

**MINUTES OF MEETING  
Board of Directors  
June 27, 2017**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, June 27, 2017, at the headquarters office located in Monte Vista, Colorado. Directors present were Cole Wakasugi, (president), Carol Lee Dugan (vice-president), Scott Wolfe (secretary), Mike Rierson, Stephen Valdez, Rick Inman, and Keenan Anderson. Also present were Gregg Kampf (corporate attorney) and the following staff: Loren Howard (chief executive officer), JoAn Waudby (corporate services manager), Stacy Valdez (customer service/billing manager), Terry Jensen (system operations manager), and Michelle Trujillo (human resources director/assistant corporate secretary). Emily Novotny (engineer intern) was present at the meeting to report on the Penitente Solar Project. Carol Lee Dugan had to leave the meeting at 12:00 p.m.

**Call to Order**

Cole Wakasugi called the meeting to order at 9:30 a.m.

**The Pledge of Allegiance**

Cole Wakasugi led the Pledge of Allegiance.

**Welcome of Guest(s)**

No guests present.

**Member Communication**

Mail was circulated among the board members.

**Approval of Agenda**

On Motion #1 by Mike Rierson seconded and unanimously carried by those present; the agenda was approved as amended to include the approval of NRECA Resolution for 401(k) and RS Plan Restatement, CREA 527 Contribution and correction of the date of the meeting on the agenda.

**Election of Officers:**

Motion #2 by Rick Inman, seconded and unanimously carried by those present; the board agreed to maintain the same slate of officers for another year.

**Appointment of Corporate Treasurer & Assistant Corporate Secretary**

Motion #3 by Mike Rierson, seconded and unanimously carried by those present; JoAn Waudby was appointed as Corporate Treasurer and Michelle Trujillo was appointed Assistant Corporate Secretary of the Board for the ensuing year.

**Determine Meeting Delegates**

On Motion #4 by Mike Rierson, seconded and unanimously carried by those present; the board approved Scott Wolfe to be the Tri-State G&T board representative and Cole Wakasugi for Colorado Rural Electric Association and Western United board representative with Carol Lee Dugan as the alternate.

**Approval of Minutes**

On Motion #5 by Carol Lee Dugan seconded and unanimously carried by those present; the minutes of the May 30, 2017 regular board meeting were approved as submitted.

**Approval of Board Policies**

Motion #6 by Rick Inman, seconded and unanimously carried by those present; the board approved Board Policies BP 3-001 through BP 3-005 as presented.

**Approval of NRECA Resolution**

Motion #7 by Mike Rierson, seconded and unanimously carried by those present; the board approved the following resolution:

**WHEREAS**, San Luis Valley Rural Electric Cooperative, Inc. is a participating employer in the NRECA-sponsored:

☒ Retirement Security (RS) Plan

☒ 401(k) Pension (401(k)) Plan

Plan(s): elect one or both, as applicable

**WHEREAS** the Board of Directors of San Luis Valley Rural Electric Cooperative, Inc. is aware that the Plan(s) must periodically be amended to comply with new or changed regulations, rulings, legislation and plan operations, and that this restatement will be effective July 1, 2017.

**THEREFORE, BE IT RESOLVED** that this Board authorizes the July 1, 2017 amendment, restatement and continuance of the Plan(s) to conform in its (their) entirety with all the provisions of the governing plan document(s) of the Plan(s), through the execution of the Adoption Agreement(s), which includes all of the provisions of the Cooperative's most recently executed Adoption Agreement(s) and any compliance clarifications needed to conform with plan operations; and

**BE IT FURTHER RESOLVED**, in the event that the timing of the restatement does not correspond with regularly scheduled meetings of the Board of Directors, the Board does hereby authorize and direct Loren Howard, CEO to execute all necessary documents and to take any and all further actions necessary to carry out the July 1, 2017 amendment and restatement of the Plan(s).

