

1. CALL TO ORDER

President Felicelli called the meeting of the San Miguel Power Association (SMPA) Board of Directors to order at 9:33 AM. All Directors were present.

2. APPROVAL OF CONSENT AGENDA

Director Garvey motioned to approve the revised consent agenda (March 26, 2019) to include the February 26, 2019 meeting minutes. Director Alexander seconded. The motion was voted and carried.

3. MEMBER OR CONSUMER COMMENTS

General Member/Consumer Comments

- Director Rhoades received feedback that the Town of Silverton is in support of moving to more renewable energy, and feel that there is opportunity to take advantage of the current low costs of clean energy.
- Manager Zaporski explained that due to the recent avalanches there are still some poles outside of town [Silverton] that are down, resulting in some people still without power. He stressed that we are working the best we can and will not jeopardize the safety of our crews.
- Manager Oliver noted that all of the meters on Camp Bird Road are now up with the exception of the mine.
- Director Justis with a very heavy heart, explained that due to health reasons, he will not be running for another term in the upcoming election. Manager Zaporski expressed his gratitude to Director Justis and thanked him for his service to SMPA and the membership.
- Director Felicelli expressed his deep appreciation on behalf of himself and the entire Board for Director Justis' service, knowledge and expertise on the Board of Directors and that he would be greatly missed.
- Director Felicelli received a Facebook message from Member, Marsha West, who was extremely upset about a late fee. He forwarded her complaint to Manager Freeman to handle.
- Director Cokes gave a quick update on the Clean Energy Committee that met in early March. She also attended the Ridgway Town Hall where Governor Polis was in attendance and answered questions. He focused mainly on the topics of education and healthcare.
- Director Cokes also gave large kudos to the Member Services team who put together a great presentation about SMPA's programs to present at the Sherbino. Locally Green was hosted by Alpine bank that allowed local environmentally conscious organizations to present to the public.
- Manager Oliver received a number of calls thanking our crews regarding the recent outages due to weather.
- Director Felicelli sincerely thanked our staff for their hard work. "Please pass on to the crews from this Board how much we appreciate what they do. It is above and beyond the call of duty, as I like to say. It is the backbone of the organization and on the front line of our organization. They work in the most difficult terrain and situations and it is remarkable."
- Key Accounts Executive, Paul Hora also commented how the new tools with communication helped tremendously. He gave credit to Manager Tea for the roll out of the Outage Management System (OMS) and its functionality.
- Manager Zaporski reviewed how the OMS works and how it has streamlined and benefited the communications with all of our Key Accounts.

- Manager Zaporski also received a lot of comments regarding the outages due to the recent weather. He explained that the tie-line (Telluride/Mountain Village Reliability Project) worked exactly as it was intended. The crews implemented the switching training that had been practiced and avoided a potentially 24-hour outage with power out for only about 45 minutes. He gave thanks to both the Engineering and Operations departments for their hard work.

Corporate Donation Presentations

West End Trail Alliance (WETA)- Tony Adkins

Mr. Adkins explained the history of WETA and the new additions to the trail system. He explained in detail the need to update printed maps (available locally) and for proper signage.

4. STRATEGIC PLANNING

All-encompassing program to expand local renewables- Manager Freeman

Terry Schuyler, Energy Services Executive and Paul Hora, Key Accounts Executive, presented the Member Services strategic initiative updates. They included: potential solar projects for both Ridgway and Silverton facilities, replacing the HVAC system in Nucla, and continuing to make small impactful improvements on SMPA facilities to achieve SMPA's Net Zero initiative. The team is continuing with the Green Blocks rebranding as Carbon Clear. Carbon Clear will encompass all of our programs. Terry reviewed the same presentation that he gave at the Locally Green talk at the Sherbino. They explained the new EV (electric vehicle) station in Rico and lastly gave an update on the Last Dollar Solar Community Garden project. Staff is now reviewing the Power Purchase Agreement (PPA) and it may be in final form to present to the Board in April.

