

MINUTES OF MEETING
Board of Directors
June 30, 2020

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, June 30, 2020, at the headquarters office located in Monte Vista, Colorado. Directors present were Carol Lee Dugan, (president), Keenan Anderson, (vice-president), Stephen Valdez (secretary), Cole Wakasugi, Scott Wolfe, Wade Lockhart and Kip Nagy (virtually). Also present were Gregg Kampf (corporate attorney), Loren Howard (chief executive officer) and Michelle Trujillo (human resources officer/assistant corporate secretary). Staff members virtually present were JoAn Waudby (chief financial officer/corporate treasurer), Stacy Valdez (customer service/billing manager), Carol Silva (human resources specialist).

The Pledge of Allegiance

Carol Lee Dugan led the Pledge of Allegiance.

Call to Order

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

Welcome of Guest(s)

None

Member Communication

Mail was circulated among the board members.

Approval of Agenda

Motion to approve the agenda was unanimously carried 1by those present.

Election of Officers:

Motion to keep the same slate of officers for the ensuing year was approved unanimously by those present. The officers are as follows:

- Carol Lee Dugan, President of the Board of Directors
- Keenan Anderson, Vice-President of the Board of Directors
- Stephen Valdez, Secretary of the Board of Directors
- JoAn Waudby, Corporate Treasurer
- Michelle Trujillo, Assistant Corporate Secretary

Determination of Meeting Delegates

Motion to nominate Scott Wolfe as the Tri-State G&T Board Delegate and Stephen Valdez as the CREA/Western United Board Delegate was approved unanimously by those present.

Corporate Review

Loren Howard reviewed the submitted report. Howard informed the board that the Lexan Plexiglass has been installed for safety purposes in the customer service department and the plan is to open to the public on Monday, July 13, 2020 pending further Executive Orders. A piece of the stakeholder process has begun with 250 out of 300 residential telephone surveys completed and the DORA grant application for fiber installation in the area of Villa Grove and Bonanza is in the works to be submitted by the end of July.

Financial Review

JoAn Waudby and Loren Howard reviewed the financial summary. Irrigation is up and most other rate classes are down compared to last year. This is attributed to warmer weather. Mills are down because of a good load factor during the month of May due to the consistent irrigation load.

Approval of Minutes

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

Approval of 219's and Special Equipment

Motion to approve the 219 Work Orders and Special Equipment was approved unanimously by those present.

IT WAS RESOLVED "That Work Order inventories for period November 2018 through November 2019 included electric work orders in the amount of \$8,644,483.47 and fiber work orders in the amount of \$3,613,911.52 totaling \$12,258,394.99 and Special Equipment summaries for period November 2018 through November 2019 totaling \$286,018.11 were approved."

Discussion was held regarding capital credits, the allocation process and the discounted offering for early pay-out.

Approval of Early Estate Capital Credit Retirement

Motion to approve the Early Estate Capital Credit Retirement in the amount of \$75,452.09 was approved unanimously by those present.

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. (Copy attached hereto and made a part hereof.)

ATTORNEY'S REPORT

Corporate Attorney - Gregg Kampf

Gregg Kampf reviewed his submitted report. He commented that annual meeting went well and further reported that the paperwork for the loan processed through National Rural Utility Cooperative Finance Corporation (CFC) has been completed and mailed back to CFC. Kampf's associate is investigating whether a change to the original agreement with the PUC will be necessary if a new Time of Day (TOD) rate option is presented.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association – Stephen Valdez

Valdez reported that Representative Scott Tipton was on the call for the last meeting to discuss current political changes. Valdez reviewed legislative Bills that passed and discussed impacts of COVID-19 on accounts receivables for Cooperatives around the state.

Western United – Stephen Valdez

There was no meeting last month but Valdez briefly reviewed the submitted report.

Tri-State – Scott Wolfe

Wolfe reported that TS has been meeting via telephone during this COVID-19 pandemic. The PUC approved the DMEA transmission buy-out and that should be finalized soon. Tri-State is taking a comprehensive look into reducing costs to reduce rates for members and has approved a 2 MW community solar structure contract that Cooperatives can utilize in their service territories.

Kip Nagy stepped out of the meeting at 11:00 a.m. – returned 11:15 a.m.

Phone call was made to Shane Carroll, Sr. Solutions Engineer from Calix, to provide background information regarding the Ciello outage last week. He reported that it was caused by a high volume of broadcast traffic (broadcast storm) off the Hooper wireless tower. Discussion ensued.

There is a plan in place to begin in mid-August for new hardware to be installed. The backbone of the current fiber infrastructure will allow the new system to be built on separate fibers and have both systems running simultaneously to minimize any service interruption when switching to the new system. The transition will take at least 2-3 months to complete if all goes well. To prevent broadcast storms in the interim, we are implementing broadcast restrictions to prevent over trafficking and more VLANS may be added to the infrastructure in the future.

Unfinished Business

None

New Business

A customer reached out to Stephen Valdez regarding estimated operational costs of a new well service and the customer also questioned billing statements for a specific meter. Staff will return a call to this member to help him figure out the issue.

Loren Howard briefly introduced an optional TOD rate that has been designed as an alternative to the current residential TOD rate. This rate will be officially presented to the board during the regular July meeting.

Future Dates:

SLVREC's next regular board meeting will be Tuesday, July 28, 2020 at 9:30 a.m.


Board Comments:

Cole Wakasugi had a comment from the San Acacio area regarding blinks in the past weeks. Loren Howard stated that it is an insulator issue on the 115 kV line and plans will be made for maintenance and repair on that line.

Motion to Adjourn

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

SEAL



Carol Lee Dugan, President



Stephen Valdez, Corporate Secretary



Michelle Trujillo, Recording Secretary