 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, August 18, 2017, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held July 28, 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.