

1. CALL TO ORDER

President Felicelli called the regular meeting of the San Miguel Power Association (SMPA) Board of Directors to order at 9:33 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 (November 17, 2020) to include the October 20, 2020 meeting minutes. Director Alexander seconded. The motion was voted and carried.

3. MEMBER OR CONSUMER COMMENTS

General Member/Consumer Comments

- Director Garvey reported that she had recently met with members to discuss pole placements near their property and concern that the pole placement could potentially devalue their property. Director Garvey stated that she had notified Manager Fox and Manager Zaporski about the conversation and requested future follow up.
- Director Cokes reported that Clearnetworx has been working on installing new underground communication lines in the Log Hill area and have repeatedly hit power utility lines resulting in many phone calls from members on Log Hill regarding outages. Director Cokes stated that the communication she received from Clearnetworx was not favorable to SMPA, noting Clearnetworx did not take ownership for digging/hitting the line, instead pointed fingers stating it was the power utility problem.

4. BOARD TOPICS

2020 Fire Mitigation Project Overview

Manager Zaporski discussed the Fire Mitigation and Red Mountain Phase One capital project funding. Manager Zaporski informed the Board that both fire mitigation and vegetation management refer to tree removal in the right of way; however, it is important to remember they represent two separate tasks in what we're trying to achieve and how we pay for it. Manager Zaporski communicated that fire mitigation is a large part of Phase One of the Red Mountain Line Rebuild capital project; regardless of the timeline associated with the line's actual rebuild, the clearing of the right of way on Red Mountain is a necessity. Mr. Zaporski stated that SMPA's focus on the project and fire mitigation comes at a time when there is an opportunity to apply for grant monies to assist with fire mitigation. While SMPA's budget and rates are not subject to our ability to get fire mitigation grants from state or federal agencies, we are absolutely going to try to get some of the money.

Update on LPEA/DMEA

Manager Zaporski reported that DMEA is officially out of Tri-State with a 12 ½ year amortization on the buyout fee and LPEA continues to explore options.

5. STRATEGIC UPDATE

Strategic Objective Announcement to Membership- Alex Shelly

Communications Executive Alex Shelly informed the Board that the SMPA website has been updated to list new 2020 Strategic Objectives as well as include results and achievements of the 2017 Strategic Objectives.

Fully Optimize All Technology- Doug Tea

Manager Tea identified the strategic initiatives that have been developed to fully optimize all technology. He discussed the timelines associated with each initiative and identified Key Performance Indicators (KPI) associated with each endeavor. Initiatives include a concentration on cybersecurity, developing a documented Information Technology Emergency Response Plan (ITERP), implementing budgeted software projects, and focusing on optimizing and leveraging current technologies.

6. CEO REPORT

CEO. Items

Power Supply Update

Manager Zavorski informed the Board that SMPA's power supply consultants; Edwin Reyes, of Enchantment Energy Consulting, LLC; Edward Padilla Jr, of Rio Energy Consulting, and Caitlin Liotiris of Energy Strategies were on the line and prepared to follow up with the Board regarding the recent power supply presentations. As the matter is contractual in nature, Director Alexander motioned to go into executive session at 10:01 AM; Director Rhoades seconded, the motion was voted and carried. Director Cooney recused himself from the executive session due to a conflict of interest with his role as SMPA's Tri-State Director. The Board entered into executive session at 10:01 AM and came out at 11:22 AM. While in executive session, no decisions were made, nor votes taken.

Legislative Review

Manager Zavorski informed the Board that SMPA is currently participating in several Federal Energy Regulatory Commission (FERC) filings, noting that further discussion will occur during the executive session.

COVID-19 Discussion

Manager Zavorski reported that cases have spiked heavily in the nation and our service territory. SMPA is moving towards a more cautious mode of operation by remaining open to the public by appointment only beginning November 30, 2020, for the foreseeable future.

Introduction of Employee Guests

Manager Zavorski introduced Meghan Rutherford, the new Member Service Representative at the Ridgway Offices. Meghan gave a brief introduction, noting that she has lived in the area for several years and has a background in banking. Manager Zavorski introduced Paula Riddle, the new Custodian at the Nucla office. Paula informed the Board that she had worked at Tri-State for 15 years prior to joining the SMPA team and expressed gratitude for the opportunity to work at SMPA. Danielle Rodriguez, Human Resources and Administration Coordinator; Alex Shelly, Communications Executive; Terry Schuyler, Key Accounts Executive; Joshua Hainey, Senior Staff Accountant; Kelly Truelock, Staff Account; and Mike Therriault, were in attendance at the webinar meeting.

Community Focus Donations

The next quarterly review is scheduled for the January Board of Directors Meeting.

