

**MINUTES OF REGULAR MEETING**  
**San Luis Valley Rural Electric Cooperative, Inc.**  
**Board of Directors**  
**September 27, 2016**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, September 27, 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, Keenan Anderson, and Eleanor Valdez. Gregg Kampf (corporate attorney) and the following staff were present: Loren Howard (chief executive officer), JoAn Waudby, (chief financial officer), Terry Jensen (operations director), Andrea Oaks-Jaramillo (marketing & economic development coordinator), 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 public meeting to order at 6:01 p.m.

**Welcome of Guest(s)**

Members Lonnie Nichols, Lars Skogen, Dean Lloyd and Sam Pace were welcomed to the meeting and given the opportunity to discuss concerns regarding the installation of advanced meters.

General correspondence was circulated.

**Approval of Agenda**

Motion #1 by Mike Rierson, 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 meeting under future dates.

**Approval of Minutes**

Motion #2 by Mike Rierson, seconded and unanimously carried by those present; the minutes of the August 30, 2016 regular meeting were approved as amended.

**Approval of NRECA Resolution**

Motion #3 by Mike Rierson, seconded and unanimously carried by those present; the board approved the resolution to update the NRECA plan documents the 401(k) retirement plan for Group 3.

***WHEREAS**, San Luis Valley REC, Inc. is participating in the NRECA sponsored defined contribution plan, the 401(k) Pension Plan ("401(k) Plan"), and;*

***WHEREAS**, The Board of Directors of San Luis Valley REC, Inc. (the "Board") approved an amendment to the 401(k) Plan for employees in subgroup 06014-003, with an effective date May 1, 2016, in accordance with the latest contract with the IBEW Union Local 111, which commenced May 1, 2016, and;*

***WHEREAS**, San Luis Valley REC has been matching Employee Elective Contributions since May 1, 2016 for employees in subgroup 06014-003 based on the new maximum percentage as called for in the union contract;*

***THEREFORE, BE IT RESOLVED**, that the amendment to the 401(k) Plan for employees in subgroup 06014-003 is as follows:*

*Effective May 1, 2016, the maximum Employee Elective Contributions the San Luis Valley REC, Inc. will match is increased from 4.5% to 5.5% of the Participant's Base Compensation. All other Plan provisions shall remain unchanged.*

**BE IT FURTHER RESOLVED**, that the Board does hereby authorize and direct Loren H. Howard, Chief Executive Officer, to execute all necessary documents and to take any and all further actions necessary to carry out the intentions of the Board as indicated in this resolution for the amendment to the plan.

**BE IT FURTHER RESOLVED AND TO CLARIFY**, the intent of this plan, effective January 1, 2013, was that the date would be the same as the union contract date, May 1, 2012, for the Eligible Class of Employees hired, rehired, or transferred to San Luis Valley REC as set forth in the Union Contract dated May 1, 2012 through April 30, 2014. Excluded Employees would be employees hired, rehired or transferred before May 1, 2012.

#### **Corporate Exceptions**

Loren Howard expanded on the submitted written report. He mentioned the latest update on the Penitente Solar Project, Fox Mountain improvement project, DORA Grant application, and the Stockade Substation event from September 9, 2016,

#### **Financial Report**

The submitted report was reviewed and discussed.

#### **Acceptance of Financial Report**

Motion #3 by Rick Inman, seconded and unanimously carried by those present, the board accepted the August 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 Mike Rierson, seconded and unanimously carried by those present; the Safety Report was accepted as presented. (Copy attached hereto and made a part hereof.)

Discussion was held regarding the recent shooting incident of a Utility Sales and Services employee working in the San Acacio service area.

#### **Ciello Report:**

The submitted report was reviewed and discussed.

#### **ATTORNEY'S REPORT**

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

Gregg Kampf reviewed his written report and stated he has been researching case studies related to advanced meter installations.

#### **BOARD COMMITTEE REPORTS:**

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

Eleanor Valdez reported on the CREA annual meeting events and educational classes taken.

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

Eleanor Valdez reported that Western United sent out a capital credit retirement.

**Tri-State – Scott Wolfe**

Scott Wolfe reported that Tri-State board worked on Policy 115, decided to use deferred revenue to absorb a portion of the rate increase which will reduce the rate increase 4.23%, Nucla Power Station will be closing in 2020 and Craig 1 in 2023 due to regional haze legislation.

**Unfinished Business:**

None

**New Business:**

Discussion was held regarding the advanced meter installations.

**Future Dates:**

Next regular board meeting is October 25, 2016 at 9:30 a.m. A budget work session will begin at 9:30 a.m. and the board meeting will start at 1:00 p.m.

No one will be in attendance at the upcoming Region VII meeting.

The board made a decision to combine the November and December meeting to December 13, 2016.


**Board Comments:**


Discussion was held regarding the prices of coal, natural gas and other energy fuels.

**Adjournment**

The board adjourned their meeting at 8:56 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