

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
November 17, 2017

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, November 17, 2017, at the San Isabel Electric Association headquarters office, 781 E. Industrial Boulevard, Pueblo West, Colorado.

Call to Order - The meeting was called to order at 9:00 a.m. by President Deborah Rose, who presided. Secretary Dennis Maroney acted as secretary.

Roll Call - Upon calling the roll, the following Directors were present: Donald Keairns, Joseph Costa, Deborah Rose, Doris Morgan, Jacque Sikes and Dennis Maroney, being a quorum of the Directors of San Isabel Electric Association, Inc. Also present were: Reginal Rudolph, General Manager; Ryan Elarton, CFO; Darryl Stewart, COO; Gary Eitel, CAO; General Counsel Sisto Mazza; Bonnie Myers, Assistant to the General Manager. A motion was made by Ms. Sikes to excuse Mr. Garcia from the Board Meeting, seconded by Mr. Maroney and unanimously carried.

Adopt Agenda – The President asked if the Board had any additions to the agenda. The agenda was then adopted.

Meeting Minutes – A motion was made by Ms. Morgan, seconded by Mr. Costa, and unanimously carried, that the minutes for last month's regular Board meeting be approved

Executive Session 9:02 a.m. – A motion was made by Mr. Keairns, seconded by Mr. Costa and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss personnel.

Regular Session 9:38 a.m. – A motion was made by Ms. Morgan, seconded by Mr. Keairns and unanimously carried that the regular session of the Board of Directors be resumed. No vote was taken while the Board was in executive session.

Consent Agenda - A motion was made by Mr. Maroney, seconded by Mr. Costa, that the consent agenda items be approved. The motion to approve the consent agenda items was unanimously carried, which includes: *Statistical Report, Monthly and Year-to-Date Operating Statements, Balance Sheet, Form 7, Check Register, RUS/CFC/Loan Fund Status, Manager's Expense Reports, Work Order Inventory & Special Equipment Schedules, Outage Report, Cash Flow Statement, Summary of Write-Offs, Investment Analysis, Revenue Comparison, and Construction Work Load.*

Safety Meeting Report – The safety meeting report for October 2017, has been submitted to the Board. A motion was made by Mr. Costa, seconded by Mr. Keairns, and unanimously carried, that the safety meeting report be approved.

General Manager – Reg Rudolph – Mr. Rudolph submitted a written report to the Board and gave a verbal report.

CFO – Ryan Elarton – Mr. Elarton submitted a written report to the Board and gave a verbal report.

Budget Approval and Financial Forecast – Mr. Elarton submitted a written report to the Board and gave a verbal report. A motion was made by Mr. Keairns to approve the 2018 budget as presented, seconded by Mr. Costa and unanimously approved.

Interest on Deposits – Mr. Elarton gave a verbal report. Per the Tariffs, the Association is required to pay interest on Member deposits. The Association pays 0.50% on Member deposits. A motion was made by Mr. Costa to pay 0.50% interest on Member deposits, seconded by Mr. Keairns and unanimously carried.

CAO – Gary Eitel – Mr. Eitel submitted written report to the Board and gave a verbal report.

COO – Darryl Stewart – Mr. Stewart submitted a written report to the Board and gave a verbal report.

Administrative Items

Donation Requests – Mr. Eitel gave the Board a presentation of donations. The following donation requests were submitted to the Board.

The City of Walsenburg requested a donation to purchase lights for the tennis and pickle ball courts. A motion was made by Ms. Sikes to send letter to the City of Walsenburg to get more information on the project, seconded by Mr. Costa and unanimously carried. The Board will consider giving a donation after information about this project is received.

Fox Theatre in Walsenburg requested a donation for projector and façade project. A motion was made by Ms. Sikes, seconded by Mr. Costa and unanimously approved to donate \$1,000.

Sangre de Cristo Hospice and Palliative Care requested a donation for Reflections 2017. No action taken.

Steelworks Center of the West requested a donation for the 12th annual FACES of CF&I Dinner and Fundraising event. No action taken.

Pueblo Pro Bono Program/Metro Volunteers requested a donation for the Heart of Pueblo Fundraising Breakfast. No action taken.

Greenhorn Valley Senior Living requested a donation to construct a new assisted living facility. A motion was made by Mr. Maroney, seconded by Mr. Costa and unanimously approved to donate \$500.

Pueblo Library Foundation requested a donation for the Le Bal de Bibliotheque gala. No action taken.