Board Donations

Director Brown donated \$100 to the Telluride Medical Center Foundation.
Director Alexander donated \$100 to the Telluride Medical Center Foundation.
Director Felicelli donated \$187 to the Go Hawkeye Foundation.

Director Cooney donated \$50 to the Go Hawkeye Foundation.
Director Brown donated \$50 to the Go Hawkeye Foundation.
Director Alexander donated \$100 to the Go Hawkeye Foundation.
Director Cokes donated \$113 to the Go Hawkeye Foundation.
Director Cooney donated \$150 to the Tri-County Health Good Neighbors Fund.
Director Cokes donated \$187 to the CREA Wildfire Relief Fund

Finance Update

Form 990 Results

Manager Mertz reported that Form 990 have been assimilated into the return.

Manager Mertz reviewed the finance report, highlighting that next month's reports will reflect significantly higher numbers as we were able to draw down the remaining amount of RUS funds available to us at a 1.34% interest rate. Manager Mertz provided a brief overview of this month's financials noting that we are doing better than budget, a little less than last year and we are on track to finish the year in a good position.

Marketing & Member Services

Sharing Success Grant

Manager Freeman informed the Board that the Sharing Success Grant application submission deadline has been extended to November 30, 2020. Mr. Freeman advised that staff will compile the applicant packets for committee review and decision at the December 15, 2020 Board of Directors Meeting.

Green Fund Resolution Update

Manager Freeman presented SMPA's current Renewable and Conservation fund resolution and proposed updates. Mr. Freeman advised that the fund was originally created in 2011 when the goal to reduce greenhouse emissions primarily focused on decreasing consumption through conservation and efficiency. In 2019, Colorado State HB 1261 set into motion a transition from counting renewable energy generation to quantifying carbon as the metric to meet ambitious greenhouse gas emission goals. Manager Freeman noted that this shift broadens the scope of programs and initiatives that the Green Fund could address to maintain the fund's original and newly revised spirit. Manager Freeman reviewed the proposed updates, including adding incentives and rebates for fuel switching, battery backup and beneficial electrification while continuing to promote renewables and incentives for conservations.

Following discussion, Director Cokes motioned to approve the changes to the Green Fund Resolution as presented. Director Cooney seconded. The motion was voted and carried.

Set Election Date and Location

Set Annual Meeting Date and Location

Director Garvey motioned to set the Annual Meeting and the Election Date for June 10, 2020, at the SMPA facility in Ridgway. Director Rhoades seconded. The motion was voted and carried.

Information Technology

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

Administration & Human Resources

Manager Zaporski presented Safety and Regulatory Coordinator Paul Enstrom with the National Rural Electric Cooperative Association (NRECA) Certified Loss Control Professional (CLCP) certificate, spotlighting that this is the highest level of achievement for a safety officer in the cooperative industry. Mr. Enstrom reported that participating in the certificate program has been rewarding and a good source of a plethora of information.

Human Resources and Administration Coordinator Danielle Rodriguez reviewed her report, informing the Board that the Energy Services position has been filled. Mr. Phil Zimmer is scheduled to begin work on November 30, remarking that Mr. Zimmer has 15 years cooperative experience and will be an excellent addition to the team. Mrs. Rodriguez also informed the Board that interviews are scheduled for the Planning position.

The Board reviewed Policy 311, Scholarships. Communications Executive Alex Shelly reviewed the proposed changes to Policy 311, including an update to require only one letter of recommendation, removing the verbiage that the applicants' name be hidden on applications and that the selection committee to be comprised of qualified professionals. Following discussion, Director Brown moved that the policy be adopted as presented. Director Rhoades seconded. The motion was voted and carried.

Engineering

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

Operations

Purchasing Lead Time Discussion

Manager Oliver informed the Board that purchasing lead times have extended due to increased supply demands caused by hurricanes, ice storms, fires, and supply chain disruptions due to pandemic. Manager Oliver advised the Board staff have informed contractors of longer lead times and have increased inventory where possible to help alleviate lead time issues.

Manager Oliver discussed recent outages and praised the crew for a tremendous job working long hours in harsh weather and steep terrain to restore power to the Rico area. He informed the Board we have scheduled an outage to remove the temporary structure established during the outage and install the new long-term permanent structure.

Safety and Regulatory Compliance

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

7. ATTORNEY'S REPORT

Director Garvey made a motion at 2:15 PM to enter into executive session for personnel and contractual issues. Director Rhoades seconded. The motion was voted and carried. The Board entered into executive session at 2:15 PM and came out at 3:07 PM. While in executive session, no decisions were made, nor votes taken.

8. ASSOCIATED MEETING REPORTS

CREA- Debbie Cokes

Director Cokes praised CREA for leaning in and being aggressive with pursuing issues that will support co-ops instead of just being reactive. Director Cokes referenced an email regarding legislation CREA is pursuing and

asked for feedback regarding the wildfire legislation topics. Following discussion, the Board favored the concept of the wildfire bill.

