
MINUTES OF MEETING
Board of Directors
December 17, 2020

The regular Board of Director's Meeting for San Luis Valley Rural Electric Cooperative, Inc. was held on Thursday, December 17, 2020. Directors present were Carol Lee Dugan, (president), Keenan Anderson (vice-president), Stephen Valdez (secretary), Scott Wolfe, Cole Wakasugi, and Wade Lockhart. Also participating were Gregg Kampf (corporate attorney), Loren Howard (chief executive officer) and Michelle Trujillo (human resources officer/assistant corporate secretary). Staff observers included Jennifer Alonzo (marketing/communications coordinator), Carol Silva (human resources specialist), Shawn McKibbon (operations superintendent) and Terry Daley (engineering manager). JoAn Waudby (chief financial official) and Kip Nagy participated via audio conference call.

Call to Order

Carol Lee Dugan called the meeting to order at 9:30 a.m.

Guests

Member Doug Clark observed the meeting via Zoom due to COVID 19 meeting restrictions. Loren Howard addressed the question regarding managing demand with net metering.

Approval of Agenda

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

Corporate Review

Loren Howard reviewed the submitted report. He provided further details on the CDOT project over Wolf Creek, the Executive Order regarding late payments, reviewed new positions and internal transfers.

Financial Review

Loren Howard reviewed the submitted financial report. Howard commented that COVID 19 hasn't had much of an impact on the electric sales side of business and the aging report indicates our members are staying current in paying their bills. He stated that our customer service department does an outstanding job handling past dues and collections.

JoAn Waudby reported that revenue is up but the power bill was up as well due to higher peaks overall. The demand was high and KWH consumption less during the shoulder months. Rates are performing exactly as predicted with no drastic swings in irrigation revenue.

Approval of Minutes

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

Approval of 2021 Budget

Motion to approve the 2021 San Luis Valley REC budget as presented was unanimously carried by those present.

Break: 10:02 AM

Reconvene: 10:07 AM

Approval of Board Policies

Motion to approve the following Board Policies as presented was unanimously carried by those present.

- 1-001 Governing Style
- 1-002 Board Job Description
- 1-003 Director Responsibilities

Approval of General Capital Credit Retirement

Motion to approve the proposal for the general capital credit retirement as presented was unanimously carried by those present.

Safety Report

The submitted report was reviewed and discussed. (Copy attached hereto and made a part hereof.) Incident Command training was discussed.

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: 10:51 AM

Corporate Attorney Report – Gregg Kampf

The report stood as submitted.

Colorado Rural Electric Association – Stephen Valdez

Valdez reviewed the details of the special session held on 11/19/2020 that focused on small business relief, housing assistance, broadband expansion and utility assistance through energy outreach. He further reviewed the Wildfire Mitigation Bill for education and discussion purposes. The Nuclear Regulatory Commission approved the development of a small 300 MW GE Hitachi modular reactor.

Western United – Stephen Valdez

Valdez reported there has been no meeting. A cable cutting machine valued at \$700,000 - \$800,000 has been lost. Possible that the manufacturer may have gone bankrupt and this was never delivered. Western United is following-up with this to find this machine. The new building in Brighton has been completed.

A question was asked about the percentage of waste on a reel of cable. Loren Howard approximated 10% loss off a standard size reel of electric cable. Fiber cable can be cut to the length we need for the job.

Tri-State – Scott Wolfe

Wolfe reviewed the submitted report and stated that Tri-State will return \$30 million in patronage capital to members this year or next year, special membership meetings were scheduled on 11/28/2020 and 12/8/2020 to determine what warrants a cooperative board seat representation when participating in the partial requirements contract and reiterated the continued efforts towards cost reduction to achieve the goal of getting below 70 mills. The operations performance was reviewed. Wolfe also stated that Tri-State is the 3rd largest G&T and that 34% of member sales come from renewable energy.

Unfinished Business

Howard suggested SLVREC wait to participate in the Partial Requirements Contract to evaluate the first year for efficiencies and money savings benefits. Discussion ensued.

New Business

A question was asked if it would be possible for ASU scholarship recipients that graduate earlier than anticipated to use remaining funds toward continued education. The consensus of the board was to allow students to use the funds for continuing education through Adams State University at the undergraduate level.

Lunch: 11:53 AM
Reconvened: 12:34 PM

Member Doug Clark did not rejoin the afternoon session.

Future Dates:

Worksession regarding Finance and Investments is scheduled for January 25, 2021 at 9:30 a.m.
Regular board meeting is scheduled on January 26, 2021 at 9:30 a.m.
Strategic Planning Session will be scheduled for late October 2021.

Board Comments:

A board member had an idea to approach the Crestone School regarding a solar project in the school. The idea was to provide funding assistance for teaching materials needed to teach this class. It was suggested that the schools submit a request for the funding to the SLV Energy Foundation and also to inform the schools regarding existing programs for educators.

Executive Session

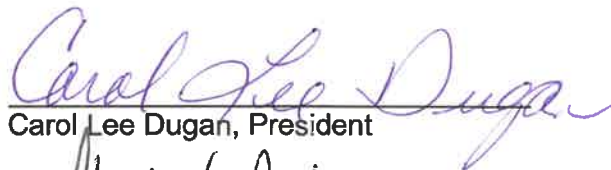
Motion to enter into executive session at 1:21 p.m. for the discussion of legal matters was unanimously carried by those present.

Motion to reconvene in public session with no action taken at 1:46 p.m. unanimously carried by those present.

Motion to Adjourn

With no other business to conduct, a motion to adjourn the meeting at 1:47 p.m. was made and unanimously carried by those present.

SEAL



Carol Lee Dugan, President



Stephen Valdez, Corporate Secretary



Michelle Trujillo, Recording Secretary