Understand the full value, and options, of our membership and contract with Tri-State G&T- Manager Zaporski
Manager Zaporski gave the Board a quick re-cap of the last La Plata Electric Association (LPEA) Power Supply Committee (PSC) meeting. He explained that there would be further discussion in executive session. He gave an update on the proposed Tri-State Bylaw language changes and explained that if Tri-State moves forward with the Bylaw changes as written, he would recommend for SMPA to vote in favor. He explained that the changes may give us options for greater flexibility. In addition, it will provide Tri-State another important tool to deal with the changing energy industry landscape. He is in support of the language if it will make the association stronger and will potentially benefit Tri-State members. Manager Zaporski explained that the LPEA consultants have now completed their work and will present at the LPEA April Board of Directors Meeting in both open session and executive session. Staff will send out the LPEA Board of Directors Meeting detail should anyone be interested in attending.

Member, Joan May, questioned if anyone from SMPA would be attending the Tri-State Resource Planning meeting. Manager Zaporski explained that SMPA had participated in the IRP/ERP member process which is much more detailed and in -depth than the public process. However, SMPA will be keeping close tabs. He also noted that new presented legislation may change the direction of the planning.

5. CEO REPORT

C.E.O. Items

Organizational changes

Manager Zaporski updated the Board of Directors that there have been some organizational changes. The Geographic Information Systems (GIS) team will now report to Manager Tea. This includes Jackie Sinclair and Shawna Sinks. Mike Therriault, Staff Engineer, will now supervise technical engineering services. This includes

Scott Reed, Substation Tech.; Lester Oltjenbruns, Systems Tech.; Mike Morlang, Equipment Tech.; Grant Kennedy and Kim Nickolaus, AMI Techs.

Review of Severe Weather Outages

This was reviewed earlier in the meeting.

Vegetation Management Program review

Paul Enstrom, Safety and Regulatory Compliance Coordinator, gave a presentation on vegetation management. It included photos and data comparing 2017 to 2018 outages due to trees. Manager Zaporski was very happy to report that every single part of our system has seen a decrease in the percentage of Tree caused outages. This points to success with a very large budget item for SMPA which is the vegetation management program.

Introduction of Employee Guests

Manager Zaporski introduced Cindy Chiles, our new Member Services Representative in Nucla. Cindy gave a brief introduction and explained her dispatching background along with her Tri-State experience. Also, in attendance was Terry Schuyler, Energy Services Executive; Jeremy Fox, Planning Supervisor; Paul Hora, Key Accounts Executive; and Kelly Truelock, Staff Accountant.

Corporate Donations

WETA

Director Garvey motioned to donate \$1,000 to WETA for their mapping and sign initiatives; requesting a match from Basin Electric Power Cooperative (Basin). Director Cokes seconded. The motion was voted and carried.

Nucla-Naturita Chamber of Commerce

Director Garvey made a motion to donate \$1,000 to the Nucla-Naturita Chamber of Commerce for their lighting project; requesting a matching donation from Basin along with utilizing SMPA's rebate program. Director Rhoades seconded. The motion was voted and carried.

Ridgway Western Heritage Society

Director Cokes motioned to donate \$500 to the Ridgway Western Heritage Society for the 2019 Old West Fest; requesting a matching donation from Basin. Director Sibold seconded. The motion was voted and carried.

Uncompahagre Watershed Partnership

Director Sibold motioned to donate \$625 to the 2019 Riverfest; requesting a matching donation from Basin. Director Rhoades seconded. The motion was voted and carried.

Sharing Success: Town of Naturita, hold funds until fall 2019

Director Garvey recused herself from this vote.

Director Rhoades motioned in favor of holding the Sharing Success funds for the Town of Naturita from 2018 until fall of 2019 as discussed last month by the committee. Director Justis seconded. The motion was voted and carried.

Due to the amount of donation requests we have processed so far in 2019, Director Felicelli requested a breakdown of budget and unbudgeted amounts. This will give the Board a better understanding of where the donation budget stands.

Board Donations

Director Felicelli donated \$100 to One to One Mentoring for the 2019 Cardboard Derby.

Finance Update

Manager Mertz discussed the current financials that was distributed in hard copy.

Coop Director Finance Training

Manager Mertz presented notable comparisons in our margins, sales, and meter trending. He also discussed the work done with the Finance team to review internal controls. Most recently with inventory measures and the A/P approval processes.

Marketing & Member Services

Terry Schuyler and Paul Hora gave the Member Services update with the absence of Manager Freeman. Paul followed up regarding the Silverton School metering errors discussed at last month's meeting. He explained to the Board that we are in the process of refunding the school for less than what was originally calculated.

