

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 (December 15, 2020). Director Cokes seconded. The motion was voted and carried. Director Felicelli noted that the November meeting minutes will be approved at the January 2021 Board of Directors meeting due to the reconvened meeting's timeframe.

3. MEMBER OR CONSUMER COMMENTS

General Member/Consumer Comments

- Director Brown reported Kate Wadley, the Director of Philanthropy at the Telluride Medical Center (TMC), had contacted him to express gratitude for the recent donations to the TMC by Director Alexander and Director Brown.
- Director Cokes reported the Clean Energy Committee (CEC) recently hosted a Zoom meeting. At least 16 people attended the meeting and a lot of great discussions took place. Director Cokes noted that the committee would like to invite Director Brown to join the meetings as a portion of his district includes Ouray County.

4. BOARD TOPICS

Director Felicelli discussed updating the agenda format to move the associated meeting reports before the Attorney's Report. Following discussion, the Board was in favor of updating the agenda format to review the Associated Meeting reports before the Attorney's Report.

5. STRATEGIC UPDATE

Manager Fox reviewed the Reliability and Resiliency strategic objective. Manager Fox reported the team has identified four initiatives to help achieve the objective to identify and prioritize reliability and resiliency risks and issues, with an initial focus on fire mitigation. The initiatives focus on a vegetation management plan, wildland fire mitigation plan, system hardening plan and completing the Red Mountain Project. Paul Enstrom, Safety and Regulatory Compliance Coordinator and Manager Fox, discussed aspects of each of the initiatives, including identifying Key Performance Indicators (KPI) associated with each initiative.

The team leaders assigned to continue to improve SMPA's overall safety and work culture includes Human Resources and Administration Coordinator Danielle Rodriguez, Safety and Regulatory Compliance Coordinator Paul Enstrom, Operations Manager Duane Oliver, with a sub-committee including the SMPA's safety committee. The team leaders, along with safety committee member Darcey Weimer presented the initiatives selected to achieve the objective. The team discussed timelines associated with each initiative and identified KPI's associated with each endeavor. Initiatives include a focus on enhancing monthly safety trainings, continue to promote safety, evaluate existing policies/procedures, focusing on workplace culture, and develop new safety programs/opportunities.

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 10:09 AM; Director Garvey 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 10:09 AM and came out at 10:48 PM. While in executive session, no decisions were made, nor votes taken.

Following executive session, Director Felicelli indicated the Board is considering a motion to approve staff to file with at Federal Energy Regulatory Commission (FERC) for Contract Termination Payment (CTP) with Tri-State.

After discussion, Director Cooney communicated he should be recused from the vote due to conflict of interest with his role as SMPA's Tri-State Director. Following discussion, Director Brown motioned to recuse Director Cooney from the vote regarding filing with FERC for a Tri-State CTP. Director Rhoades seconded. The motion was voted and carried.

Director Brown motioned SMPA file at Federal Energy Regulatory Commission (FERC) for Contract Termination Payment (CTP) with Tri-State. Director Rhoades seconded. The motion was voted and carried, with Director Cooney recused from the vote. The action will be re-ratified at the January meeting as it occurred outside noticing requirements.

Manager Zavorski advised that this filing is not a declaration that SMPA is moving away from the wholesale electric supply contract with Tri-State. This filing asks for a number to use in a formula as part of the overall analysis process to determine the optimal long-term power supply strategy.

Manager Zavorski noted that in January, Tri-State will offer an open season in which distribution member co-ops can apply for the ability to move to a Partial Requirements Contract (PRC).

Legislative Review

Director Cokes reported that the Colorado Rural Electric Association (CREA) Board has met multiple times this month to discuss Wildfire Legislation. The CREA Board has been reviewing bill options and recently approved a document that focuses on wildland fire protection plans, rules for trimming, removing/controlling vegetation, and limited liability for wildland fires.

COVID-19 Discussion

Manager Zavorski reported that all counties SMPA serves are running at elevated levels on the COVID dial. Manager Zavorski informed the Board that SMPA offices remain open but are operating on an appointment-only basis for front office and material pickup, noting that we have not received any negative feedback regarding this operating mode.

Introduction of Employee Guests

Manager Freeman introduced Phil Zimmer, the new Energy Services Executive. Mr. Zimmer gave a brief introduction informing the Board that he has over 15 years' experience in the electric cooperative industry and stated he appreciated the opportunity to join the great group of people who make up the SMPA team. 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

The Board previously donated to an organization to support an event; due to COVID-19, the event had to be canceled. The organization contacted SMPA requesting direction on how to handle the donated funds, perhaps diverting the funds to another program or return the funds to the SMPA. Following discussion, the Board determined it would be best for the organization to return the funds while welcoming them to reapply when the timing was right.

