

**MINUTES**  
**Board of Directors Meeting**  
**San Isabel Electric Association, Inc.**  
**June 16, 2017**

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, June 16, 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 9:02 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; Steve Zamarripa, Technology Services Manager; Bonnie Myers, Assistant to the General Manager.

Visitor: Mike Prom, Western United Electric

**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 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 May, 2017, has been submitted to the Board. A motion was made by Mr. Costa, seconded by Mr. Kearins, and unanimously carried, that the safety meeting report be approved.

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

**Financial Forecast and Long Range Financial Forecast Board Resolution** – Mr. Elarton submitted a written report to the Board and gave a verbal report. A resolution to approve and accept the long range financial forecast was submitted to the Board. A motion was made by Mr. Garcia, seconded by Mr. Keairns, and unanimously carried to approve the resolution as presented.

**Audit Agreement** – A three-year proposed audit agreement with Dreyer & Kelso, P.C., P.A. was submitted to the Board. A motion was made by Mr. Garcia to accept the audit agreement for 2017

through 2019, seconded by Mr. Costa, and unanimously carried.

**General Manager – Reg Rudolph** – Mr. Rudolph 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.

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

**Board Education**

**Cybersecurity Update** – Mr. Zamarripa submitted a written report to the Board and gave a verbal report.

**Rate Curriculum** – Mr. Elarton submitted a written report to the Board and gave a verbal report.

**WUE Update** – Mr. Mike Prom gave a verbal report on Western United Electric.

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

**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.

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

**Appointment of Nominating Committee** – A motion was made by Morgan to appoint the following Members to the Nominating Committee, seconded by Sikes, and unanimously carried.

Anne Moulton, District 1	Ron Eccher, District 5	Carl Mozingo, District 7
Sara Blackhurst, District 2	Edward Aguirre, District 6	Jim Fine, District 8
Roger Cain, District 3		

**Set Nominating Committee Meeting Date** – A motion was made by Mr. Maroney, seconded by Mr. Keairns and unanimously carried that the Nominating Committee meeting will be held at the San Isabel Electric Association headquarters office on Wednesday, July 5, 2017 beginning at 9:30 a.m.

**Executive Session 1:35 p.m.** – A motion was made by Ms. Morgan, seconded by Mr. Keairns and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss personnel.

**Regular Session 1:59 p.m.** – A motion was made by Mr. Keairns, seconded by Mr. Costa and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

## **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 2-7, 3-1, 3-2, and 3-3 and Employee Policy 1-10 were reviewed.

Board Policy 2-7, Capital Credits-Deceased Members, was submitted to the Board for review.

Board Policy 3-1, System Facilities Planning, was submitted to the Board for review.

Board Policy 3-2, Purchase Right-of-Way for Distribution, was submitted to the Board with minor clerical changes and the removal of Policy Paragraph A. A motion was made by Mr. Keairns to accept Board Policy 3-2 as presented, seconded by Mr. Costa, and unanimously carried.

Board Policy 3-3, Purchasing Procedure, was submitted to the Board with minor clerical changes and the removal of Objective Paragraph F. A motion was made by Ms. Sikes to accept Board Policy 3-3 as presented, seconded by Mr. Keairns, and unanimously carried.

Employee Policy 1-10, Recognition of Retiring Employees, was submitted to the Board with minor clerical changes. A motion was made by Mr. Maroney to accept Employee Policy 1-10 as presented, seconded by Mr. Costa, and unanimously carried.

**NRECA Regional Meeting** – The NRECA Regional Meeting will be held in Denver, CO, October 16 through October 18.

**NRECA Regional Meeting Voting Delegate and Alternate** – Ms. Rose appointed Ms. Sikes to be the voting delegate and Mr. Maroney to be the alternate for the NRECA Regional Meeting.

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

Sangre de Cristo Volunteers for Community requested a donation for the 1<sup>st</sup> Annual Kickin' Good Barn Dance Fundraiser. A motion was made by Mr. Maroney, seconded by Ms. Sikes and unanimously approved to donate \$1,000.

Trinidad Parks & Recreation Advisory Board requested a donation for trail post signs. A motion was made by Mr. Costa, seconded by Ms. Morgan and unanimously approved to donate \$1,000.

Pueblo West Chamber of Commerce requested a donation for the 4<sup>th</sup> of July community fireworks display. A motion was made by Ms. Morgan, seconded by Mr. Keairns and unanimously approved to donate \$500.

Pueblo West Chamber of Commerce requested a donation for the 11<sup>th</sup> Annual Golf Tournament. No action taken.

Pueblo West Chamber of Commerce requested a donation for SummerFest Pueblo West 2017. A motion was made by Ms. Morgan, seconded by Mr. Costa and unanimously approved to donate \$500.

Spanish Peaks Arts Council (SPACe) requested a donation to help complete an Energy Efficiency Project. A motion was made by Ms. Sikes, seconded by Mr. Keairns and unanimously approved to donate \$1,000.

Pueblo County 4H requested a donation the 2017 Pueblo County Fair 4H/FFA Showcase Sale. A motion was made by Mr. Keairns, seconded by Ms. Sikes and unanimously approved to donate \$100.

Colorado State University Extension Pueblo County requested a donation for the 11<sup>th</sup> Annual Adventure Day Camp. No action taken.

Spanish Peaks Regional Health Center for fireworks display for veterans. A motion was made by Ms. Sikes, seconded by Ms. Morgan and unanimously approved to donate \$500.

**Donation Reports** – A donation report was received from Colorado Teacher Awards.

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

**July 2017 Regular Board Meeting** – The July 2017 regular Board meeting will be held July 28, 2017, beginning at 9:00 a.m. at the Trinidad Office.

**Adjourn** - There being no further business to come before the meeting, the meeting was adjourned at 2:21 p.m.

**Executive Session 2:21 p.m.** – A motion was made by Mr. Costa, seconded by Ms. Morgan and unanimously carried that the Board goes into executive session. The purposed of the executive session was to discuss potential litigation matters.

**Regular Session 2:26 p.m.** – A motion was made by Mr. Costa, seconded by Mr. Maroney and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

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, July 28, 2017, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held June 16, 2017.

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*/Jacque Sikes/*

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*/Edward R. Garcia/*

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*/Deborah Rose/*

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*/Dennis Maroney/*

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*/Doris Morgan/*

\_\_\_\_\_  
*/Joseph Costa/*

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*/Donald G. Keairns/*

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