

**MINUTES OF REGULAR MEETING  
San Luis Valley Rural Electric Cooperative, Inc.  
Board of Directors  
August 30, 2016**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, August 30, 2016 at the headquarters office located in Monte Vista, Colorado. Directors present were Cole Wakasugi (president), Scott Wolfe (secretary), Carol Lee Dugan (vice-president), Mike Rierson, Rick Inman, and Eleanor Valdez. Gregg Kampf (corporate attorney) and the following staff were present: Loren Howard (chief executive officer), JoAn Waudby, (chief financial officer), Stacy Valdez (customer service/billing manager), Andrea Oaks-Jaramillo (marketing & economic development coordinator), Terry Jensen (operations director), Carol Silva (human resources specialist) and Michelle Trujillo (human resources director/recording secretary).

Cole Wakasugi led the Pledge of Allegiance.

Eleanor Valdez offered an opening prayer.

**Call to Order**

Cole Wakasugi called the meeting to order at 9:32 a.m.

**Welcome of Guest(s)**

Member Lonnie Nickols and guest Susan Sawyer were welcomed to the meeting. Mr. Nickols thanked the board for hearing the members' concerns regarding smart meter implementation and considering an Opt Out option.

Mail and other correspondence was circulated.

**Approval of Agenda**

Motion #1 by Rick Inman, seconded and unanimously carried by those present; the agenda was approved as amended to include the discussion of attendance to the upcoming NRECA Region VII under future dates.

**Approval of Minutes**

Motion #2 by Eleanor Valdez, seconded and unanimously carried by those present; the minutes of the July 26, 2016 regular meeting were approved as amended to correct a typo.

**Corporate Exceptions**

The submitted report was reviewed and up-to-date information was provided including purchase of land for solar project, Policy 115 application submittal, bids for Fox Mountain clearing project, fiber outage that occurred Saturday, August 27, 2016 off of Highland Substation, and the recent Road to Member Engagement session with all employees was explained.

Break: 10:49 a.m.

Reconvene: 11:01 a.m.

**Financial Report**

The submitted report was reviewed and discussed. Discussion of the Tri-State member comparison spreadsheets was held.

**Acceptance of Financial Report**

Motion #3 by Carol Lee Dugan, seconded and unanimously carried by those present, the board accepted the July 2016 financials as presented.

**Operating Statistics**

Financial and statistical graphs depicting measurable points of interest were reviewed.

**Agreements for Purchase of Power**

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

### **Safety Report**

The submitted report was reviewed and discussed.

### **Acceptance of Safety Report**

Motion #4 by Carol Lee Dugan, seconded and unanimously carried by those present; the Safety Report was accepted as presented. (Copy attached hereto and made a part hereof.)

### **Ciello Report:**

The submitted report was reviewed and the financials were discussed as well as take rates and up-to-date number of installs and pending orders. Mentioned an upcoming meeting between CREA and Carol Hedges of the Colorado Fiscal Institute will be meeting to discuss fiber projects. Charles Wick of the Colorado Telehealth Networks, an intermediary of USAC, attended our fiber meeting to discuss our fiber build out that includes health care facilities and medical teaching institution to assist with funding the builds to these locations.

### **ATTORNEY'S REPORT**

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

Gregg Kampf reviewed his written report and mentioned the Power Purchase Agreement, options to purchase the land, and easements with RES Americas.

### **BOARD COMMITTEE REPORTS:**

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

##### **CREA – Eleanor Valdez**

Eleanor Valdez reported that In an effort to be efficient with time management, CREA is considering eliminating the resolution process when dealing with House and Senate Bills. Also discussed at the CREA meeting was Governor Hickenlooper's executive order migrating and adapting to climate change legislation, the donation of \$1,000 to raise the bar for ballot signature requirements and the 2017 CARE/ACRE contributions.

##### **Western United – Eleanor Valdez**

Eleanor Valdez reported that Western United had a good month of July with most of sales came from municipals, capital credit distribution should take place in November, and are in the process reviewing policies

Lunch: 12:01 p.m.

Reconvened: 12:48 p.m.

The new Customer Service Representative Michael Mora was introduced to the board of directors.

### **Tri-State – Scott Wolfe**

Scott Wolfe reported that the draft budget was reviewed at length, TS set an all-time peak on Sunday July 10<sup>th</sup> due to heat, a rate increase upwards of 7% is under consideration with 2% of that coming from the Basin rate increase and the rest due to projected decrease in load. Conversation was held regarding the effect of the ruling from FERC regarding the fixed cost recovery method of recouping lost revenue from member systems purchasing power from qualified facilities. Discussion continued regarding other member systems writing a letter to TS requesting Tri-State G&T use deferred revenue from Kit Caron's exit to offset a rate increase this upcoming year. After lengthy discussion, it was the consensus not to write a letter because TS is facing rate increases over the next several years and avoiding this one this year could mean higher increase next year.

### **Unfinished Business:**

#### **Approval of Revised Terms and Conditions**

Motion #5 by Mike Rierson, seconded and unanimously carried by those present, the board approved the revised Terms and Conditions as presented.

#### **Approval of Revised Board Policy 1-012 Board Meeting Member Communication**

Motion #6 by Mike Rierson, seconded and unanimously carried by those present, the board approved the revised Board Policy 1-012 Board Meeting Member Communication.

**New Business:**

None

**Future Dates:**

The next regular board meeting is scheduled for Tuesday, September 27, 2016 at 6:00 p.m.  
NRECA Region VII meeting October 5-6, 2016 in Reno, NV. Due to scheduling conflicts, San Luis Valley REC will not have a representative present at this meeting.

**Board Comments:**


None

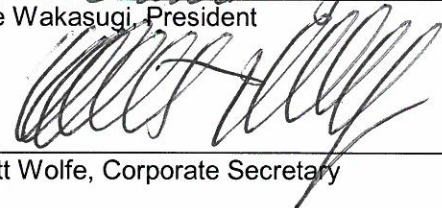
Discussion was held and member Keenan Anderson was appointed to serve as the Saguache County Representative for the San Luis Valley REC Board of Directors.


**Adjournment**

The board adjourned their meeting at 2:12 p.m.

SEAL

  
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Cole Wakasugi, President

  
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Scott Wolfe, Corporate Secretary

  
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Michelle Trujillo, Recording Secretary