**SIGNATURE OF THE SECRETARY:** I Scott Wolfe, certify that I am the Secretary of the San Luis Valley Rural Electric Cooperative, Inc. Board of Directors. I further certify that the above is a true excerpt from the minutes of a board meeting of this Board of Directors on the 27th day of June 2017, at which a quorum was present and that the above portion of the minutes has not been modified or rescinded.

#### **Approval for CARE 527 Contribution**

On Motion #8 by Mike Rierison, seconded and unanimously carried by those present; the board approved a CARE 527 Contribution in the amount of \$7,500.00.

#### **Corporate Exceptions**

Emily Novotny provided an update on the Penitente project. Loren Howard reported that with the completion of Penitente Solar combined with the two hydro facilities, SLVREC will be at approximately 4% of the 5% allowance stated in the power contract with Tri-State. Further he reported that CDOT withdrew their grant application that we supported to work on the west side of Wolf Creek Pass to Bayfield. SLVREC will have to research other opportunities to provide redundancy for our fiber system.

Break: 10:38 a.m.

Reconvene: 10:50 a.m.

#### **Executive Session**

On Motion #9 by Mike Rierison, seconded and unanimously carried forward; the board entered executive session at 10:52 a.m. for the purpose of strategic planning.

On Motion #10 by Carol Lee Dugan, seconded and unanimously carried by those present, the board reconvened regular session at 11:36 a.m. with no action taken.

#### **Motion to Suspend Meeting**

On Motion #11 by Carol Lee Dugan, seconded and unanimously carried by those present; the board agreed to suspend the regular SLVREC board meeting to begin the SLVREC Energy Foundation meeting because Carol Lee Dugan had to leave early.

Lunch: 12:03 p.m.

Reconvened Open Session: 12:42 p.m.

### **Operating Statistics**

The financial report and statistical graphs depicting measurable points of interest were reviewed and discussed.

### **Acceptance of Financial Report**

On Motion #12 by Rick Inman, seconded and unanimously carried by those present; the board approved the May 2017 financials as submitted.

### **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 #13 by Rick Inman, 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 Loren Howard answered additional questions.

Yvonne Barnes, GIS Specialist, presented a mapping demonstration for those in attendance.

### **ATTORNEY'S REPORT**

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

Gregg Kampf's report stood as submitted.

### **BOARD COMMITTEE REPORTS:**

**Colorado Rural Electric Association** – Due to Eleanor Valdez's retirement there was no verbal report to be given.

**Western United** - Due to Eleanor Valdez's retirement there was no verbal report to be given.

#### **Tri-State – Scott Wolfe**

Scott Wolfe reported that they had a one and a half day strategic planning session covering cyber security, reserve requirements, plant maintenance and open vice-chairman.

### **Unfinished Business:**

The recent annual meeting was discussed and the consensus of the board was that all went well.

### **New Business:**

Rick Inman submitted his official letter of resignation at this meeting. He has served since 1990. Cole contacted both Mineral County members interested in replacing Rick Inman to inform them of the interview process that will take place after the July board meeting.

New Board Member Orientation for Keenan Anderson and Stephen Valdez needs to be scheduled.

### **Future Dates:**

SLVREC's next regular board meeting will be Tuesday, July 25, 2017 at 9:30 a.m. Carol Lee Dugan will be unable to attend this meeting.

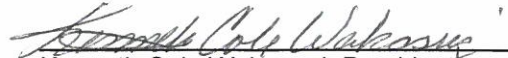
### **Board Comments:**

None

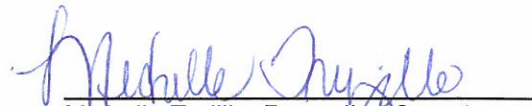
**Motion to Adjourn**

On Motion #14 by Scott Wolfe, seconded and unanimously carried by those present, the board adjourned their meeting at 2:27 p.m.

SEAL

  
Kenneth Cole Wakasugi, President

  
Scott Wolfe, Corporate Secretary

  
Michelle Trujillo, Recording Secretary