

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
December 14, 2018

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, December 14, 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 9:02 a.m. by President Jacque Sikes, who presided. Secretary Doris Morgan acted as secretary.

Roll Call - Upon calling the roll, the following Directors were present: Donald Keairns, Deborah Rose, Doris Morgan, Joseph Costa, Jacque Sikes, Dennis Maroney and Edward Garcia, being a quorum of the Directors of San Isabel Electric Association, Inc. Also present were: Reginal Rudolph, General Manager; Ryan Elarton, CFO; Gary Eitel, CAO; Darryl Stewart, COO; Sisto Mazza, General Counsel; Bonnie Myers, Assistant to the General Manager.

Adopt Agenda - The President asked if the Board had any additions to the agenda. A motion was made by Mr. Costa, seconded by Mr. Garcia and unanimously carried. The agenda was then adopted.

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

Consent Agenda - A motion was made by Ms. Rose, 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 November, 2018, has been submitted to the Board. A motion was made by Mr. Garcia, seconded by Ms. Rose, 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.

United Power Letter - Mr. Rudolph submitted a copy of the letter.

PVREA Tri-State Board Resolution - Mr. Rudolph submitted a copy of the PVREA Tri-State Board Resolution.

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

Interest on Deposits – Mr. Elarton submitted a written report to the Board and 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 Ms. Rose to pay 0.50% interest on Member deposits, seconded by Mr. Garcia, and the motion carried.

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.

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

Executive Session 11:16 a.m. – A motion was made by Mr. Garcia, seconded by Ms. Rose and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss litigation.

Regular Session 11:29 a.m. – A motion was made by Ms. Rose, seconded by Mr. Garcia and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

Administrative Items

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

Southern Colorado Family Center requested a donation for five events from December 2018 through summer 2019. No action taken.

Latino Chamber of Commerce requested a donation for the 7th Annual Festival of Trees fundraiser. No action taken.

Las Animas County Fair requested a donation for operation of the 2019 Las Animas County Fair. A motion was made by Mr. Garcia to donate \$2,500. The motion died for lack of second.

Care and Share Food Bank for Southern Colorado requested a donation for the Recipe for Hope event. No action taken.

Junior League of Pueblo requested a donation for the Holiday with Heroes event. No action taken.

Donation Reports – Donation reports were received from Gardner Chuckwagon Supper Corporation, Greenhorn Valley Chamber of Commerce, Colorado City/Rye Lions Club, and Red Creek Volunteer Fire & Rescue.

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 1-12, 2-2, and 4-15 and Employee Policies 2-4 and 3-1 were reviewed.

Board Policy 1-12, Preservation of Records, was submitted to the Board for review.

Board Policy 2-2, Director Compensation, Benefits and Indemnification, was submitted to the Board with additional wording regarding Director travel outside travel that has been budgeted during the annual budget review. A motion was made by Ms. Rose to accept Board Policy 2-2 as presented, seconded by Mr. Maroney, and unanimously carried.

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

Employee Policy 2-4, Employee Benefits, was reworded to include more specific information about items covered in this Policy. A motion was made by Ms. Rose to accept Employee Policy 2-4 as presented, seconded by Ms. Morgan, and unanimously carried.

Employee Policy 3-1, Drug-Free Workplace, was updated to state that the Association is a drug-free workplace and the details were moved to a Human Resources guideline. A motion was made by Ms. Rose to accept Employee Policy 3-1 as presented, seconded by Ms. Morgan, and unanimously carried.

NSCS Membership – Mr. Elarton submitted a Board Resolution Authorizing NCSC Membership. A motion was made by Ms. Rose to authorize the NSCS Membership, seconded by Mr. Keairns, and unanimously carried.

NRECA Annual Meeting Delegate Certification – Ms. Sikes appointed Mr. Garcia as the delegate and Mr. Costa as the alternate.

NRTC Voting Delegate Form – Ms. Sikes appointed Ms. Rose as the delegate and Mr. Costa as the alternate.

Tariff Review – Ms. Myers submitted a written report to the Board and gave a verbal report. A motion was made by Ms. Rose to accept the 2019 Tariffs as presented, seconded by Ms. Morgan, and unanimously carried.

Board Committee Assignments – Ms. Sikes made the following appointment of Directors to serve on the committees:

<u>Officers of the Board/Executive Committee</u>	<u>Member and Public Relations Committee</u>
Jacque Sikes, President	Debbie Rose, Chair
Dennis Maroney, Vice President	Donald Keairns
Doris Morgan, Secretary	Joseph Costa
Donald Keairns, Treasurer	Dennis Maroney

General Policy Committee
Consists of the Board as a whole

Rate Committee
Consists of the Board as a whole

Finance Committee
Donald Keairns, Chair
Edward "Ray" Garcia
Doris Morgan

Nominating Committee
Each Board Director submits a San Isabel Electric Member from their area.

Scholarship Selection Committee
Consists of the Board as a whole

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. Sikes gave a verbal report.

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

Executive Session 3:17 p.m. – A motion was made by Ms. Rose, seconded by Mr. Keairns and unanimously carried that the Board goes into executive session. The purpose of the executive session was to discuss litigation.

Regular Session 3:19 p.m. – A motion was made by Ms. Rose, seconded by Mr. Keairns and unanimously carried that the regular session of the Board be resumed. No vote was taken while the Board was in executive session.

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

January 2019 Board Meeting – The January 2019 regular Board meeting will be held Monday, January 21, 2019, beginning at 9:00 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 3:24 p.m.

ATTEST:

/Doris Morgan/
Secretary of the Board

/Jacque Sikes/
President of the Board

We, the undersigned Directors of San Isabel Electric Association, Inc., on this date, January 21, 2019, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held December 14, 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.