

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
May 4, 2018

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, May 4, 2018, 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 8:59 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: Edward Garcia, Donald Keairns, Deborah Rose, Doris Morgan 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; Sisto Mazza, General Counsel; Jack Snell, Energy Services Manager; Benji Clementi, Energy Services Specialist; Bonnie Myers, Assistant to the General Manager. A motion was made by Mr. Keairns to excuse Mr. Costa and Ms. Sikes from the Board Meeting, seconded by Ms. Morgan 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. Maroney, and unanimously carried, that the minutes for last month’s regular Board meeting be approved.

Consent Agenda - A motion was made by Mr. Keairns, seconded by Mr. Garcia, 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 April, 2018, has been submitted to the Board. A motion was made by Mr. Garcia, seconded by Mr. Maroney, and unanimously carried, that the safety meeting report be approved.

Staff Report – Mr. Rudolph, Mr. Elarton, Mr. Eitel and Mr. Stewart gave verbal reports.

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.

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

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

Board Education

Rate Curriculum – Mr. Elarton submitted a written report to the Board and gave a verbal report.

ACSI Results Q1 2018 – Mr. Eitel submitted a written report to the Board and gave a verbal report.

Energy Services – Mr. Snell and Mr. Clementi submitted a written report to the Board and gave a verbal report.

2017 Audit Review – Mr. Kevin Kelso appeared by telephone and presented the 2017 Annual Audit to the Board. A hard copy of the audit was provided to the Board by mail.

A motion was made by Mr. Garcia to accept the 2017 audit, seconded by Mr. Maroney and unanimously carried.

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

The Nominating Committee Meeting will be held at the San Isabel Electric Association headquarters office on Monday, July 2, 2018 beginning at 9:30 a.m. Appointment of the Nominating Committee will be made at the June 8 Board Meeting.

Administrative Items

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

Dream Weavers requested a donation for their annual Bowl-a-Thon. No action taken.

Friends of Aguilar requested a donation for Celebrating Aguilar Festival. A motion was made by Mr. Keairns, seconded by Ms. Morgan and unanimously approved to donate \$1,000.

John Mall Boys Basketball requested a donation to assist with registration fees for team camps. No action taken.

Junior Achievement of Southern Colorado-Pueblo District requested a donation for the implementation of ten Junior Achievement classes. A motion was made by Ms. Rose, seconded by Ms. Morgan and unanimously approved to donate \$3,500.

Liberty Point International School requested a donation for the Motivation and Educational Growth project. No action taken.

Rye Booster Club requested a donation for the Rye High School After Prom Celebration. A motion was made by Mr. Maroney, seconded by Mr. Keairns and unanimously approved to donate \$500.

Spanish Peaks International Celtic Festival requested a donation for educational outreach efforts for the Celtic Festival. No action taken.

The Youth Club of Trinidad, Inc. requested a donation for the Camp Hometown Heroes. No action taken.

YWCA Pueblo requested a donation for the 17th Annual Tribute to Women event. No action taken.

Beulah Fire and Ambulance Auxiliary requested a donation for the community barn dance. A motion was made by Ms. Rose, seconded by Ms. Morgan and unanimously approved to donate \$500.

The Gardner School requested a donation to purchase new uniforms for the athletic teams and for physical education supplies. A motion was made by Mr. Garcia, seconded by Mr. Keairns and unanimously approved to donate \$500.

A matching request was submitted for Rye Elementary PTO that raised \$302 at the elementary carnival. A motion was made by Ms. Morgan, seconded by Mr. Keairns and unanimously approved to match the funds of \$302.

A motion was made by Mr. Keairns, seconded by Ms. Sikes and unanimously approved to donate up to \$2,500 to Walsenburg lighting for the park project.

Donation Reports – Donation reports were received from Greenhorn Valley Chamber of Commerce, Peakview Elementary PTO, Pueblo West Parks and Recreation Department, Spanish Peaks Arts Council, and Museum of Friends.

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 2-2, 2-3, 2-4, 2-5, and 2-6 and Employee Policies 1-8 and 1-9 were reviewed.

Board Policy 1-11, Director Elections and Voting, a new Policy, was submitted to the Board for approval. A motion was made by Ms. Morgan to accept Board Policy 1-11 as presented, seconded by Mr. Maroney and unanimously carried.

With the addition of this Policy, it was proposed that a few Policies be renumbered so Policies that discuss information on elections are placed together in Section 1 of Board Policies. The proposed Policy number changes were as follows: Board Policy 1-9, Directors Conduct, become Board Policy 1-8; Board Policy 1-8, Board of Director Candidate Biographical Information, become Board Policy 1-9; Board Policy 1-11, Preservation of Records, become Board Policy 1-12. A motion was made by Mr. Keairns to renumber the Policies as presented, seconded by Ms. Morgan and unanimously carried.

Board Policy 2-2, Director Compensation, Benefits and Liability, was submitted to the Board with minor clerical changes, Policy name change, and information about indemnification. A motion was made by Mr. Keairns to accept Board Policy 2-2 as presented, seconded by Mr. Maroney and unanimously carried.

Board Policy 2-3, Authorization to Process Accounts Payable, was submitted to the Board for review.

Board Policy 2-4, Authorized Check Signatures, was submitted to the Board for review.

Board Policy 2-5, Petty Cash Fund, was submitted to the Board for review.

Board Policy 2-6, Annual Audit, was submitted to the Board with changes in how audit reports are submitted to various lenders. A motion was made by Mr. Keairns to accept Board Policy 2-6 as presented, seconded by Mr. Garcia and unanimously carried.

Employee Policy 1-8, Complaint Resolution-Exempt Employees, was submitted to the Board with changes from Mountain States Employers Council. A motion was made by Mr. Keairns to accept Employee Policy 1-8 as presented, seconded by Mr. Maroney and unanimously carried.

Employee Policy 1-9, Whistleblower, was submitted to the Board with changes from Mountain States Employers Council. A motion was made by Mr. Maroney to accept Employee Policy 1-9 as presented, seconded by Mr. Keairns and unanimously carried.

CFC Integrity Fund – A motion was made by Mr. Keairns that San Isabel Electric Association contribute 5% of our patronage capital from CFC for all purposes, seconded by Ms. Morgan and unanimously carried.

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 Comments - The President called for comments from the Board.

June 2018 Board Meeting – The June 2018 regular Board meeting will be held June 8, 2018, beginning at 9:00 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 4:06 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, June 8, 2018, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held May 4, 2018.

/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.