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**MINUTES OF MEETING**  
**San Luis Valley Rural Electric Cooperative, Inc.**  
**Regular Meeting of the Board of Directors**  
**March 28, 2023**

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The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, March 28, 2023, at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Stephen Valdez (vice-president), Wade Lockhart (secretary), Scott Wolfe, Cole Wakasugi, Creede Hargraves and Carol Lee Dugan (via Zoom). Also present were Tyler Denning (corporate attorney), Eric Eriksen (chief executive officer), JoAn Waudby (chief financial officer/corporate treasurer), Carol Silva (human resources specialist), Jennifer Alonzo (marketing/sales coordinator) and Michelle Trujillo (human resources officer/assistant corporate secretary).

**Call to Order**

Keenan Anderson called the meeting to order at 9:32 AM.

**The Pledge of Allegiance**

Keenan Anderson led the Pledge of Allegiance.

**Member Communication**

Mail was circulated among the board members.

**Welcome of Guest(s)**

Andrea Oaks-Jaramillo, Executive Director for Upper Rio Grande Economic Development (URGED) and also representing the SLV Broadband Coordination group provided information regarding both entities. Discussion ensued regarding education opportunities in our local schools regarding solar production.

Erin Minks, Senior Advisor, Rural Affairs/Regional Representative for Senator Bennet was present and provided an update from the Senator's office on current legislation related to our industry highlighting the ongoing transmission line efforts and current activity at the PUC. It was suggested she attend our board meeting on a quarterly basis to relay pertinent information and to keep communication lines open.

Christine Canaly, SLVREC member and member of the San Luis Valley Ecosystem Council was present to welcome our new chief executive officer and briefly talk about the ongoing transmission efforts and potential for developing microgrids in the Valley.

Break: 10:13 AM

Reconvene: 10:20 AM

REC member Rio de la Vista phoned the office after the meeting started to request a Zoom link to listen in to the meeting today. A link was emailed and she joined the meeting at 10:24 AM.

**Approval of Agenda**

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

### **Corporate Review**

Eric Eriksen discussed his initial plan for engaging with employees and learning about San Luis Valley REC common practices. He thanked Loren for sharing his knowledge and making introductions at several industry associated entities.

Eriksen then began his review of the corporate summary thanking our engineering manager for delving into last minute grant opportunities related to solar build projects as three requests for proposals have been received and are in the review process. Eriksen also informed the board that he attended an orientation at Tri-State where he learned about Tri-State processes, met colleagues and toured the headquarters facility. He was also interested in a study they performed regarding supply and demand and effects on future planning. While at this meeting he was approached by Northwest Public Power Association (NWPPA), a legislative advocacy organization similar to CREA, inquiring about his interest in an open position on their governing board. He anticipates further interaction at upcoming meetings.

Jennifer Alonzo updated the board on the Adams State University scholarship and stated that all new applications received will be shared with the board for consideration. The deadline is April 17, 2023.

### **Financial Review**

The financial reports submitted for review this month included the updated 2022 year-end reports and January 2023 monthly report. To meet future reporting requirements, the board will receive a financial Form 7 for the combined business of SLVREC and Ciello as well as an electric only financial Form 7 report. Waudby reported that a meeting will be set up with the audit firm to review this most recent audit and together they will figure out the new leasing rules for all lease contracts. A graph depicting the number of net metered accounts will be provided monthly. The annual net meter true-up procedure was discussed. Lastly, the 4% Tri-State rate reduction was mentioned and noted that REC passes this reduction straight to each member as a line item credit on each billing statement.

### **Approval of Minutes**

Motion to approve the minutes as presented from the regular meeting on February 28, 2023 was unanimously carried by those present.

### **Approval of Board Policies**

Motion to approve the following board policies as presented was unanimously carried by those present:

- BP 3-012 External Communications
- BP 3-013 Cooperative Health and Sustainability
- BP 3-014 Strategic Planning

### **Approval of Final Draft Proposed Bylaw Changes**

Discussion was held regarding the proposed bylaw changes. Tyler Denning broadly summarized the changes and stated that Attorney Jason Reschly will be present at the Annual Meeting in June to explain the changes and field questions from members.

Motion to approve the final draft of the 2023 proposed Bylaw Changes was unanimously carried by those present.

### **Approval of the 2023 Budget Amendments**

JoAn Waudby explained the reasoning behind amending the budget: higher interest rates, more work related to the installation of the radio tower at the facility site and the potential for no 2023 TS capital credit allocation. Stated interest rates have tripled with one more interest rate hike predicted which will affect net margin and operating margin. The radio tower is still a great investment as the monthly fee for leasing a tower will be eliminated.

Motion to approve the 2023 budget amendments as presented was unanimously carried by those present.

### **Safety Report**

The submitted report was reviewed. (Copy attached hereto and made a part hereof.) Eric talked about the upcoming employee meeting and his intention for expressing his philosophy on safety and everyone's wellbeing.

### **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 – Tyler Denning**

Denning provided a verbal report stating that he came over mid-month to discuss Tri-State policy 115 and provide some clarity on some employment law questions. Denning reported that Gregg Kampf is still working on the attorney's opinion for the grant and the proposed bylaw changes.

### **BOARD COMMITTEE REPORTS:**

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

Valdez stated the meeting is upcoming later this week. There was a budget and finance committee meeting held discussing investments decisions. CREA is monitoring Senate Bill 198 which concerns the verification of clean energy plans to achieve the greenhouse gas emission reduction goals.

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

Valdez reported there will be a budget and finance meeting during the month of April. He also inquired about REC's glove testing and if notable improved results have been achieved. Eric Eriksen stated that there is more internal discussion to be had on this matter.

#### **Tri-State – Scott Wolfe**

Wolfe reviewed the submitted report and commented that Tri-State is in good financial standings with rating agencies. Annual meeting is the first part of April and three board members will be attending the meeting as well as REC management.

Lunch: 12:01 PM

Reconvene: 12:41 PM

### **Unfinished Business**

None

### **New Business**

None

**Future Dates:**

The next regular meeting of the board of directors is scheduled for April 25, 2023 beginning at 9:30 AM.

**Board Comments:**

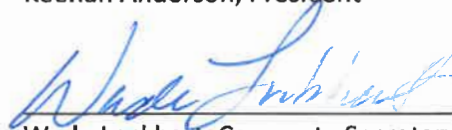
A board member inquired about the location of the photovoltaic system in Creede. Eric Eriksen stated that what has been considered is the area around the Creede substation as REC already owns the property and it is close to the substation. Discussion ensued about building costs, grant availability and the pricing for power generated.

**Motion to Adjourn**

Motion to adjourn the meeting at 12:52 PM was unanimously carried by those present.

SEAL

  
Keenan Anderson, President

  
Wade Lockhart, Corporate Secretary

  
Michelle Trujillo, Recording Secretary