

MINUTES OF REGULAR MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Board of Directors
May 30, 2017

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, May 30, 2017 at the headquarters office located in Monte Vista, Colorado. Directors present were Cole Wakasugi (president), Carol Lee Dugan (vice-president), Scott Wolfe (secretary), Rick Inman, Keenan Anderson, and Eleanor Valdez. Gregg Kampf (corporate attorney) and the following staff were present: Loren Howard (chief executive officer), JoAn Waudby, (chief financial officer), Stacy Valdez (customer service/billing manager), Carol Silva (human resources specialist), Terryl Jensen (operations director), Andrea Oaks-Jaramillo (marketing & economic development coordinator), Emily Novotny (engineering intern), and Michelle Trujillo (human resources director/recording secretary). Mike Rierson was unavoidably absent. Monroe Johnson (telecommunications manager) joined the meeting at 10:47 a.m.

Cole Wakasugi led the Pledge of Allegiance.

Call to Order

Cole Wakasugi called the meeting to order at 9:30 a.m.

Welcome of Guest(s)

The following members were present at the meeting: Clare Barker, Tim Bachicha (potential replacement for Mineral County to replace Rick Inman upon his retirement); Stephen Valdez (candidate running for board seat for Conejos County to replace Eleanor Valdez in her retirement).

General correspondence was circulated.

Approval of Agenda

Motion #1 by Rick Inman, seconded and unanimously carried by those present; the agenda was approved as submitted.

Approval of Minutes

Motion #2 by Eleanor Valdez, seconded and unanimously carried by those present; the minutes of the April 25, 2017 regular meeting were approved as presented.

Approval of Board Policies

Motion #3 by Rick Inman, seconded and unanimously carried by those present; the board approved BP 2-001 thru BP 2-004 as presented.

Approval of Early Estate Capital Credit Retirements

Motion #4 by Eleanor Valdez, seconded and unanimously carried by those present, the board approved the early estate capital credit retirement as presented.

Corporate Exceptions

Loren Howard reviewed the submitted report and provided relevant updates. Our engineering intern Emily Novotny was introduced and updated the board on the Penitente Solar project. Discussion was held on the establishment of the irrigation demand rate, possibility of a new renewable project, progress on the CDOT project, and an explanation of OT graphs was provided as the reporting methods have become more detailed.

Ciello is implementing wireless service in the northern service territory and Scott Wolfe's residential location is being used as the first test site to ensure our crew knows how to install the equipment and the service is as expected. Scott reported good speeds up to this point.

Member Tim Bachicha also stated that the service he receives in Creede has allowed him to work remotely from his home.

Financial Report

April financials were submitted and reviewed.

Operating Statistics

Financial and statistical graphs depicting measurable points of interest were reviewed and discussed. An explanation of SAIDI and SAIFI as well as connecting our substations with fiber was provided to benefit our guests.

Acceptance of Financial Report

Motion #5 by Scott Wolfe, seconded and unanimously carried by those present, the board accepted the April 2017 financials as presented.

Break: 10:47 a.m.

Reconvened: 11:04 a.m.

Agreements for Purchase of Power

The current list of Agreements for Purchase of Power was reviewed.

Safety Report

The submitted report was reviewed and discussed.

Acceptance of Safety Report

Motion #6 by Eleanor Valdez, seconded and unanimously carried by those present; the Safety Report was accepted as presented. (Copy attached hereto and made a part hereof.)

Ciello Report

The submitted report was reviewed. Discussion was held regarding the possibility of grant opportunities aiding low income families as well as for the use in building infrastructure to outlying areas.

ATTORNEY'S REPORT**Corporate Attorney - Gregg Kampf**

Gregg Kampf reviewed his written report. He provided a brief update on the attorney's conference attended last month as well as pending litigation involving cooperatives around the state.

BOARD COMMITTEE REPORTS:**Colorado Rural Electric Association – Eleanor Valdez**

Eleanor Valdez was unable to attend the meeting last month due to bad weather.

Western United – Eleanor Valdez

Eleanor Valdez reported that business has been very good in Utah and Nevada and they are looking into expanding into those states. Further, the Western United Board of Directors are reviewing the meeting schedule considering a quarterly meeting as opposed to the current monthly schedule.

Tri-State – Scott Wolfe

Scott Wolfe reviewed the Tri-State G&T regular board meeting with discussion about rates and environmental impact studies. They reviewed the long term financial forecast and staff provided on RTO as well as asset retirement obligation including the reclamation of mining areas. Scott Wolfe reported that he has recently joined the finance committee.

