

MINUTES
Board of Directors Meeting
San Isabel Electric Association, Inc.
July 12, 2019

The regular meeting of the Board of Directors of San Isabel Electric Association, Inc., was held Friday, July 12, 2019, 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 9:30 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.

Visitors:

Beulah Heritage Preservation League—Sherrie Howey, Nancy Childers, Joe Arrigo

Action 22—Sara Blackhurst

Call in—Jody Severson and Kim Haug

Adopt Agenda - The President asked if the Board had any additions to the agenda. A motion was made by Mr. Maroney, seconded by Ms. Morgan and unanimously carried that the agenda be approved as presented. The agenda was then adopted.

Beulah Heritage Preservation League - The Beulah Heritage Preservation League submitted a written report to the Board and gave a verbal report about the Dotson Cabin Project.

Meeting Minutes - A motion was made by Ms. Rose, 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. Rose, seconded by Ms. Morgan, 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 May, 2019, has been submitted to the Board. A motion was made by Ms. Rose, seconded by Mr. Keairns, 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.

Empower – Mr. Rudolph submitted a written report to the Board and gave a verbal report.

A motion was made by Mr. Garcia to move forward with empower, seconded by Mr. Maroney, and unanimously carried.

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

Distribution Capital Credit Retirement – Mr. Elarton submitted a written report to the Board and gave a verbal report.

A motion was made by Ms. Rose, seconded by Ms. Morgan, and unanimously carried to retire distribution capital credits on a 25-year cycle, in the amount of \$990,000, using a 50-50 hybrid method of FIFO and LIFO.

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.

Poll Results – Mr. Rudolph submitted a written report to the Board.

Board Education

Director District Review – Mr. Stewart submitted a written report to the Board and gave a verbal report. It was the consensus of the Board that Director Districts should remain as they are.

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

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

Administrative Items

Quarterly Donation Report – Mr. Eitel submitted a written report to the Board and gave a verbal report.

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

Pueblo County Stockmen’s Association requested a donation for the Ranch Hand Contest. No action taken.

Spanish Peaks Healthcare Foundation requested a donation for the annual Scholarship Golf

Tournament. No action taken.

Lillian's Jr. NYLC Trip requested a donation to send a Trinidad School District student to the Junior National Young Leadership Conference. No action taken.

La Animas County 4-H requested a donation for better machines for Better Quilters. No action taken.

Sangre de Cristo Volunteers for Community requested a donation for the Kickin' Good Barn Dance Fundraiser. A motion was made by Mr. Maroney, seconded by Mr. Costa, and unanimously carried to donate \$1,000.

Rye Wrestling Inc. requested a donation for the Rye High School Wrestling 2nd Annual Golf Tournament Fundraiser. A motion was made by Ms. Rose, seconded by Mr. Maroney and unanimously carried to donate \$500.

El Pueblo History Museum requested a donation for the Bruja Brew Fest. No action taken.

Duran Elite Youth Wrestling requested a donation to purchase a travel van. No action taken.

Valley Backpacks Inc. requested a donation for the Valley Tea and Wine and Cheese Tasting with Silent Auction event. A motion was made by Mr. Maroney, seconded by Mr. Costa, and unanimously carried to donate \$500.

Pueblo Community Health Center requested a donation for the 2019 Killer Keyz...a Dueling Pianos Show. No action taken.

Huerfano County requested a donation for the power to the NexRad Mobile Radar. This donation has been tabled and will be brought back before the Board in August.

Donation Reports – Donation reports were received from Pueblo County and Fraternal Order of Eagles.

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 2-7, 3-1, 3-2, and 3-3 and Employee Policy 1-10 were reviewed.

Board Policy 4-1, Requests for Association Information, was submitted to the Board with minor clerical changes. A motion was made by Ms. Rose to accept Board Policy 4-1 as presented, seconded by Mr. Keairns, and unanimously carried.

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

Board Policy 4-10, Donations and Contributions, was submitted to the Board with minor clerical changes. A motion was made by Ms. Rose to accept Board Policy 4-10 as presented, seconded by Ms. Morgan, and unanimously carried.

Employee Policy 1-12, Employee Courtesy, was submitted to the Board with minor clerical changes. A motion was made by Mr. Maroney to accept Employee Policy 1-12 as presented, seconded by Ms. Rose, and unanimously carried.

Employee Policy 2-1, Compensation Administration, was submitted to the Board with minor clerical changes. A motion was made by Ms. Rose to accept Employee Policy 2-1 as presented, seconded by Mr. Costa, and unanimously carried.

Employee Policy 3-7, Specialized Training for Employees, was submitted to the Board with minor clerical changes. A motion was made by Ms. Rose to accept Employee Policy 3-7 as presented, seconded by Ms. Morgan, and unanimously carried.

NRECA Regional Meeting Delegate – Ms. Sikes appointed Mr. Keairns as the delegate and Ms. Rose as the alternate.

Las Animas County Sheriff’s Office REDLG – Mr. Rudolph presented Las Animas County Sheriff’s Office REDLG information to the Board.

A motion was made by Ms. Rose to allow staff to submit the Las Animas County Sheriff’s Office REDLG application to the USDA, seconded by Mr. Keairns, and unanimously approved.

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.

August 2019 Board Meeting –The August 2019 regular Board meeting will be held Friday, August 2, 2019, beginning at 9:30 a.m.

Adjourn - There being no further business to come before the meeting, the meeting was adjourned at 3:28 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, August 2, 2019, do hereby certify and confirm in all respects, the foregoing minutes of the regular board meeting, held July 12, 2019.

_____/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.