Western United- Dave Alexander
N/A

Eco-Action- Kevin Cooney

Director Cooney informed the Board that Jake Niece has resigned from the organization to dedicate his time to his new role as an Ouray County Commissioner. Jacqueline Hess will take over as the IQ program administrator. Director Cooney spotlighted the organizations' goal to help 40 homes through the weatherization program.

Tri-State- Kevin Cooney

Director Cooney reported that Tri-State's (TS) Long Term Financial Forecast (LTFF) has been filed with the Federal Energy Regulatory Commission (FERC) as part of the rate process. The LTFF outlines TS financial goals, objectives, debt service ratio, equity as a percentage of capitalization, a return of at least 10 million a year of patronage capital to members and an 8% reduction in class A rates by the end of 2023. Director Cooney advised the Board Tri-State will have a Member Meeting on December 8, 2020, to merge JM Shafer entities and vote on amending the Articles of Incorporation to define membership classes. Director Cooney added Tri-State is scheduled to file an Electric Resource Planning (ERP) with the Colorado Public Utilities Commission (PUC) on December 1, 2020. Director Cooney informed the Board that Tri-State's CEO, Duane Highley, held a joint press conference with Governor Polis last week to announce TS's goal is to move to 80% renewables by 2030 rather than the 70% previously announced in TS Responsible Energy Plan, noting the caveat that it a Regional Transmission Organization (RTO) may need to be in place in order for the pricing and availability of those renewables to be accessible.

9. BOARD TRAVEL

Director Felicelli noted that while many in-person training opportunities have been canceled, there are many remote/webinar training opportunities available and encouraged the Board to take classes when possible.

10. MISCELLANEOUS

Manager Zaporski informed the Board he had traveled to Mountain Park Electric (MPE) to help and for a hands-on experience at the incident command station. Manager Zaporski stated that MPE staff shared lessons learned, best practice recommendations and he feels the visit was a valuable learning experience.

11. BOARD CALENDAR REVIEW

N/A

12. NEXT MEETING

The November 17, 2020, Board of Directors meeting will reconvene for a continuation of the executive session at a date and time to be determined by the President. The reconvened meeting will be held in Executive Session to discuss personnel and contractual issues.

The next regular Board of Directors meeting will be held Tuesday, December 15, 2020, in Ridgway and Via Zoom. The January 2021 meeting will occur on Tuesday, January 26, 2021, in Nucla and Via Zoom.

13. RECESS

Director Cokes motioned to recess the meeting at 3:38 PM and reconvene on a date to be determined by the President. Director Alexander seconded. The motion was voted and carried.

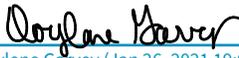
14. RECONVENE

On December 15, 2020, Director Felicelli reconvened the November 17,2020 meeting at 8:45 AM via Zoom Video Conference. Director Garvey, Director Alexander, Director Brown, Director Cokes, Director Rhoades and Director Felicelli were in attendance, Director Cooney was recused due to conflict of interest with his his role as SMPA's Tri-State Director.

Director Alexander made a motion at 8:46 AM to enter into executive session for personnel and contractual issues. Director Rhoades seconded. The motion was voted and carried. The Board entered into executive session at 8:46 AM and came out at 9:26 AM. While in executive session, no decisions were made, nor votes taken.

15. ADJOURN

Director Garvey motioned to adjourn the meeting at 9:27 AM. Director Cokes seconded. The motion was voted and carried.



[Doylene Garvey \(Jan 26, 2021 19:05 MST\)](#)

Doylene Garvey, Secretary/Treasurer

11.17.20_Minutes_Approved

Final Audit Report

2021-01-27

Created:	2021-01-27
By:	MartyJo Davis (martyjo.davis@smpa.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAANJyvuEuw9opOlpFtZ0x6hke0K_mAZw2p

"11.17.20_Minutes_Approved" History

-  Document created by MartyJo Davis (martyjo.davis@smpa.com)
2021-01-27 - 0:30:35 AM GMT- IP address: 206.123.212.251
-  Document emailed to Doylene Garvey (doylene@smpa.com) for signature
2021-01-27 - 0:30:53 AM GMT
-  Email viewed by Doylene Garvey (doylene@smpa.com)
2021-01-27 - 2:04:24 AM GMT- IP address: 69.55.98.33
-  Document e-signed by Doylene Garvey (doylene@smpa.com)
Signature Date: 2021-01-27 - 2:05:20 AM GMT - Time Source: server- IP address: 69.55.98.33
-  Agreement completed.
2021-01-27 - 2:05:20 AM GMT