
MINUTES OF MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Regular Meeting of the Board of Directors
December 14, 2021

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, December 14, 2021, at the headquarters office located in Monte Vista, Colorado. Directors present were Carol Lee Dugan, (president), Keenan Anderson, (vice-president), Stephen Valdez (secretary), Scott Wolfe, and Wade Lockhart. Also present were Gregg Kampf (corporate attorney), Loren Howard (chief executive officer), JoAn Waudby (chief financial officer), Carol Silva (human resources specialist), Jennifer Alonzo (marketing/sales coordinator), Shawn McKibbon (chief operations officer), Terry Daley (engineering manager), and Michelle Trujillo (human resources officer/assistant corporate secretary). Kip Nagy and Cole Wakasugi were unavoidably absent.

Call to Order

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

The Pledge of Allegiance

Carol Lee Dugan led the Pledge of Allegiance.

Member Communication

Mail was circulated among the board members.

Welcome of Guest(s)

Shaurice Moorman from Power System Engineering (PSE) joined the meeting via Zoom for a second review of the recent cost of service study.

Approval of Agenda

Motion to approve the agenda as amended to include a guest speaker and to appoint a board representative to sit in on the Tri-State rate committee was unanimously carried by those present.

Corporate Review

Loren Howard reviewed the submitted report. He provided more details on the Enterprise Fleet Management Program, emergency planning with the Town of Center, Lucky 7 project and its purpose in fire mitigation and briefly mentioned recent outages that were outlined in the report. Discussion was held regarding avenues to educate school officials about our industry and education in the trades through industrial arts programs.

Financial Review

JoAn Waudby and Loren Howard reviewed the submitted financial summary through October. Net Margin is better than budget and last year. The MDSC requirement is 1.35 and Waudby predicted SLVREC will meet that requirement once all year-end financials are processed. Due to availability and lag time in ordering, SLVREC is purchasing larger than normal quantities of frequently used items to have in stock for normal day-to-day construction.

Approval of Minutes

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

Break: 11:12 AM

Reconvene: 11:20 AM

Approval of the 2022 Budget

Motion to approve the 2022 Budget as presented was unanimously carried by those present.

Approval of the 2022 Rate Tariffs

Original motion to approve the tariffs as presented was rescinded.

Motion to approve the 2022 Rate Tariffs as amended to correct the language in the Applicability section in Schedule A-Residential and Schedule A-Commercial was unanimously carried by those present.

Approval of the 2021 General Capital Credit Retirement

Motion to approve the 2021 General Capital Credit Retirement as presented was unanimously carried by those present. (Copy attached hereto and made a part hereof.)

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

ATTORNEY'S REPORT

Corporate Attorney - Gregg Kampf

Gregg Kampf reviewed his submitted report. United Power has announced their exit from Tri-State. Discussion led to cyber security and the ransom situation at a neighboring Cooperative that occurred several weeks ago and at present remains unresolved.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association – Stephen Valdez

Valdez reviewed the submitted report. Kent Singer introduced two new employees, the next legislative session convenes January 12, 2022, annual meeting is scheduled for February 12, 2022, and strategic planning was done and he reviewed the goals that came out of this session.

Western United – Stephen Valdez

Valdez reviewed the submitted report.

Tri-State – Scott Wolfe

Wolfe reviewed the statistics of the submitted report. He further mentioned that the volume of windmills in northeastern Colorado is astounding, Tri-State has budgeted \$10M to return in capital credits to members from 2004, FERC approved the Open Access Transmission Tariff (OATT) on an interim basis, and the infrastructure reconciliation bill includes assistance in a "Build Back Better" framework to assist with the decommissioning of power plants.

Unfinished Business

The Mission Statement was revisited from the work session.

New Business

A motion to appoint Scott Wolfe to sit on the Tri-State Rate Committee and Loren Howard as the alternate from SLVREC was unanimously carried by those present.

Lunch: 12:10 PM

Reconvene: 12:51 PM

Future Dates:

The next regular board meeting will be Tuesday, January 25, 2022 at 9:30 AM.

Board Comments:

The board would like Loren Howard to research potential opportunity for REC to take an active role in net meter installations.

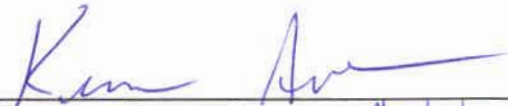
A board member brought up a complaint by a member regarding a repair to his ETS unit. He hired an electrician for the repair and was disputing the method of repair and the charge for repair parts. Discussion ensued.

An executive session was not necessary during this meeting.

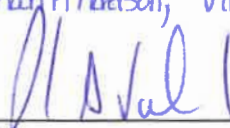
Motion to Adjourn

Motion to adjourn the meeting at 1:21 PM was made and unanimously carried by those present.

SEAL



Carol Lee Dugan, President Absent when Approved
Keenan Anderson, Vice-President



Stephen Valdez, Corporate Secretary



Michelle Trujillo, Recording Secretary