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**MINUTES OF MEETING**  
**San Luis Valley Rural Electric Cooperative, Inc.**  
**Regular Meeting of the Board of Directors**  
**January 31, 2023**

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The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, January 31, 2023, at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Stephen Valdez (vice-president), Wade Lockhart (secretary), Scott Wolfe, Cole Wakasugi and Carol Lee Dugan. Also present were Gregg Kampf (corporate attorney), Loren Howard (chief executive officer), JoAn Waudby (chief financial officer/corporate treasurer), Shawn McKibbon (chief operations officer), Carol Silva (human resources specialist), Stacy Valdez (manager of customer service/billing), Jennifer Alonzo (marketing/sales coordinator) and Michelle Trujillo (human resources officer/assistant corporate secretary). Director Creede Hargraves joined the meeting via Zoom.

**Call to Order**

Keenan Anderson called the meeting to order at 9:30 AM.

**The Pledge of Allegiance**

Keenan Anderson led the Pledge of Allegiance.

**Member Communication**

Mail was circulated among the board members.

**Welcome of Guest(s)**

Ruth Brown of Wagon Wheel Gap Associates was present at the meeting via Zoom. She explained that the purchase power agreement with Humphrey's Hydro and Roaring Fork Hydro projects expires on this date, January 31, 2023 and took this opportunity to listen to the board meeting.

**Approval of Agenda**

Motion to approve the agenda as presented was unanimously carried by those present.

**Corporate Review**

Loren Howard reviewed the submitted report. He stated that new CEO Eric Eriksen will join the meeting tomorrow via Zoom between corporate attorney interviews to provide an update on his move. Howard further reported that 2 MW of renewable energy is still available for SLVREC to meet the 5% limit set by the purchase contract with Tri-State. Discussion ensued about the expression of interest process and potential locations for a renewable site. Other items talked about were the work plan project in the north area service territory and the number of scholarship applications received. The selection process will take place after the February board meeting.

**Financial Review**

Loren Howard reviewed the submitted financial summary. JoAn Waudby stated that overall revenue for the year is behind with a large part of that due to less irrigation and higher interest rates. The financial ratios continue to be at an acceptable level. Preliminary year-end financials are expected to be presented at the February meeting. Auditors will be on site the first full week of March. Howard stated that the facility radio tower is on order and should be installed by late spring or early summer. Having our own tower will be more feasible, provide better coverage and more security. It was noted that the SAIDI graph indicates a slight upward trend and discussion ensued regarding the Leidos/AMI reporting capabilities and accuracy of data.

**Approval of Minutes**

Motion to approve the minutes as presented from the regular meeting on November 22, 2022 and the special

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board meeting on December 15, 2022 was unanimously carried by those present.

### **Approval of Board Policies**

Motion to approve the following board policies as presented was unanimously carried by those present:

- BP 3-004 Compensation and Benefits
- BP 3-005 Financial Planning and Budgeting
- BP 3-006 Financial Conditions and Activities
- BP 3-007 Asset Protection

It was recommended that the board review all board policies in detail and discuss the Carver method of writing policies with the new CEO and new attorney.

### **Approval of 2022 Write-offs**

Motion made to approve the 2022 Write-offs in the amount of \$14,605.71 for electric billing and \$32,202.59 for miscellaneous receivables was unanimously carried by those present.

Break: 10:26 AM

Reconvene: 10:35 AM

### **Safety Report**

The submitted report was reviewed. Shawn McKibbon briefly discussed his visit to Western United to review the rubber goods testing process. (Copy attached hereto and made a part hereof.)

### **Agreements for Purchase of Power**

The current list of Agreements for Purchase of Power was reviewed and discussed. (Copy attached hereto and made a part hereof.)

### **ATTORNEY'S REPORT**

#### **Corporate Attorney - Gregg Kampf**

Gregg Kampf discussed the submitted report. He reviewed the proposed Bylaw changes to be presented to the members at the annual meeting. Kampf advised that tax attorney Jason Reschly come to the 2023 annual meeting to present these changes to the members. Some simple language changes were suggested and final approval of these draft Bylaw changes will be voted on at the March board meeting.

### **BOARD COMMITTEE REPORTS:**

#### **Colorado Rural Electric Association – Stephen Valdez**

Valdez reported that the meeting structure is changing to include speakers covering current industry subject matters. Topics regarding tax credits, water rules and the Inflation Reduction Act were presented at the last meeting. Due to money availability through grants, the topic of hiring a grant writer or a firm that writes grants was talked about. CREA also set up a workshop on net metering and demand rates. Valdez stated that there are sixteen bills being monitored with the most pertinent being HB-1039 on Resource Adequacy. The annual meeting is February 22-25, 2023.

#### **Western United – Stephen Valdez**

Valdez reported that they went over the 2023/2024 strategic plan with a focus on product mix. A question was asked how the downturn of economy would impact Western United. Valdez stated that Western United is carefully reviewing back log orders with needed date, current orders and inventory levels and trying to find a balance.

#### **Tri-State – Scott Wolfe**

Wolfe reviewed the enclosed report. He further stated that the Craig and Escalante stations may be potential sites for hydrogen plant facilities; there is no grant funding available for sizeable transmission projects, and strategic planning is set for the upcoming board meeting. JoAn Waudby will create a graph depicting Tri-States peak data with San Luis Valley REC peak data.

**Unfinished Business**

None

**New Business**

Loren Howard presented a certificate of completion and a pin to Keenan Anderson as he has completed the required NRECA classes and is now a Credentialed Cooperative Director.

Loren Howard presented information about the Cooperative Family Fund. This is a fund set up to assist children that have lost a parent that worked for a Cooperative. This would be an annual contribution of \$1,000.

**Motion to Approve a Contribution to the Cooperative Family Fund**

Motion to contribute \$1,000 on an annual basis to the Cooperative Family Fund was unanimously carried by those present.

**Future Dates:**

The next regular meeting of the board of directors is scheduled for February 28, 2023.

**Board Comments:**

A board member received a comment regarding how a customer can know the solar output of their system. This data is not easily accessible to customers and they should call in and talk with our engineer in charge of net metering. The usage can be analyzed and information dispersed.

A board member asked in what form the capital credits were paid. If a member has an active account, it was credited to that account and displayed as a line item on the monthly billing statement. All other payments were mailed out by check.

**Executive Session**

Motion to enter executive session at 12:01 PM for the discussion of personnel was unanimously carried by those present.

Motion to reconvene public session at 12:19 PM with no action taken was unanimously carried by those present.

**Motion to Adjourn**

Motion to adjourn the meeting at 12:20 PM was unanimously carried by those present.

SEAL

  
Keenan Anderson, President

  
Wade Lockhart, Corporate Secretary

  
Michelle Trujillo, Recording Secretary