PAWS Fundraising Organization requested a donation for PAWS for Life. A motion was made by Ms. Morgan, seconded by Mr. Maroney and unanimously approved to donate \$335.

Swallows Charter Academy requested a donation for technology carts. A motion was made by Ms.

Morgan, seconded by Ms. Rose and unanimously approved to donate \$1,000.

Peakview Elementary PTO requested a donation for school events. A motion was made by Ms. Sikes, seconded by Mr. Maroney and unanimously approved to donate \$1,000.

Donation Reports – Donation reports were received from Colorado City/Rye Lions Club, Soaring Eagles Center for Autism, Pueblo West Women’s League, Trinidad Parks and Recreation, Rye Elementary School, and POSADA Halloween Party.

Policy Review – Ms. Myers submitted a written report to the Board and gave a verbal report. Board and Employee Policies are on a yearly review cycle with five to six Policies being reviewed each month. Board Policies 1-9 and 4-15 and Employee Policies 3-1, 3-2, 3-3, 3-4, and 3-5 were reviewed.

Board Policy 1-9, Director Conduct, was submitted to the Board with additional wording in paragraphs B.4., D.4. and D.5. A motion was made by Ms. Morgan to accept Board Policy 1-9 as presented, seconded by Mr. Maroney and unanimously carried.

Board Policy 4-15, Renewable Energy, was submitted to the Board for review.

Employee Policy 3-1, Drug-Free Workplace Policy and Statement, was submitted to the Board with minor clerical changes. A motion was made by Ms. Sikes to accept Employee Policy 3-1 as presented, seconded by Mr. Maroney and unanimously carried.

Employee Policy 3-2, Violence in the Workplace, was submitted to the Board for review.

Employee Policy 3-3, Security, was submitted to the Board with minor clerical changes. A motion was made by Ms. Morgan to accept Employee Policy 3-3 as presented, seconded by Mr. Keairns and unanimously carried.

Employee Policy 3-4, Computer Network and Internet Access, was submitted to the Board for review.

Employee Policy 3-5, Cellular Phones and Smart Devices, was submitted to the Board with minor clerical changes and additional wording regarding location services. A motion was made by Mr. Keairns to accept Employee Policy 3-5 as presented, seconded by Ms. Morgan and unanimously carried.

Preliminary Tariff Review – Ms. Myers submitted a written report to the Board and gave a verbal report. A motion was made by Mr. Keairns to accept the 2018 Tariffs as presented, seconded by Mr. Costa and unanimously carried.

CFC Integrity Fund Overview – A letter was received from CFC regarding the CFC Integrity Fund with an overview of the program.

Rate Curriculum Part 3 – A written report was submitted to the Board, and Mr. Elarton gave a verbal report.

General Counsel’s Report – General Counsel Sisto Mazza gave a verbal report.

A resolution to amend and restate the retirement security and pension plans being administered by NRECA was submitted to the Board. A motion was made by Ms. Sikes, seconded by Mr. Maroney and unanimously carried to approve the resolution as presented.

Western United Electric Report – A written report was submitted to the Board, and Mr. Maroney gave a verbal report.

CREA Report – A written report was submitted to the Board, and Ms. Rose gave a verbal report.

Tri-State Report – A written report was submitted to the Board, and Mr. Keairns gave a verbal report.

Board Strategy Discussion – The Board discussed strategy.

Executive Session 2:59 p.m. – A motion was made by Mr. Keairns, seconded by Mr. Maroney and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss growth strategies.

Regular Session 3:29 p.m. – A motion was made by Ms. Sikes, seconded by Mr. Maroney and unanimously carried that the regular session of the Board of Directors be resumed. No vote was taken while the Board was in executive session.

Board Comments - The President called for comments from the Board.

December 2017 Regular Board Meeting – The December 2017 regular Board meeting will be held December 15, 2017, beginning at 9:00 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 3:34 p.m.

ATTEST:

/Deborah Rose/
President of the Board

/Dennis Maroney/
Secretary of the Board

We, the undersigned Directors of San Isabel Electric Association, Inc., on this date, December 15, 2017, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held November 17, 2017.

_____/Jacque Sikes/_____
_____/Edward R. Garcia/_____

_____/Deborah Rose/_____
_____/Dennis Maroney/_____

_____/Doris Morgan/_____
_____/Joseph Costa/_____

_____/Donald G. Keairns/
Being all the Directors of San Isabel Electric Association, Inc.