

**MINUTES OF REGULAR MEETING  
San Luis Valley Rural Electric Cooperative, Inc.  
Board of Directors  
December 13, 2016**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, December 13, 2016 at the headquarters office located in Monte Vista, Colorado. Directors present were Cole Wakasugi (president), Scott Wolfe (secretary), Carol Lee Dugan (vice-president), Mike Rierson, 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), Andrea Oaks-Jaramillo (marketing & economic development coordinator), and Michelle Trujillo (human resources director/recording secretary).

Cole Wakasugi led the Pledge of Allegiance.

Eleanor Valdez offered an opening prayer.

**Call to Order**

Cole Wakasugi called the public meeting to order at 9:31 a.m.

**Welcome of Guest(s)**

Member Clare Barker was welcomed to the meeting.

General correspondence was circulated.

**Approval of Agenda**

Motion #1 by Mike Rierson, seconded and unanimously carried by those present; the agenda was approved as presented.

**Approval of Minutes**

Motion #2 by Eleanor Valdez, seconded and unanimously carried by those present; the minutes of the October 25, 2016 regular meeting were approved as presented.

**Approval of 2016 Write-offs**

Motion #3 by Mike Rierson, seconded and unanimously carried by those present; the board approved the 2016 write-offs in the amount of \$48,879,74.

Discussion ensued regarding the use of pre-paid meters as well as the number of accounts compared to last year. Loren Howard commended the customer service team for their continued efforts of calling members with past due accounts and following up in a timely manner.

**Corporate Exceptions**

Loren Howard expanded on the submitted report updating the board on the purchase of property for the Penitente Solar project as well as the final agreements with RES Americas, the progress on the access road to Fox Mountain, the substation repairs where marmots did damage, the upgrade to MapWise staking program through NISC, the fiber installation and process for connectivity, and the recent successful job fair event and scholarship luncheon.

**Financial Report**

The submitted report was reviewed and discussed. JoAn Waudby reported that our auditing firm Kiesling Associates, LLP merged with BKD, LLP. They were here last week performing preliminary work and the audit will be performed the first week in March.

**Acceptance of Financial Report**

Motion #4 by Mike Rierson, seconded and unanimously carried by those present, the board accepted the October 2016 financials as presented.

Break: 10:59 a.m.  
Reconvened: 11:10 a.m.

**Operating Statistics**

Financial and statistical graphs depicting measurable points of interest were reviewed.

**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 #5 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 and discussed.

**ATTORNEY'S REPORT**

**Corporate Attorney - Gregg Kampf**

Gregg Kampf reviewed his written report and stated he has been working on the land purchase agreements for Penitente Solar project.

**BOARD COMMITTEE REPORTS:**

**Colorado Rural Electric Association – Eleanor Valdez**

Eleanor Valdez reviewed the last meeting where the Clean Power Act was discussed, there will be no increase in membership dues for 2017, updated the fundraising outcome from the Pedal the Plains event, and mentioned that the CREA Annual Meeting is set for Feb 11-14,2016 in Denver.

**Western United – Eleanor Valdez**

Eleanor Valdez briefly reviewed the last meeting discussing policies and procedures and stated that capital credits were distributed.

**Tri-State – Scott Wolfe**

Scott Wolfe reviewed the November and December board meeting notes discussing that the planned outage at the Escalante station was moved to April due to predicted soft markets, Tri-State entered into an agreement with PNM to purchase and sell 100 MW, the 109 buy-out that allows coops to transfer WEC responsibilities to Tri-State was discussed, and reported that sales are lower than budget due to many factors such as weather and decline in oil fields.

Lunch: 12:06 p.m.  
Reconvened: 12:41 p.m.

**Unfinished Business:**

None

**New Business:**

None

**Future Dates:**

- Next regular board meeting is January 31, 2017 at 9:30 a.m.
- CREA Annual Meeting, Feb 11-13, 2017 – Brown Palace in Denver. Eleanor Valdez, Keenan Anderson and Loren Howard will be attending this meeting.
- NRECA Annual Meeting, Feb 23 – Mar 1, 2017 – San Diego, CA

**Board Comments:**

None

**Executive Session**

On Motion #6 by Scott Wolfe, seconded and unanimously carried by those present, the board entered executive session at 12:52 p.m. for the discussion of Cielo business plans.

On Motion #7 by Carol Lee Dugan, seconded and unanimously carried by those present, the board convened in public session at 1:24 p.m. with no action taken.

**Adjournment**

The board adjourned their meeting at 1:25 p.m.

SEAL

  
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Cole Wakasugi, President

  
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Scott Wolfe, Corporate Secretary

  
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Michelle Trujillo, Recording Secretary