Unfinished Business:

- None

New Business:

- The annual meeting agenda was reviewed and updated.

- Due to Eleanor Valdez's retirement, the board needs to think about a CREA board of director replacement. Cole Wakasugi committed to replace Eleanor for a period of 1 year for both the CREA and Western United board of director.

Lunch: 12:18 p.m.

Reconvened: 12:59 p.m.

Future Dates:

- Annual Meeting June 13, 2017 beginning at 5:30 p.m. Board to arrive at 5:00 p.m.
- Next regular board meeting is June 27, 2017 at 9:30 a.m. at the headquarters office.

Board Comments:

- Eleanor Valdez congratulated Andrea Oaks-Jaramillo and Dustin Underwood for their accomplishment in receiving their master's degree.
- Scott Wolfe thanked Eleanor Valdez for her many years of service on this board.

Executive Session

On Motion #7 by Carol Lee Dugan, seconded and unanimously carried, the board approved to enter executive session at 1:03 p.m. for the discussion of strategic business opportunities.

On Motion #8 by Carol Lee Dugan, seconded and unanimously carried, the board convened public session at 2:15 p.m. with no action taken.

Break: 2:15 p.m.

Reconvened: 3:04 p.m.

Approval of Resolution

Motion # 9 by Scott Wolfe, seconded and unanimously carried by those present, the board approved the following resolution:

WHEREAS, Eleanor Valdez has faithfully served as a Director of San Luis Valley Rural Electric Cooperative, Inc. for over 22 years providing leadership and guidance to fellow board members, employees and members of the Cooperative and;

WHEREAS, Eleanor Valdez has always been mindful of the interests of the members of San Luis Valley Rural Electric Cooperative, Inc. and has worked to provide utility services with diligence, effect communication, leadership, responsiveness, and innovation that has enhanced the lives of our membership and surrounding communities and;

WHEREAS, during her tenure on the Board of Directors, she provided leadership to complete many projects of significant benefit to REC members including the expansion of the headquarters office, renewable electric generation projects including Humphrey's Hydro and Penitente Solar, numerous electric distribution system upgrades including the Plaza-Waverly Transmission Line Project, fiber optic broadband and phone services established as Cielo, and the implementation of an advanced metering system replacing all obsolete electric meters and;

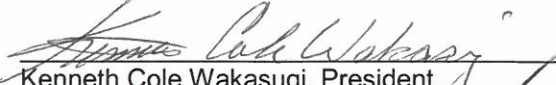
WHEREAS, during her tenure on the Board of Directors, served as San Luis Valley Rural Electric Cooperative's representative on the Colorado Rural Electric Association's Board of Directors supporting San Luis Valley Rural Electric Cooperative's interests on state and federal legislation and regulations;

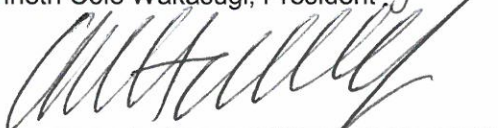
RESOLVED, that San Luis Valley Rural Electric Cooperative, Inc. Board of Directors acknowledges Eleanor Valdez's many years of committed service and the Board of Directors of San Luis Valley Rural Electric Cooperative, Inc. adopt this Resolution by the affirmative vote of the Board and this said Resolution has been duly recorded in the Minute Book and is in full force and effect.


Motion to Adjourn

On Motion # by Scott Wolfe, seconded and unanimously carried by those present; the board adjourned the meeting at 3:10 p.m.

SEAL


Kenneth Cole Wakasugi, President


Scott Wolfe, Corporate Secretary


Michelle Trujillo, Recording Secretary

**AGREEMENTS FOR PURCHASE OF POWER
TO BE REVIEWED BY THE BOARD OF DIRECTORS
May 2017 Board Meeting (April New Service Information)**

