

**MINUTES OF MEETING**  
**Board of Directors**  
**June 29, 2021**

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, June 29, 2021, at the headquarters office located in Monte Vista, Colorado. Directors present were Carol Lee Dugan, (president), Keenan Anderson, (vice-president), Stephen Valdez (secretary), Cole Wakasugi, Scott Wolfe, Wade Lockhart and Kip Nagy. Also present were Gregg Kampf (corporate attorney), Loren Howard (chief executive officer), JoAn Waudby (chief financial officer), Shawn McKibbon (chief operating officer), Terry Daley (engineering manager), Carol Silva (human resources specialist), Jennifer Alonzo (marketing/sales coordinator), and Michelle Trujillo (human resources officer/assistant corporate secretary).

**Call to Order**

Carol Lee Dugan called the meeting to order at 9:30 a.m.

**The Pledge of Allegiance**

Carol Lee Dugan led the Pledge of Allegiance.

**Welcome of Guest(s)**

None

**Member Communication**

Mail was circulated among the board members.

**Approval of Agenda**

Motion to approve the agenda as amended to include the Approval of the Tri-State Rate Reduction proposal was unanimously carried by those present.

**Election of Officers:**

Motion to keep the same slate of officers for the ensuing year was approved unanimously by those present. The officers are as follows:

- Carol Lee Dugan, President of the Board of Directors
- Keenan Anderson, Vice-President of the Board of Directors
- Stephen Valdez, Secretary of the Board of Directors

**Appointment of Corporate Treasurer and Assistant Corporate Secretary**

Motion to keep the same for the ensuing year was approved unanimously by those present. Those appointees and positions are as follows:

- JoAn Waudby, Corporate Treasurer
- Michelle Trujillo, Assistant Corporate Secretary

**Determination of Meeting Delegates**

Motion to nominate Scott Wolfe as the Tri-State G&T Board Delegate and Stephen Valdez as the CREA/Western United Board Delegate was approved unanimously by those present.

**Corporate Review**

Loren Howard reviewed the submitted report. Howard discussed the changes to the retirement plan for all employees, mentioned the CDOT project that will supply electricity to the overlook for signage on Wolf Creek Pass in 2022, a potential opportunity with the Town of Creede for a small hydro generating

plant, Lucky 7 Hendrix cable replacement project on Wolf Creek Pass and recent outages.

### **Financial Review**

JoAn Waudby and Loren Howard reviewed the submitted financial summary. Overall year-to-date statistics indicate steady financial performance. Month-to-month comparisons look different because in 2020 REC paid 76 mills per kilowatt hour purchased versus 79 mills in 2021. A comparison of the old Tri-State rate and new Tri-State rate was presented and discussed.

### **Approval of Minutes**

Motion to approve the minutes as presented was approved unanimously by those present.

### **Approval of Board Policies**

Motion to approve the Board policies as presented was approved unanimously by those present.

- 3-009 Conflicts of Interest
- 3-010 Emergency Management Succession
- 3-011 Communication and Support of the Board

Discussion continued about the Tri-State G&T rate reduction credit for our members. A recommendation was presented to the board to handle this as a line-item credit on monthly billing statements.

### **Approval of TS Rate Reduction Credit**

Motion to approve the Tri-State G&T rate reduction as a line-item power cost adjustment on monthly statements was approved unanimously by those present.

### **Safety Report**

The submitted report was reviewed and discussed. (Copy attached hereto and made a part hereof.)

### **Agreements for Purchase of Power**

The current list of Agreements for Purchase of Power was reviewed. (Copy attached hereto and made a part hereof.)

### **ATTORNEY'S REPORT**

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

Gregg Kampf reviewed his submitted report providing more details about a property boundary dispute between neighbors, PUC proceedings adopting new interconnection rules and with that Loren Howard commented on the volume of net metering inquiries/applications received at REC.

### **BOARD COMMITTEE REPORTS:**

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

Valdez reported that Charles Abel of Sangre de Cristo Electric Association will serve on the CFC Region 7 Board of Directors as our regional representative, the legislative and tax committee sent several bills to the Governor for consideration, and a motion passed endorsing two resolutions for NRECA to consider for more nuclear energy research. He also stated that there is potential for another wildfire bill to be considered next year to provide protection for Cooperatives.

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

Valdez reported that the financial reports indicate a strong performance and inventory continues to grow with a backlog of \$32M. JoAn Waudby reported that REC continues to struggle to keep transformers in stock.

**Tri-State – Scott Wolfe**

Wolfe reported that the last meeting included a strategic planning meeting so the board meeting was shortened. He reviewed the submitted report. Numbers show that power usage is down and fuel costs are higher. He further reported that three members opted to self-supply during the partial requirements open season.

**Unfinished Business**

None

**New Business**

None

**Executive Session**

Motion made to enter into Executive Session at 10:37 AM for the discussion of labor matters and union contract was unanimously carried by those present.

Motion made to reconvene public session at 10:57 AM with no action taken was unanimously carried.

Stephen Valdez had to leave the meeting at 11:00 AM due to another commitment.

**Future Dates:**

SLVREC's next regular board meeting will be Tuesday, July 27, 2021 at 9:30 a.m.

**Board Comments:**

A board member commented that the Crestone Energy Fair will be taking place in August and wondered about financial sponsorship of this event. Discussion ensued and it was decided that the committee for this event should submit a request to the SLV Energy Foundation for consideration and be present at the July meeting.

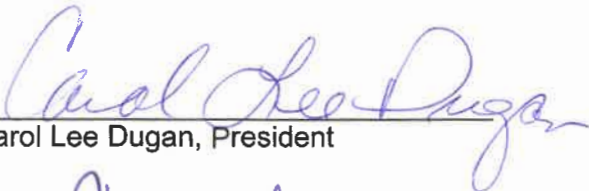
A board member spoke with a member regarding rate increases that he has heard of around the state. There seems to be a lot of misconceptions in the community regarding the TSG&T rate reduction and rate changes. Discussion was held about what types of communications can help clarify this confusion.

A concern came up from a member to a board member about difficulty getting through to the office during normal business hours. In this specific instance, customer service was short handed and experiencing an outage. It was reported that electric and fiber can be reported 24/7 by calling the normal office number and following the prompts. An answering service will take the call to get repairs underway for emergency situations.

**Motion to Adjourn**

Motion to adjourn the meeting at 11:18 AM was made and unanimously carried by those present.

SEAL

  
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Carol Lee Dugan, President

  
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Stephen Valdez, Corporate Secretary

  
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Michelle Trujillo, Recording Secretary