Information Technology

Manager Zaporski updated the Board of Directors in the absence of Manager Tea. He noted that the team upgraded our phone server with no interruption. Manager Tea is working on focused training on more specific NISC capabilities for smaller groups. He also talked about the OMS and the benefits. Next month Manager Tea will begin to distribute the new iPad hardware to the Board and work on some basic training with the new application for Board meetings, Call to Order.

Administration & Human Resources

Danielle Rodriguez, HR & Admin. Coordinator, reviewed the highlights of her report. She mentioned that Marvin Walisky's last day of work will be this Thursday with nearly 24 years at SMPA. He requested a quiet retirement. The new Executive Assistant, MartyJo Davis will begin on April 8th and otherwise has been very busy setting up training travel.

Engineering

ESC Engineering Service Contract

Manager Riley Reviewed the Red Mountain Line Project. The design and permitting will begin in 2019. The bidding process and work will begin in 2020 if there are no permitting issues. They reviewed some of the specifics with the ESC Contract and the contributions from Tri-State for the project.

Director Alexander motioned to approve the ESC Engineering Service Contract as recommended by the engineering staff. Director Rhoades seconded. The motion was voted and passed.

Operations

Manager Oliver reviewed a slide show of the avalanche damage. He and Manager Zaporski examined the damage and observed the power lines via helicopter. Weather-related damages are not budget for and will be capital repairs.

Safety and Regulatory Compliance

Paul Enstrom did not have any updates other than what was in his report.

6. ATTORNEY'S REPORT

Director Rhoades made a motion at 2:10 PM to enter into executive session for personnel and contractual issues. Director Alexander seconded. The motion was voted on and carried. The board entered into executive session at 2:10 PM and came out at 4:22 PM. While in executive session no decisions were made, nor votes taken.

Director Rhoades made a motion to recuse Director Sibold from the upcoming vote discussed in executive session. Director Garvey seconded. The motion was voted and carried.

Director Garvey made a motion, based on discussion in executive session, to resolve to authorize the CEO to communicate to Tri-State SMPA's desire that Tri-State be open to exploring third party options to reduce the carbon footprint and associated risks of its energy sources and simultaneously reduce rates. Director Rhoades seconded. The motion was voted and carried (Director Sibold was recused).

7. ASSOCIATED MEETING REPORTS

CREA- Bob Justis

Director Justis sent out his notes via email. He highlighted the Climate Change Preparedness and Resiliency bill that would outline the new greenhouse gas emission reduction goals. The initial reduction goal for carbon dioxide emission from electrical generation, when compared with 2005 levels, should be reduced by 25% by 2025 and by 30% by 2030.

Western United- Dave Alexander
n/a

Eco Action- Jack Sibold
Director Sibold did not attend.

Tri-State – Jack Sibold
Director Sibold reported that the Tri-State deferred revenue was increased by 10 million (to 125 million). New Mexico will likely pass the requirement of zero carbon by 2050 with an 80% renewables standard. In anticipation they have several projects lined up. He reviewed a Tri-State presentation regarding renewable costs and details that will be distributed for review to staff and the Board.

8. BOARD TRAVEL

The Board of Directors discussed the upcoming Tri-State Annual Meeting, Director Justis and Director Cokes will attend. Director Felicelli will attend the Legislative Conference in Washington D.C.

Manager Zaporski will be on vacation the week of June 17th.

9. MISCELLANEOUS

Certification of Election to the Tri-State Board

Director Rhoades made a motion to retain Director Sibold as the Tri-State Board member. Director Alexander seconded. The motion was voted and carried.

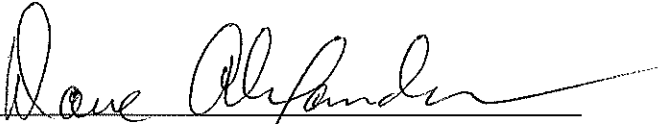
10. BOARD CALENDAR REVIEW

11. NEXT MEETING

The next Board of Directors Meeting will be April 23, 2019 in Ridgway.

12. ADJOURN

Director Garvey motioned to adjourn the meeting at 4:45 PM. Director Alexander seconded. The motion was voted on and carried.



Dave Alexander, Secretary/Treasurer