Schedule	Consumer Name	County	Location	Monthly Minimum	Annual Minimum	Construction Costs	Comments
A	Ruth Gallagher	Alamosa	3911E080009	\$29.75	\$357.00	\$0.00	RR, OH
A	Edward L Green II	Costilla	0174W080002	\$29.75	\$357.00	\$0.00	Small Comm, UG
A	Avery H Augur & Assoc LLC DBA Caldera DB	Mineral	4201W360908	\$29.75	\$357.00	\$0.00	RR, UG
A	Steve & Linnaea Lynch	Mineral	4201W360913	\$29.75	\$357.00	\$0.00	RR, UG
A	Kelly & Jeffrey Johnson	Rio Grande	3808E080032	\$29.75	\$357.00	\$0.00	RR, UG
A	Bobby Desantis	Saguache	4311E090349	\$29.75	\$357.00	\$0.00	RR, UG
A	Steve Box	Saguache	4509E260022	\$2,975.00	\$357.00	\$0.00	RR, UG
A	Curtis Muhammad & Yanee Ferrari	Saguache	9111E022760	\$29.75	\$357.00	\$0.00	RR, UG
A	Sherry Mieling & Anthony Pechenik	Saguache	9111E011527	\$29.75	\$357.00	\$495.00	RR, UG
A	Town of Crestone	Saguache	4312E070217	\$29.75	\$357.00	\$1,362.00	Small Comm, UG
A	James Bradley	Rio Grande	4007E310012	\$29.75	\$357.00	\$1,506.00	RR, OH
A	Kimberly Jatkowski	Alamosa	2773W310027	\$29.75	\$357.00	\$1,605.00	RR, OH
A	Gary & Linda Knippa	Conejos	3607E290001	\$29.75	\$357.00	\$1,908.00	RR, UG
A	Robert J Anderson	Saguache	9111E010186	\$29.75	\$357.00	\$2,967.00	RR, UG
A	John H Parker	Mineral	4101E070203	\$29.75	\$357.00	\$4,263.00	Seas, UG
A	Edward L Green II	Costilla	0174W080001	\$29.75	\$357.00	\$35,562.00	Small Comm, UG
LP-A	Ernest Myers	Saguache	4108E130020	\$80.00	\$960.00	\$25,219.00	Spinach Grow Op
LP-A	CQST, INC	Alamosa	3910E300009	\$80.00	\$960.00	\$53,981.00	Green houses & processing warehouse for cannabis facility
LP-A	Vaquero South Fork Partners LP	Rio Grande	4003E330409	\$80.00	\$960.00	\$54,007.00	Dollar General Store
Total				\$3,661.25	\$8,592.00	\$182,875.00	

**Monthly Safety Report to the Board of Directors
May 30, 2017 Board Meeting**

Data through April 2017

	This Month	YTD	Running Total
Total # of All Incidents (First Reports of Injury Completed)	0	0	N/A
Number of Lost Time Incidents	0	1	N/A
Total Number of Days Worked Without a Lost Time Incident (M Hagner – Lost Time Incident – March 1, 2017)	30	60	60
Number of Property Damage Incidents (Including Vehicle Incidents)	0	1	N/A
Total Miles Driven Without a Vehicle Incident (No Citations/Under Deductible) (11-9-16 Unit #186 Incident turned into insurance – over deductible amount)	30,099	110,803	181,292

Safety Activities for the Month of May 2017

Safety Committee Meeting	<ul style="list-style-type: none"> Discussed the rubber goods report and the importance of staying on schedule for switching out for testing. Discussed an ATV incident. Trying to cross the creek with the 4-wheeler, it was running to swiftly and started to take the machine. They were able to drive it out of the water but damage was done to the machine. The committee recommended to evaluate the depth of the water before entering each time and also to cross at an angle instead of straight across. Ruben Heredia resigned after many years on the safety committee. Wants to give others the opportunity to serve on this committee.
O & M Safety Meeting	<ul style="list-style-type: none"> Discussed an incident that occurred at Tri-County Electric where a burn occurred. Terryl knows this person that was injured so there was lengthy conversation about this topic. Discussed near misses. This included topics from awareness of connected generators to misidentified wiring & CT circuits in a substation to air hoses blowing off. Terryl is having individuals do short safety presentations at these meetings to encourage participation. Manual and Shawn have completed their programs already and Shan and Blain upcoming next.
All Employee Safety Meeting	<ul style="list-style-type: none"> A video presentation was given regarding distracted driving. Our policy was reviewed as far as using hands free devices and safely pulling off the road for electronic task management.
Review of Current Incidents/Injuries:	None
Review or Update of Previous Incidents:	None

San Luis Valley Rural Electric Cooperative, Inc.

Regular Board of Directors Meeting Guest Attendance Sign-in Sheet

By signing this record you are agreeing that as an attendee at this regular board of directors meeting of the San Luis Valley Rural Electric Cooperative, Inc. (SLVREC) you understand that the items for action and discussion are proprietary to the members of SLVREC and shall not be disclosed to the general public.

NAME	PHONE NUMBER	EMAIL ADDRESS
Tim Bachicha	(719) 580-3524	tim@tdbcpa.com
Stephen A. Valdez	719 588-0430	ssvaldez@gojade.org
Clair Barker	719 378-2024	

Tuesday, May 30, 2017