

**MINUTES OF MEETING**  
**Board of Directors**  
**Virtual Meeting**  
**May 26, 2020**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, May 26, 2020 and was administered on-line with video and audio capability due to Coronavirus Pandemic mandated meeting requirements. Directors participating in the virtual meeting were Carol Lee Dugan, (president), Keenan Anderson (vice-president), Stephen Valdez (corporate secretary), Scott Wolfe, K. Cole Wakasugi, Kip Nagy and Wade Lockhart. Also participating were Gregg Kampf (corporate attorney) and the following staff: Loren Howard (chief executive officer), JoAn Waudby (chief financial officer/corporate treasurer), Stacy Valdez (manager of customer service/billing), Terry Daley (engineering manager), Shawn McKibbon (operations superintendent), Carol Silva (human resources specialist), Jennifer Alonzo (marketing/sales coordinator), and Michelle Trujillo (human resources officer/assistant corporate secretary).

**Call to Order**

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

**Welcome of Guest(s)**

Tammy Tote of BKD CPA's and Advisors was introduced and welcomed to the meeting.

**Approval of Agenda**

Motion to approve the agenda as amended was made and unanimously carried by those present. Removed the approval of updated fiber rate tariff and added approval of updated electric rate tariff's and CFC Resolution approval.

Tammy Totzke presented a draft combined audit report for San Luis Valley REC that included a division schedule of SLVREC and Cielo financial statements. She also presented the draft audit report for SLV Energy Foundation.

**Corporate Review**

Loren Howard reviewed the submitted report and provided further details regarding the status of the office closure and working from home status. All employees have transitioned back into the office to work. The structure of annual meeting was discussed. The stakeholder process has begun again with an upcoming survey scheduled to begin in June.

**Financial Review**

The financial summary and statistical graphs were reviewed. Water issues, sub-district concerns and the potential financial were discussed.

**Approval of Minutes**

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

**Approval of Audit**

Motion to approve the Audit as presented was made and unanimously carried by those present.

The board commented that the presentation was educational and well put together.

Break: 10:45 AM  
Reconvene: 10:57 AM

### **Approval of NRECA RS Plan Resolution**

Motion to approve the NRECA Resolution as presented was made and unanimously carried by those present. (A copy is attached hereto and made a part hereof.)

*Be It Resolved that effective July 1, 2020, that the amendment to 06014-002 RS Plan A is as follows:*

- *San Luis Valley REC, Inc. shall increase the participating Contribution percentage to the RS Plan from 2.71% to 5.58% of the Participant's Effective Salary.*

### **Approval of Rate Schedules LP-A and LP-B**

Motion to approve Schedule LP-A and LP-B Rate Tariffs as presented was made and unanimously carried by those present.

### **Approval of NRUCFC Resolution**

Motion to approve a National Rural Utilities Corporate Finance Corporation Resolution was made and unanimously carried by those present. (A copy is attached hereto and made a part hereof.)

*RESOLVED, that the Cooperative borrow from National Rural Utilities Cooperative Finance Corporation (CFC), from time to time as determined by the officers or proper persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$17,500,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the "9025 Loan Agreement"); and*

*RESOLVED, that the proceeds of this loan be used for the purpose set forth in the 9025 Loan Agreement; and*

*RESOLVED, that the Cooperative also borrow from National Rural Utilities Cooperative Finance Corporation (CFC), from time to time as determined by the officers or proper persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$15,000,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the "9026 Loan Agreement"); and*

*RESOLVED, that the proceeds of this loan be used for the purpose set forth in the 9026 Loan Agreement; and*

*RESOLVED, that the individuals listed below are hereby authorized to execute and to deliver to CFC the following documents (including as many counterparts as may be required):*

- a) the 9025 Loan Agreement;*
- b) the 9026 Loan Agreement;*
- c) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$32,500,000.00, substantially in the form of the notes presented to this meeting; and*
- d) a mortgage and security agreement with CFC as mortgagee, for purposes of securing the loan provided for herein, substantially in the form of the mortgage and security agreement presented to this meeting.*

*RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the Cooperative to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said 9025 Loan Agreement and 9026 Loan Agreement as such individual may deem appropriate within the amount of the promissory notes so authorized herein and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions:*

| <b><u>Office or Title</u></b>        | <b><u>Name (typed or printed)</u></b> |
|--------------------------------------|---------------------------------------|
| <u>Chief Executive Officer</u>       | <u>Loren H. Howard</u>                |
| <u>Assistant Corporate Secretary</u> | <u>Michelle Trujillo</u>              |

### **Safety Report**

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

### **Agreements for Purchase of Power**

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

### **ATTORNEY'S REPORT**

#### **Corporate Attorney - Gregg Kampf**

Gregg Kampf reviewed the submitted report.

### **BOARD COMMITTEE REPORTS:**

#### **Colorado Rural Electric Association – Stephen Valdez**

Stephen Valdez reported that the general assembly opened today and mentioned current legislation pertaining to COVID-19.

#### **Western United – Stephen Valdez**

Stephen Valdez reviewed the submitted report. The meeting is next week but he reported that the Brighton office has reopened and the front range and Utah have been keeping things busy.

#### **Tri-State – Scott Wolfe**

Scott Wolfe reviewed the submitted report. He further talked of waiting for FERC's approval of the termination fee for the partial requirements contract and the impacts COVID-19 is having on Tri-State's financials due to oil/gas and mining industry shutdowns.

### **Unfinished Business**

None

### **New Business**

None

### **Future Dates:**

Annual Meeting of the Membership will be held June 9, 2020 with the business be conducted on-line as a virtual meeting due to the Coronavirus Pandemic meeting restrictions. A Membership Open House begins at 7:00 AM and virtual business meeting at 7:00 PM.

San Luis Valley REC's next regular board meeting is scheduled for June 30, 2020 beginning at 9:30 a.m.

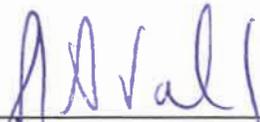
**Board Comments:**

Cole Wakasugi mentioned that a member reached out to him regarding the lack of internet service up to the Wild Horse Mesa subdivision.

**Motion to Adjourn**

Motion to adjourn the meeting was made and unanimously carried by those present.

  
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Carol Lee Dugan, President

  
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Stephen Valdez, Corporate Secretary

(SEAL)

  
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Michelle Trujillo, Recording Secretary