

### **1. CALL TO ORDER**

President Felicelli called the meeting of the San Miguel Power Association Board of Directors to order at 9:37 a.m. All Directors were present.

### **2. APPROVAL OF CONSENT AGENDA**

Director Alexander motioned to approve the consent agenda. Director Garvey seconded. The motion was voted on and carried.

### **3. MEMBER OR CONSUMER COMMENTS**

Jim Link reported that a complaint was brought to him by Jim Hubbs with regard to Director Garvey serving on the board while being related to employees. Jim Link along with Michael Hockersmith made the determination that the relation between Director Garvey and the employees were through marriage and too distant to disqualify her from serving on the board. The Bylaws are clear on what relationships would disqualify a director and this would not.

Michelle Haynes, representing Region 10, was present to discuss and request the use of SMPA's fiber in order to help facilitate a broadband implementation plan throughout the region. They have received DOLA funding for this project, and are seeking SMPA's collaboration in order to help build the middle-mile infrastructure that would connect all of the counties and communities. SMPA currently owns 2 1/4 fibers extending between Grand Junction and Albuquerque.

Reed Mitchell and Chris Daniels, both representing the Basin Clinic, made a presentation to the board about a plan to expand the clinic and build a parking area, with the hopes that SMPA would consider applying for and administering the USDA REDLG (Rural Economic Development Loan- Grant) Program and choose the clinic as a first recipient. Loans can equal up to \$300,000 and are to be used specifically for maintaining or creating jobs. SMPA would be responsible for the administration and is allowed to add 1% to the interest rate to offset administration costs. On the grants, 20% would need to come from the recipient of the grant or SMPA. Staff will follow up on this and come back to the board with recommendations or further information.

### **4. CEO REPORT**

#### **Board Donations**

Director Garvey requested to donate \$100 to the Water Days Steering Committee.

Director Sibold requested to donate \$200 to Mt. Sneffels Education Foundation, \$100 to the Ridgway Community Garden and \$100 to Dolphin House.

Director Cokes requested to donate \$300 to the Ridgway Community Garden.

#### **Finance**

There were no other questions or concerns with regard to the financials.

#### **Marketing & Member Services**

Brad Zaporski discussed that SMPA is currently in the process of obtaining the special use permit from San Miguel County for the construction of the IQ solar array. The two step process requires both approval from the Planning Commission and BOCC. The planning commission approved the permit on May 11th, and the issue is set to go before the BOCC on June 1. A lease with an initial term of 20 years



with the option to extend will be established, where SMPA will lease 1.5 acres from the county in order to host the solar facility at the transfer station.

#### **Executive Session**

Director Garvey made a motion to enter into executive session to discuss possible litigation. Director Alexander seconded. The motion was voted on and carried. The board entered into executive session at 11:12 AM and came out at 11:50 AM. While in executive session, no decisions were made and no votes were taken.

#### **Information and Technology**

No report this month.

#### **Administration & Human Resources**

In addition to the report, Carla Reams mentioned that we recently allowed a student from the Nucla High School, who is enrolled to attend line school in the fall, an opportunity to job shadow with our linemen.

The linemen were very appreciative of their gift cards and lunch celebrations during linemen appreciation day(s).

Carla reported that the three-bay shop and wash bay project in Ridgway will be more than what was put in the budget due to some additions to the project, but also in getting realistic estimates for the total project. A budget over-ride not to exceed \$125,000 was requested. Dave Alexander made a motion to approve the budget over-ride as requested. Debbie Cokes seconded. The motion was voted on and carried.

#### **Engineering**

In addition to the report, Bill Riley mentioned that we plan to begin boring, for the Telluride/Mountain Village Reliability project, around the 3rd week of June.

We are scheduled for a final planned outage to occur on June 22nd for the West End Reliability project.

Meetings have been conducted with crew members and service planners to gather input on system improvements in order to update the Long Range Plan and next Construction Work Plan.

#### **Operations**

No report for this month, other than what has already been included in the packet.

#### **Policy Review**

Policies 9.01- Donations and 10.00- Disaster were presented to the board with minor changes. Director Sibold motioned to approve the policies as presented. Director Alexander seconded the motion. The motion was voted on and carried.

#### **Attorney's Report**

Director Alexander made a motion to enter into executive session to discuss matters the broadband proposal. Director Rhoades seconded. The motion was voted on and carried. While in executive session



no decisions were made nor votes taken.

#### **Associated Meeting Reports**

CREA – Dave Alexander

Director Alexander reported CREA met in CoBank's new facility. The safety program was the topic of focus.

Western United –Dave Alexander

Director Alexander reported that Western United is in great financial condition and doing well. Western United has implemented a testing lab for gloves that is also doing very well.

Tri-State – Jack Sibold

Director Sibold reported that Tri-State will be holding a strategic planning session on June 6th.

Western Fuels has been renamed to Elk Ridge Mining & Reclamation.

Director Sibold gave the breakdown of the total power supply- Renewables were 22%.

Kit Carson may officially no longer be with Tri-State in the near future.

There was some discussion on the Cyber Security Symposium that was held. (LaPlata Electric hired Sentinel Cyber Security to perform theirs).

Pat Bridges, Manager of Finance for Tri-State is scheduled to attend the Annual Meeting to discuss and answer questions with regard to the future of the Nucla plant.

#### **Strategic Planning**

Director Cokes is putting together a synopsis of the Strategic Planning session in order to help the board prioritize and see the goals through.

Interviews for the General Manager position are scheduled for June 2nd and 3rd

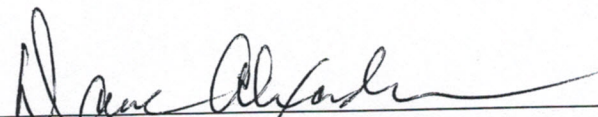
#### **Next Meeting**

The Annual Meeting is scheduled for June 9th in Nucla, beginning at 5:30 PM.

The next board meeting will be held on Tuesday, June 28, 2016 in Ridgway at SMPA, beginning at 9:30 AM.

#### **Adjourned**

Director Garvey made a motion to adjourn the meeting at 3:58 PM. Director Rhoades seconded. The motion was voted on and carried.

  
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Dave Alexander, Secretary/Treasurer