

MINUTES OF REGULAR MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Board of Directors
February 28, 2017

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, February 28, 2017 at the headquarters office located in Monte Vista, Colorado. Directors present were Cole Wakasugi (president), Scott Wolfe (secretary), 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), Stacy Valdez (customer service/billing manager), Carol Silva (human resources specialist), Terry Jensen (operations director), Andrea Oaks-Jaramillo (marketing & economic development coordinator), and Michelle Trujillo (human resources director/recording secretary). Carol Lee Dugan (vice-president) arrived 10:03 a.m.

Cole Wakasugi led the Pledge of Allegiance.

Eleanor Valdez offered an opening prayer.

Call to Order

Cole Wakasugi called the meeting to order at 9:33 a.m.

Welcome of Guest(s)

No guests were present for this meeting.

General correspondence was circulated.

Approval of Agenda

Motion #1 by Rick Inman, seconded and unanimously carried by those present; the agenda was approved as amended as there was no need for an executive session.

Approval of Minutes

Motion #2 by Eleanor Valdez, seconded and unanimously carried by those present; the minutes of the January 31, 2017 regular meeting were approved as presented.

Approval of Proposed Bylaw Changes

Motion #3 by Rick Inman, seconded and unanimously carried by those present; the board agreed to postpone this motion until later in the meeting to amend the language.

Approval of Board Policies

Motion #4 by Mike Rierson, seconded and unanimously carried by those present; the board approved BP 1-001 thru BP 1-004 as presented.

Corporate Exceptions

Loren Howard expanded on the submitted report updating the board on the Penitente Solar Project, the search for an after-hours dispatch service, SLVREC's involvement with the CDOT/Wolf Creek project, use of drones for line inspection purposes, recent outages, and AMI prepaid options. Discussion regarding a demand rate structure was held.

Financial Report

The submitted year-end report was reviewed and discussed. JoAn Waudby reported that the auditors will be here in March to perform the audit. The board would like a presentation from them at the April board meeting.

Acceptance of Financial Report

Motion #5 by Mike Rierson, seconded and unanimously carried by those present, the board accepted the December 2016 financials as presented.

Break: 10:44 a.m.
Reconvened: 1056 a.m.

Operating Statistics

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

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 #6 by Eleanor Valdez, 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 discussed. Conversation was held regarding sales strategies/incentives to increase sales: "refer a friend" bill credit, billboard advertisement, yard signs, and additional sales events. Discussed the possibility of a wireless system deployment.

Approval of Proposed Bylaw Changes

Motion #3 by Rick Inman, seconded and unanimously carried by those present; the board approved the proposed bylaw changes as amended.

ATTORNEY'S REPORT

Corporate Attorney - Gregg Kampf

Gregg Kampf reviewed his written report and stated that he will be giving a presentation at the work session regarding SLVREC's responsibilities/liabilities in reporting illegal operations when discovered out in the field.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association – Eleanor Valdez

Eleanor Valdez and Keenan Anderson reviewed the CREA Annual Meeting classes and meetings they attended. Eleanor Valdez also updated the board on CREA's position with specific legislative issues.

Western United – Eleanor Valdez

Eleanor Valdez reported the WU had a brief business meeting during the CREA annual meeting.

Tri-State – Scott Wolfe

Scott Wolfe reviewed the last Tri-State G&T board meeting stating that their natural gas capacity contributes 2% to their energy production, the 40 MW San Juan Power Plant will be shutting down due to high cost of pollution control equipment, mentioned the progress with the air permits for ColoWy mine, and reviewed the rate committee efforts.

Unfinished Business:

None

New Business:

None

Future Dates:

- Board Work Session scheduled for Monday, March 27, 2017 from 10:00 a.m. to 4:00 p.m. It will continue Tuesday, March 28, 2017 from 9:00 thru Noon.
- Next regular board meeting is March 28, 2017 at 1:00 p.m.

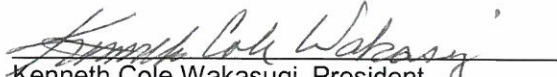
Board Comments:

None

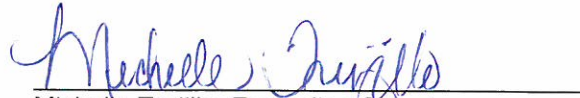
Motion to Adjournment

On Motion # by Eleanor Valdez, seconded and unanimously carried by those present; the board adjourned their meeting at 12:11 p.m.

SEAL


Kenneth Cole Wakasugi, President


Scott Wolfe, Corporate Secretary


Michelle Trujillo, Recording Secretary