

MINUTES OF MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Regular Meeting of the Board of Directors
May 27, 2025

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, May 27, 2025 at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Stephen Valdez (Vice-President), Scott Wolfe, and Carol Lee Dugan. Also present were Eric Eriksen (chief executive officer), James Romero (chief financial officer), Terry Daley (engineering manager), Jennifer Alonzo (marketing/communications manager), Shawn McKibbin (chief operations officer), Stacy Valdez (manager of customer service/billing), Carol Silva (controller), and Michelle Trujillo (human resources officer/assistant corporate secretary). Corporate Attorney Shay Denning, Corporate Secretary Wade Lockhart and Director Creede Hargraves attended the meeting via Zoom. Costilla County position remains vacant.

Call to Order

Keenan Anderson called the meeting to order at 9:31 AM and led the Pledge of Allegiance.

Member Communication

Mail was circulated among the board members.

Welcome of Guest(s)

Patrick Jordan from National Rural Telecommunications Cooperative (NRTC) joined the meeting via Zoom for a Smart Grid Technology presentation based on their analysis of San Luis Valley Rural Electric Cooperative & Ciello's current practices and procedures in place.

Sam Enoka of Greensparc Edge-Based Data Centers presented the board with information about what a Data Center is and how San Luis Valley REC fits the need for this type of service.

Discussion was held regarding the opportunities and risks with this Greensparc service. Material availability was also mentioned. Consensus of the board was that this project appears to have low risk with good revenue opportunity. A rate will be developed for this type of service.

Break 11 :07 AM

Reconvene 11:17AM

Approval of Consent Agenda

Motion was made, seconded and unanimously carried by those present to approve the consent agenda containing the May 27, 2025 regular meeting agenda and the minutes from the regular board meeting held on April 29, 2025.

Per the board request, Eric Eriksen submitted a detailed executive report in advance of the meeting and answered questions from the board during the meeting.

Management Reports

Safety Report: Michelle Trujillo reviewed the safety report and it stood as presented.

Reliability Report: Terry Daley reviewed his submitted report and more discussion was held on the technology plan and the microgrid study.

Human Resources: Michelle Trujillo reviewed the submitted report and it stood as presented.

Marketing: Jennifer Alonzo reviewed the submitted report. Alonzo answered questions regarding the HomeServe member program.

Customer Service: Stacy Valdez reviewed the submitted report and added there have not been many calls received regarding the rate increase.

Lunch: 12:07 PM

Break: 12:43 PM

Operations: Shawn McKibbin explained photos of the crews job sites and talked about the recent Mesa Hotline School event.

Financials: James Romero presented the financial report through April 2025. He spoke in detail about post-audit revenue adjustments and expenses. He showed a new slide depicting available cash at the end of the month.

Board Action

Motion was made, seconded and unanimously carried by those present to appoint Wade Lockhart as the Corporate Treasurer.

Motion was made, seconded and unanimously carried by those present to appoint James Romero as the Assistant Corporate Treasurer.

Discussion was held regarding the audit process, final report and future audits.

Motion was made, seconded and unanimously carried by those present to accept the 2024 audited financials as presented by ForvisMazars during the April board meeting.

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 – Shay Denning

Shay Denning briefly reviewed the submitted report. Denning provided information on the eminent domain situation with regards to the Colorado Pacific Rio Grande Railroad as well as the existing easement between the railroad and San Luis Valley REC. More discussion was held regarding the Data Center service agreements.

Options for handling the Costilla County board seat vacancy were discussed. Due to the low volume of membership and lack of time and interest from the members in Costilla County, the Board of Directors asked Shay Denning and Eric Eriksen to work on drafting language for the Bylaws to combine Costilla and Conejos Counties for board representation.

Carol Lee Dugan had to leave the meeting at 1:33 PM.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association - Stephen Valdez

Valdez reviewed the submitted report and spoke in more depth about the purchase of a new CREA headquarters building. He further reported that Kent Singer is retiring later this year and his position was advertised without utilizing a search firm. To-date 15 applications have been received and they are hoping to begin the interview process in July. Lastly, he provided a brief update on the legislative conference he attended in late April in Washington D.C.

Western United – Stephen Valdez

Valdez reviewed the report. Western United personnel visited San Luis Valley REC during the month of May to assist with evaluating current warehouse processes. Eric Eriksen reported the meeting went well and more meetings are planned.

Tri-State – Scott Wolfe

Wolfe reviewed the submitted report and added that they had a presentation regarding the impact to the supply chain with the new tariffs in place. Tri-State currently has excess transformers due to renewable developers pulling out of projects. Finishing his report, he spoke of the status of the membership vote regarding the contract extension.

Tri-State Contract Committee Report – Creede Hargraves

Nothing new to report.

NRECA Resolutions Committee

No recommendations for change to the proposed Resolutions. Region VII meeting in Washington in October.

Unfinished Business

None

New Business

None

Future Dates

Annual meeting is Tuesday, June 10, 2025. Registration opens at 5:30 PM and the business meeting will be called to order at 7:00 PM.

The next regular Board meeting is scheduled for June 24, 2025 at 9:30 AM.

Board Comments:

A member called a board member about a damaged Variable Speed Drive from a recent outage. This consumer called the office and the outage was caused by an Act of God so Federated will not cover the claim. The consumer should consider three-phase surge protection.

A board member heard from a consumer regarding a deposit requirement. Stacy Valdez reviewed the deposit options as they stand today and reported that the options were discussed with that member at the time the when the name change was requested.

Adjournment

Keenan Anderson adjourned the meeting at 2:07 PM.



Keenan Anderson,
President

SEAL

Wade Lockhart,
Corporate Secretary



Michelle Trujillo,
Assistant Corporate Secretary