

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
May 19, 2017

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, May 19, 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 10:09 a.m. by President Deborah Rose, who presided. Secretary Dennis Maroney acted as secretary. The Board had a work session from 8:00 a.m. until 10:00 a.m. to discuss strategic planning.

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; Clinton Smith, System Engineer; Bonnie Myers, Assistant to the General Manager.

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. Sikes, 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. Keairns, seconded by Mr. Costa, 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 April, 2017, has been submitted to the Board. A motion was made by Mr. Maroney, 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.

RUS Loan Board Resolution – A resolution to apply for an RUS Loan through their online portal was presented to the Board. A motion was made by Mr. Keairns, seconded by Mr. Garcia, and unanimously carried to approve the resolution as presented.

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

Trinidad Acquisition Presentation – Mr. Elarton submitted a written report to the Board and gave a verbal report.

100% Renewable Utility Presentation – Mr. Smith submitted a written report to the Board and gave a verbal report.

Prepaid Metering Update Report – Mr. Eitel and Mr. Kummer submitted a written report to the Board.

AMI Update Report – Mr. Kummer submitted a written report to the Board.

Succession Planning & On-boarding Report – Ms. Flores submitted a written report to the Board.

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

A motion was made by Mr. Maroney to allow for a survey to go out to City of Pueblo residents, seconded by Mr. Garcia and unanimously approved.

Executive Session 1:02 p.m. – A motion was made by Mr. Maroney, seconded by Ms. Sikes and unanimously carried that the Board goes into executive session. The purposed of the executive session was to discuss personnel matters.

Regular Session 2:06 p.m. – A motion was made by Mr. Keairns, seconded by Mr. Garcia 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 Meeting will be held at the San Isabel Electric Association headquarters office on Wednesday, July 5, 2017 beginning at 9:30 a.m. Appointment of the Nominating Committee will be made at the June 16 Board Meeting.

The July Board Meeting will be held at the San Isabel Electric Association area office in Trinidad on July 28, 2017 beginning at 9 a.m.

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.

Administrative Items

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

Stonewall Fire Auxiliary requested a donation for their 21st Annual Fishing Tournament. A motion was made by Mr. Costa, seconded by Ms. Morgan and unanimously approved to donate \$500.

Friends of Aguilar requested a donation for “Aguilar Strong” community festival. A motion was made by Mr. Costa, seconded by Ms. Sikes and unanimously approved to donate \$1,500.

Colorado State University Extension Pueblo County requested a donation for their 11th annual Adventure Day Camp. No action taken.

Southern Colorado Repertory Theatre (SCRT) requested a donation for the Summer Youth Academy. A motion was made by Mr. Costa, seconded by Mr. Keairns and unanimously approved to donate \$500.

New Hope Community Church requested a donation for NHCC Food Pantry. No action taken.

Namaste Massage and Holistic Wellness Center requested a donation for the “Soul to Soil: Barefoot in the Park” event. No action taken.

Southern Colorado Quarter Midget Association requested a donation for 75 promo bags. A motion was made by Ms. Sikes, seconded by Ms. Rose and unanimously approved to donate 75 promo bags.

Donation Reports – Donation reports were received from Greenhorn Valley Chamber of Commerce, Tom Sawyer Fishing Derby, John Mall High School FBLA, and Trinidad State Junior College.

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 2-3, 2-4, 2-5, and 2-6 and Employee Policies 1-8 and 1-9 were reviewed.

Board Policy 2-3, Authorization to Process Accounts Payable, was submitted to the Board with minor clerical changes. A motion was made by Mr. Keairns to accept Board Policy 2-3 as presented, seconded by Mr. Maroney, and unanimously carried.

Board Policy 2-4, Authorized Check Signatures, was submitted to the Board with minor clerical changes. A motion was made by Mr. Keairns to accept Board Policy 2-4 as presented, seconded by Ms. Sikes, and unanimously carried.

Board Policy 2-5, Petty Cash Fund, was submitted to the Board with proposed wording to allow for payments from petty cash during outages for amounts over \$100.00. A motion was made by Ms. Sikes to accept Board Policy 2-5 as presented, seconded by Mr. Keairns, and unanimously carried.

Board Policy 2-6, Annual Audit, was submitted to the Board with minor clerical changes. A motion was made by Ms. Sikes to accept Board Policy 2-6 as presented, seconded by Mr. Keairns, and

unanimously carried.

Employee Policy 1-8, Complaint Resolution-Exempt Employees, was submitted to the Board with minor clerical changes and the proposed Policy name change to “Complaint Resolution-Non-Bargaining Unit Employees”. A motion was made by Mr. Keairns to accept Employee Policy 1-8 as presented with an additional change of wording in Paragraph B.3., seconded by Mr. Maroney, and unanimously carried.

Employee Policy 1-9, Whistleblower, was submitted to the Board with minor clerical changes. A motion was made by Mr. Keairns to accept Employee Policy 1-9 as presented, seconded by Mr. Costa, and unanimously carried.

MVEA Letter – A letter of thanks was received from Mountain View Electric Association’s Board of Directors for hosting and sharing information about the Association’s AMI program.

Beulah Fire Protection & Ambulance District Request/CoBank Success Sharing Program – Beulah Fire Protection and Ambulance District requested assistance with purchasing technology for their public safety classes. A motion was made by Ms. Sikes, seconded by Mr. Keairns and unanimously approved to donate \$5,000. This request will also be submitted to CoBank’s Success Sharing Program and Basin Electric.

CFC Integrity Fund – A motion was made by Ms. Morgan that San Isabel Electric Association contribute 5% of our patronage capital from CFC for all purposes, seconded by Mr. Costa, and unanimously carried.

Pedal the Plains – A motion was made by Mr. Keairns and seconded by Ms. Morgan to donate \$500. The motion passed six to one; Ms. Morgan opposed the donation.

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

A motion was made by Ms. Sikes to waive the hotel fees for Mr. Garcia’s NRECA Legislative Conference hotel as he was unable to attend due to illness, seconded by Mr. Keairns, and unanimously carried.

June 2017 Regular Board Meeting – The June 2017 regular Board meeting will be held June 16, 2017, beginning at 9:00 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 2:56 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, June 16, 2017, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held May 19, 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.