

1. CALL TO ORDER

President Felicelli called the regular meeting of the San Miguel Power Association (SMPA) Board of Directors to order at 9:31 AM. The meeting was held via Zoom Video/Teleconference and all directors were present via teleconference.

2. APPROVAL OF CONSENT AGENDA

Director Garvey motioned to approve the revised consent agenda (October 20, 2020) to include the September 22, 2020 meeting minutes. Director Alexander seconded. The motion was voted and carried.

3. MEMBER OR CONSUMER COMMENTS

General Member/Consumer Comments

- Director Cooney stated that he received positive feedback about the IQ Weatherization Program from several members. Director Cooney also noted that a member had contacted him expressing interest in heat pump technology and how SMPA might incorporate that more heavily into our decarbonization plan for the future.
- Director Cokes reported that in following local government candidates, a few had targeted initiatives related to the work at San Miguel, including a focus on aggressive fire mitigation and climate change.
- Director Felicelli reported that he was contacted by a member requesting information regarding solar panels subscriptions. Director Felicelli provided general information and directed them to the website for more details.
- Director Cooney reported that the recent SMPA newsletter distributed with statements had resulted in members contacting him. The Members commented on the article regarding the Telluride Mountain Club and the trail work the club is doing; the member expressed gratitude for the recognition as well as overall happiness with the direction SMPA is going.
- A Town of Ophir representative communicated that the Town would like the Board to consider a request for an extension on a provision of the Town of Ophir's franchise agreement. Manager Zaporski stated that as the matter is contractual in nature, it will be discussed during the executive session.
- A member from Rico stated that in researching battery backup systems, he has learned that the cost is around \$1,000 per kW.

Community Focus Fund Donations

Habitat for Humanity of the San Juan's, Erica Madison

Ms. Madison reported that work is underway to create Ouray County's first Habitat for Humanity project. The project is a triplex structure with each unit consisting of 1,500 square foot, including a single attached garage. She highlighted the recent ground blessing ceremony as the project construction kickoff and highlighted fundraising efforts so far.

Silverton Whiteout, Sarah Tescher

Ms. Tescher informed the Board that Silverton Whiteout is a winter bike, ski, snowshoe, and running event that happens in Silverton in the wintertime. She noted that the event is going into its seventh year and helps stimulate the economy in the area by increasing visitation during a time when tourism is typically low.

Valley Food Partnership, Carol Parker

Ms. Parker thanked SMPA for contributing to the Western Colorado Food and Farm Forum for the past few years. She highlighted the donations have helped make it possible for the educational conference to promote and encourage agriculture in our region. The conference covers areas of livestock, crops, marketing and management with a focus to grow the next generation of farmers and ranchers. Attendees include 4H participants, students involved in FFA programs and beginner farmer/ranchers who've been in business three years or less.

4. BOARD TOPICS

Director Cokes presented the benefits of the Colorado Rural Electric Association (CREA)'s value to the group. Director Cokes reported CREA offers diverse services and useful programs, including providing opportunities for director education classes, as well as two seminars a year focusing on legislative and educational topics. Director Cokes advised that CREA offers a safety and loss control program for the co-ops. Director Cokes noted that she feels one of the most valuable aspects of CREA membership is the collaboration and communication between the co-op directors and the co-op managers.

5. CEO REPORT

CEO Items

2021 Budget Presentation

CFO Bill Mertz, along with department managers, presented the 2021 budget. The Board of Directors discussed various methods to maintain adequate margins, including considering a small rate increase or utilizing a portion of the deferred revenue.

Following discussion, Director Garvey motioned to approve the 2021 budget as presented utilizing the revenue deferral method with no rate increase. Director Alexander seconded. The motion was voted and passed with Director Garvey, Director Alexander, Director Brown, Director Felicelli, Director Cokes and Direction Rhoades in favor. Director Cooney voted against noting a desire for another reading before approval.

6. CEO REPORT

CEO. Items

Power Supply Update

Manager Mertz reported the work continues with the power supply consultants and SMPA continues to participate and monitor FERC filings.

Introduction of Employee Guests

Danielle Rodriguez, Human Resources and Administration Coordinator; Terry Schuyler, Key Accounts Executive; Joshua Hainey, Senior Staff Accountant; Kelly Truelock, Staff Account; Mike Therriault, Engineering Supervisor; and Jeremy Fox, Service Planner Supervisor, were in attendance at the webinar meeting.

Community Focus Donations

Manager Freeman noted \$7,300 in funds were available for distribution in the third quarter.

Following discussion, Director Brown motioned to award the community focus donations with the proportions that the Board arrived at via the evaluation scorecard, considering the amounts will need to be prorated based on original amounts were overbudget and apply for Basin match when applicable. Director Alexander seconded. The motion was voted and carried. The prorated awarded amounts are as follows:

- Habitat for Humanity of the San Juan's, \$1,848 donation.
- West End Cowboy Gathering, \$924 donation.
- Silverton Whiteout, \$462 donation.
- Montrose West Recreation, Inc., \$1,848 donation.
- Ah Haa School for the Arts, \$1,848 donation.
- Valley Food Partnership, \$370 donation.

