
MINUTES OF MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Regular Meeting of the Board of Directors
June 27, 2023

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, June 27, 2023, at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Wade Lockhart (secretary), Carol Lee Dugan, Scott Wolfe, and Creede Hargraves. Also present were Tyler Denning (corporate attorney), Eric Eriksen (chief executive officer), JoAn Waudby (chief financial officer), Carol Silva (human resources specialist), Stacy Valdez (customer service/billing manager), Shawn McKibbin (chief operations officer), Isaiah Abeyta (engineer 1), Jennifer Alonzo (marketing/sales coordinator), and Michelle Trujillo (human resources officer/assistant corporate secretary). Stephen Valdez (secretary) was unavoidably absent. District 2 Costilla County seat remains vacant.

Call to Order

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

The Pledge of Allegiance

Anderson led the Pledge of Allegiance.

Member Communication

Mail was circulated among the board members.

Welcome of Guest(s)

None

Election of Officers:

Motion to nominate the following board members as officers was unanimously carried by those present.

- Keenan Anderson, President of the Board of Directors
- Stephen Valdez, Vice-President of the Board of Directors
- Wade Lockhart, Secretary of the Board of Directors

Appointment of Corporate Treasurer and Assistant Corporate Secretary

Motion to appoint JoAn Waudby as Corporate Treasurer and Michelle Trujillo as Assistant Corporate Secretary unanimously carried by those present.

Determination of Meeting Delegates

Motion to nominate Scott Wolfe as the Tri-State G&T Board Delegate and Stephen Valdez as the Colorado Rural Electric Association and Western United Board Delegate unanimously carried by those present.

Approval of Consent Agenda

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

Management Reports

CEO/Executive Report: CEO Eric Eriksen reviewed the changes to the SLVREC Bylaws that were approved at the 2023 Annual Meeting. Discussion ensued regarding the Bylaws. Eriksen further mentioned a recent meeting with Senator Cleave Simpson, an upcoming staff leadership strategic planning meeting in July and Duane Highley will be present at the regular July board meeting.

Safety Report: Michelle Trujillo reviewed the submitted safety report. Brief discussion was held regarding the DART metric; Days Away Restricted or Transferred.

Reliability Report: Eric Eriksen reported in Terry Daley's absence stating that an upward trend has been occurring in the SAIFI and SAIDI data and our engineering department has been working to figure out the reason why this is happening.

Cyber Security: Eric Eriksen reported in Ross Coombs' absence stating that new corporate software is being installed that will monitor and generate a detailed report in the future.

Human Resources: Michelle Trujillo reviewed the submitted report that contained some basic information regarding employee statistics. Trujillo also talked about the wellness program and the internal leadership groups.

Marketing: Jennifer Alonzo talked about a recent career fair in Del Norte and her focus on the 2023 annual meeting and following up communications regarding approved Bylaw changes and the Strategic Road Map.

Member Services: Stacy Valdez reviewed the submitted report. She further asked for feedback of what type of information the board would like to see from her in the future.

Operations: Shawn McKibbin reviewed the submitted report providing more details about the upcoming Hendrix Tree Wire project in the Zapata Subdivision while passing around a sample of the Hendrix Tree Wire. Discussion ensued regarding other large scale projects such as the new RV park in South Fork and the Living Wisdom assisted living development in Crestone. Lastly, he mentioned the upgrades planned at Fun Valley and Mountain Views at Rivers Edge and stated that the workplan project in South Fork should be complete in the next week.

Engineering: Eric Eriksen reviewed the submitted report and talked in further detail about the planned solar projects and the CDOT project for improved lighting and cameras on Wolf Creek Pass.

Financial Report: JoAn Waudby reviewed the submitted report stating that sales are down, which directly relate to cooler wet weather and purchased power costs are down due to lower consumption. Waudby stated that interest rates have had an overall negative impact.

Waudby reported that Ciello margins are still positive, gaining another \$12,000. She stated that revenue is down but expenses are down even more so the impact is not quite as bad.

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.)

Break: 10:33 AM
Reconvene: 10:43 AM

ATTORNEY'S REPORT

Corporate Attorney – Tyler Denning

Denning reviewed the submitted report and stated that he is still working on the easement issue and the solar project agreement. He stated that revisions to the water tower license agreement will be completed soon. Denning clarified that the bylaw changes were effective the date they were approved. This led to a discussion of the electronic voting option and the possibility of utilizing this method for the 2024 annual meeting.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association – Stephen Valdez

The report stood as submitted as Valdez was absent.

Western United – Stephen Valdez

The report stood as submitted as Valdez was absent.

Tri-State – Scott Wolfe

Wolfe reviewed the submitted report. He talked about the inflation reduction act (IRA), the process for the buy down payment and mentioned that the contract termination payment is tied up in FERC for the next several years, so an equalization payment option might be something to work on in the meantime. Tri-State is in the midst of several large scale projects to meet future mandated renewable requirements and is also considering investing in smaller scale projects with cooperatives to achieve the overall goal of supporting long-term power supply. Further discussion was held about the on-bill payment option to benefit members through efficiency efforts that will provide long-term savings. It was stated that a neighboring cooperative is actively working on bringing this program to their members and will be integrating the on-bill payment plan through their billing software. Tri-State is projecting a 1.4% rate increase and the 4% rate reduction will be eliminated.

Unfinished Business

None

New Business

The vacant position for District 2 Costilla County was brought up. It was decided that we should reach out to members in that area using all means available: word of mouth, direct email, direct mailings, public meeting, newspaper. Other possibilities for filling this vacancy were discussed but it was decided to move forward with the traditional methods to start with to gauge the interest from that specific county.

Future Dates:

The regular meeting of the board of directors is scheduled for Tuesday, July 25, 2023 at 9:30 AM.

Board Comments:

Creede Hargraves commented positively on the new format of the meeting structure.

Keenan Anderson verified that to start the process of the corner grounded Delta replacement that the member must contact our office. It was reiterated that there is expense on the member side to complete this process.

Motion to Adjourn

Motion to adjourn the meeting at 11:43 AM was unanimously carried by those present.

SEAL


Keenan Anderson, President


Wade Lockhart, Corporate Secretary


Michelle Trujillo, Recording Secretary