Board Donations

Director Brown donated \$150 to the Telluride Foundation's Regional COVID-19 Relief Fund.
Director Alexander donated \$150 to the True North Foundation.

Finance Update

Manager Mertz reviewed the finance report, noting that we are still better than budget. As we approach the end of this unusual year, staff is evaluating data to verify end of year finances. Data being assessed includes the influence Tri-State's capital credit allocation to SMPA, a potential Payroll Protections Plan (PPP) loan forgiveness, along with programs Rural Utility Services (RUS) is offering that we may be able to leverage that could impact the overall end of year finances.

Marketing & Member Services

Sharing Success Grant

Director Garvey reported that the Sharing Success Committee reviewed 14 applications and the committee recommendations are below:

Ouray County Nordic Council	\$2,200
The Telluride Mountain Club	\$2,600
Montrose West Recreation	\$2,600
Ridgway Bike Park	\$2,600
West End Economic Development Corp.	\$5,000
Town of Rico	\$5,000

Following discussion, Director Cooney motioned to approve the 2020 Sharing Success Grants Committee recommendations as outlined above. Director Cokes seconded. The motion was voted and carried.

Manager Freeman informed the Board that SMPA supports a weatherization program that helps low-income families improve their home efficiencies. From new appliances, LED bulbs to air-sealing stripping on doors/windows, installing these efficiency measures is free of cost to the homeowners and saves on utility bills in the future. Manager Freeman reported recent participants in the program were so excited about the program

they invited the SMPA team to tour their homes to see the items that have made his home safer, more comfortable and energy-efficient.

Manager Freeman spoke briefly about the key benefits of beneficial electrification: saving consumers money, reducing greenhouse gas emissions, improving product quality, and fostering a more resilient grid.

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, welcoming Phil Zimmer to the team as the new Energy Services Executive and congratulating Scott Davidson on his promotion to the Ridgway Service Planner position.

Engineering

Manager Fox reviewed the engineering report highlighting the team's recent completion of the Emergency Response Plan (ERP) tabletop exercise. Mr. Fox explained the exercise consists of identifying a scenario and running through the details of how the team would respond to the event. This year the team used a fire scenario and involved members from the operations, engineering, and IT teams.

Operations

Manager Oliver reviewed his report noting that staff continues to be very busy.

Safety and Regulatory Compliance

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

7. ATTORNEY'S REPORT

Legal Counsel Jim Link did not have any items for discussion for the regular session or Executive Session.

8. ASSOCIATED MEETING REPORTS

CREA- Debbie Cokes

Director Cokes informed the Board of legislation that is being considered at the Federal level. The Wildfire Resilient Power Grid Act of 2020 is designed to promote a strengthening of the grid by offering grants to utilities to develop wildfire mitigation plans. Director Cokes added there was a special session of the Colorado General Assembly where they approved \$5 million for Energy Outreach Colorado for utility bill assistance. Director Cokes reported that CREA representatives are assisting Co-ops who experienced wildfires to navigate the filing process with the Federal Emergency Management Agency (FEMA) for funding.

Western United- Dave Alexander

N/A

Eco-Action- Kevin Cooney

Director Cooney informed the Board that Eco Action partners had recently received good publicity for Green Grant programs they offer. He added the organization's annual strategy retreat is coming up and will be held via Zoom this year.

Tri-State- Kevin Cooney

Director Cooney reported a \$30 million Tri-State patronage capital refund had been approved. Director Cooney advised the Board Tri-State filed their Integrated Resource Plan with the Colorado Public Utilities Commission (PUC) on December 1. Director Cooney reviewed Tri-State's Integrated Strategy Map. The Strategy Map is an overview of Tri-State's steps to strive to be recognized as the best and most competitive option for its members. The plan focuses on providing reliable power, keeping rates affordable and competitive, developing flexibility for members, and increasing clean energy delivered to members. Director Cooney reported the Board reviewed voting rights associated with members under a Partial Requirements Contract (PRC); after much discussion, a vote approved members under a PRC that receive at least 65% of capacity power from TS will have voting rights.

9. BOARD TRAVEL

N/A

10. MISCELLANEOUS

N/A

11. BOARD CALENDAR REVIEW

The Board reviewed upcoming training opportunities that are occurring virtually.

12. NEXT MEETING

The next Board of Directors meeting will be Tuesday, January 26, 2021, Via Zoom.
The February meeting will take place on Tuesday, February 23, 2021, Via Zoom.

13. ADJOURN

Director Garvey motioned to adjourn the meeting at 2:18 PM. Director Rhoades seconded. The motion was voted and carried.



[Doyleene Garvey \(Jan 26, 2021 19:32 MST\)](#)

Doyleene Garvey, Secretary/Treasurer

12.15.20_Minutes_Approved

Final Audit Report

2021-01-27

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