Board Donations

Director Felicelli donated \$38 to Silverton Whiteout.

Director Cooney donated \$100 to San Miguel Search and Rescue.

Director Alexander donated \$200 to Norwood Fire Department and \$200 to the Placerville Fire Department.

Director Rhoades donated \$200 to Ouray Fire Department and \$200 to Silverton Fire Department.

Director Garvey donated \$100 to Montrose West Recreation.

Finance Update

Capital Credit Retirement Proposal

Manager Mertz proposed a capital credit retirement of \$500,000. Director Alexander motioned that \$500,000 in Capital Credits be retired. Director Cokes seconded. Following discussion, the motion was voted and carried.

Marketing & Member Services

Board approval of PV System in excess of policy limits

Manager Freeman informed the Board that staff received one request for a PV system that exceeds our policy limitations for solar net metering. Mr. Freeman reported that staff recommendation is that the system be approved in excess of policy limits.

Following discussion, Director Cooney motioned for Board approval of the PV system in excess of policy limits. Director Brown seconded. The motion was voted and carried.

Request to spend additional monies on the 2020 IQ Weatherization program

Manager Freeman informed the Board that requests have increased in 2020 for the IQ Weatherization program, noting an anticipated 20-30 homes to an actualized 40 homes in the queue. Manager Freeman advised the Board the program has also experienced a decrease in funding from other organizations due to COVID. Combine the high demand with decreased funding, and the program is at an impasse. Manager Freeman requested the Board approve an additional \$15,000 of Green Fund monies to bolster the program and complete the applications in the queue for 2020.

Following discussion, Director Rhoades motioned to approve \$15,000 of Green Fund monies to support the IQ Weatherization program. Director Brown seconded. The motion was voted and carried.

Information Technology

Manager Tea did not have anything to add to his report.

Administration & Human Resources

Human Resources and Administration Coordinator Danielle Rodriguez reviewed her report, highlighting two new faces at SMPA; Meghan Rutherford, the new Member Service Representative (MSR) in Ridgway and Paula

Riddle, the new custodian in Nucla. Mrs. Rodriguez also congratulated Jeremy Fox on his promotion to Engineering Manager and advised the Board that interviews for the Energy Service position have been scheduled.

Engineering

Manager Fox provided an update on the Ice Park Fire, informing the Board that he has been in communication with Tri-State and the Forest Service, advising contingencies are in place to switch power over if necessary, and we should be able to maintain power everywhere.

Operations

Manager Oliver reviewed his report, highlighting the crews continue to be very busy.

Safety and Regulatory Compliance

Paul Enstrom, Safety and Regulatory Compliance Coordinator, did not have anything to add to his report.

6. ATTORNEY'S REPORT

Director Rhoades made a motion at 2:28 PM to enter into executive session for personnel and contractual issues. Director Garvey seconded. The motion was voted and carried. The Board entered into executive session at 2:28 PM and came out at 3:02 PM. While in executive session, no decisions were made, nor votes taken.

7. ASSOCIATED MEETING REPORTS

CREA- Debbie Cokes

Director Cokes reported that the next meeting is scheduled for October 30, 2020.

Western United- Dave Alexander

Director Alexander advised that Western United has significantly increased inventory to help manage lead time issues. Director Alexander informed the Board that work continues on the warehouse facility in St. George and overall, Western United is doing well.

Eco-Action- Kevin Cooney

Director Cooney stated the next Eco-Action meeting is scheduled for October 21, 2020.

Tri-State- Kevin Cooney

Director Cooney reported 2021 wholesale rates will remain flat; however, a reduction is on the horizon as Tri-State recently passed a rate reduction proposal that states wholesale rates will be reduced 8% by 2023. Director Cooney also reported Tri-State submitted partial requirements contract methodology to Federal Energy Regulatory Commission (FERC) for approval, noting that every partial requirement contract would have to be approved by FERC given the jurisdiction. He also noted that the buy-down methodology has been submitted to FERC for approval. Director Cooney advised that a special meeting is scheduled for November 2, 2020, to discuss proposed bylaw changes regarding voting rights associated with a partial requirements member of Tri-State.

Manager Zavorski added that an additional community solar array option allows Tri-State members to apply for an additional 2% of community solar garden generation. This additional community solar array option is being

carried out through TS Board Policy 119. Manager Zaporski reported that Tri-State filed the first application and BP 119 with FERC on October 19, 2020.

8. BOARD TRAVEL

N/A

9. MISCELLANEOUS

N/A

10. BOARD CALENDAR REVIEW

N/A

11. NEXT MEETING

The next Board of Directors meeting will be Tuesday, November 17, 2020, Via Zoom.
The December meeting will take place on Tuesday, December 15, 2020, Via Zoom.

12. ADJOURN

Director Cokes motioned to adjourn the meeting at 3:21 PM. Director Rhoades seconded. The motion was voted and carried.



[Doyleene Garvey \(Nov 18, 2020 13:49 MST\)](#)

Doyleene Garvey, Secretary/Treasurer