

**MINUTES**  
**Board of Directors Meeting**  
**San Isabel Electric Association, Inc.**  
**August 3, 2018**

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, August 3, 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 9:09 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, Deborah Rose, Doris Morgan, Joseph Costa, 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; Sisto Mazza, General Counsel; Paris Elliott, Communications Manager; Bonnie Myers, Assistant to the General Manager.

A motion was made by Mr. Costa, seconded by Mr. Maroney and unanimously approved to excuse Mr. Garcia from the Board Meeting.

**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.

**Consent Agenda** - A motion was made by Ms. Sikes, seconded by Mr. Maroney, 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 July, 2018, has been submitted to the Board. A motion was made by Mr. Sikes, seconded by Mr. Costa, and unanimously carried, that the safety meeting report be approved.

**Staff Report** – Mr. Rudolph, Mr. Elarton, Mr. Stewart and Mr. Eitel 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**

**Branding Guideline** – Ms. Elliott submitted a written report to the Board and gave a verbal report.

**Touchstone Energy Membership** – Mr. Keairns made a motion to discontinue membership in Touchstone Energy, seconded by Ms. Morgan and unanimously carried.

**Equity Management** – Mr. Elarton submitted a written report to the Board and gave a verbal report.

A motion was made by Ms. Morgan to retire distribution capital credits on a 25-year cycle, in the amount of \$960,000, using a 50-50 hybrid method of FIFO and LIFO, seconded by Ms. Sikes and unanimously carried.

**SBS & Annual Meeting** – Ms. Myers submitted a written report to the Board and gave a verbal report.

**Executive Session 11:36 a.m.** – A motion was made by Ms. Morgan, 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 12:45 p.m.** – A motion was made by Ms. Sikes, seconded by Ms. Morgan and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

**General Counsel’s Report** – General Counsel Sisto Mazza 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.

Walsenburg Downtown Revitalization requested a donation for the Mountain Mining Days Festival. A motion was made by Ms. Sikes, seconded by Mr. Maroney and unanimously carried to donate \$1,000.

Spanish Peaks Cycling Association requested a donation for the 15<sup>th</sup> Annual Stonewall Century Ride. A motion was made by Mr. Keairns, seconded by Ms. Sikes and unanimously carried to donate \$500.

Goodnight Barn Historic Preservation, Inc. requested a donation for the 6<sup>th</sup> Annual Goodnight Barn Dinner. A motion was made by Ms. Sikes to donate \$500. The motion died for lack of second.

Soaring Eagles Center for Autism requested a donation for the 11<sup>th</sup> Annual Comedy Night. A motion was made by Ms. Morgan, seconded by Mr. Costa and unanimously carried to donate \$500.

**Donation Reports** – Donation reports were received from Colorado Teacher Awards and Huerfano RE-1 Schools Future Business Leaders of America.

**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 4-1, 4-3, and 4-4 reviewed.

Board Policy 4-1, Requests for Association Information, was submitted to the Board for review.

Board Policy 4-3, Attachment to Association Poles, was submitted to the Board for review.

Board Policy 4-4, Identity Theft Prevention (Red Flags Rule), was submitted to the Board for review.

**Scholarship Policy Options** – Ms. Myers submitted a written report to the Board and gave a verbal report. In depth options will be brought back to the Board at the September Board Meeting.

**Basin Designation of Authorized Representative** – Ms. Rose appointed Mr. Keairns to be the voting delegate and Ms. Morgan to be the voting alternate.

**CoBank Sharing Success Program** – The Sangre de Cristo Volunteers for Community project that was submitted to CoBank’s Sharing Success Program was awarded matching funds for their project.

**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 Policy 304 Chairman/President Policy** – Tri-State’s Board Policy 304 was submitted to the Board.

**Tri-State Survey** – The Board completed a survey from Tri-State.

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

The Board elected to move the January 2019 Board Meeting from January 3 to January 17.

**September 2018 Board Meeting** – The September 2018 regular Board meeting will be held September 7, 2018, beginning at 9:00 a.m.

**Adjourn** - There being no further business to come before the meeting, the meeting was adjourned at 3:46 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, September 7, 2018, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held August 3, 2018.

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/Jacque Sikes/

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/Edward R. Garcia/

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/Deborah Rose/

\_\_\_\_\_  
/Dennis Maroney/

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/Doris Morgan/

\_\_\_\_\_  
/Joseph Costa/

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/Donald G. Keairns/

Being all the Directors of San Isabel Electric Association, Inc.