

## **1. CALL TO ORDER**

President Felicelli called the San Miguel Power Association (SMPA) Board of Directors regular meeting to order at 9:00 AM. The meeting was held in person at the Ridgway office location and via Zoom Video/Teleconference. Director Garvey and Director Rhoades attended via Zoom Video/Teleconference, and Director Felicelli, Director Cokes, Director Alexander, Director Brown and Director Cooney attended in-person at the Ridgway office location.

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

Director Brown motioned to approve the revised consent agenda (February 23, 2022) and the January 25, 2022 meeting minutes with corrections. Director Alexander seconded. The motion was voted and carried.

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

General Member/Consumer Comments

- Director Cokes advised the Board she received comments from members expressing gratitude for the masks available for members to pick up and thanking SMPA for efforts to keep rates reasonable.

## **4. STRATEGIC PLANNING UPDATE**

Fully Optimize All Technology- Doug Tea

Manager Tea provided a brief overview of each of the strategic initiatives developed to fully optimize technology, including 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. Manager Tea's presentation targeted the strategies SMPA has implemented to address cybersecurity, including employing security software, user training, requiring multi-factor authentication, designing a system backup plan, and creating documented response plans if an event were to occur. Mr. Tea noted that responding to cybersecurity will be an ongoing activity to stay current as it evolves.

Further Develop Crisis Management Plan (CMP) in order to best respond to external threats or crisis.- Mike Therriault.

Engineering Supervisor Mike Therriault reviewed the four initiatives identified to further develop the Crisis Management Plan (CMP), including an update and expansion to SMPA's existing Emergency Restoration Plan (ERP), staff education, blue sky exercises and a focus on mitigating supply chain disruptions. Mr. Therriault provided a high-level overview of the steps that have been completed and the next steps, such as continuing staff training, scheduling blue sky exercises and fine-tuning the ERP document as the team continues to develop the CMP further.

## **5. CEO REPORT**

### **CEO. Items**

Power Supply Update

Director Brown made a motion at 10:28 AM to enter into executive session for personnel and contractual issues. Director Alexander seconded. The motion was voted and carried. Director Cooney was recused 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 10:28 AM and came out at 12:29 PM. While in the executive session, no decisions were made, nor votes taken.

Legislative Update

N/A

COVID-19 Discussion

Human Resources and Administration Coordinator Danielle Rodriguez reported that mask requirements have been relaxed in SMPA facilities, and quarantine protocols have been updated to align with the new CDC guidelines.

**Introduction of Employee Guests**

Phil Zimmer, Energy Services Executive; Terry Schuyler, Key Accounts Executive; Kelly Truelock, Staff Accountant; Joshua Hainey, Senior Staff Accountant; Alex Shelly, Communications Executive; Danielle Rodriguez, Human Resource and Administration Coordinator and Mike Therriault, Engineering Supervisor, were also in attendance at the meeting virtually or in-person.

Manager Zaporski introduced Tom Brew, the new Ridgway-based Journey Line Technician. Mr. Brew informed the Board that he was raised in Olathe and, after spending seven years in the Colorado Springs area, is glad to be back on the Western Slope.

Manager Zaporski introduced long-time SMPA employee Area Service Technician Mr. Eric Pottorfff. Mr. Zaporski explained that Eric recently completed the NRECA MIP Program; the program is comprised of three, two-week sessions with course content that is a laser focus on everything related to co-ops. Mr. Pottorfff shared his final project presentation with the Board. The presentation focused on succession planning, attracting and retaining employees; highlighting that retirements and employees transferring within the company for new opportunities is creating workforce and stability changes within the organization resulting in SMPA hiring at a greater rate than ever before while facing the loss of institutional knowledge, cost of turnover/training and attracting new employees whilst grappling with the cost-of-living and available housing challenges. Mr. Pottorfff explored possible solutions and incentives to attract talent, such as promoting the area's activities, SMPA's culture/community involvement, potential monetary incentives and construction of employee housing.

**Community Focus Donations**

Executive Assistant MartyJo Davis informed the Board the Community Focus Donation Program has \$3,477 in unspent funds for the 2021 year. Board Policy 150, Community Focus, Section II, A, #4 states, 'any unused funds from a previous quarter will roll over to the next.' However, as it is the end of the year, a rollover requires Board approval. Following discussion, Director Brown motioned to roll the \$3,477 of the 2021 unspent Community Focus Funds into the 2022 Community Focus program. Director Alexander seconded. The motion was voted and carried.

**Board Donations**

N/A

**Finance Update**

Annual Director Expense Summary for 2021

Director Brown motioned to approve the 2021 Annual Director Expense Summary as presented. Director Alexander seconded. The motion was voted and passed.

#### Year-End Audit Status

Manager Lehigh advised the Board that the year-end audit is in progress and going smoothly.

#### Financial Review

Manager Lehigh advised the Board that January revenues were less than budget by 2.35% and purchased power was 1.6% above budget for the month; staff is closely monitoring actuals vs. budget for any over/under trends and will be prepared to adjust expenses accordingly.

#### Marketing & Member Services

Manager Freeman reported that staff has collaborated with the Sneffles Energy Board to organize a virtual roundtable event on March 24, 2022, to discuss Renewable Energy (RE) and Beneficial Electrification (BE) initiatives and their impact on the utility and rate structures. Staff's presentation will be designed to help educate and expand the energy literacy of the membership of the utilities assessment and requirements as more members embrace grid technologies such as rooftop solar and/or electric car charging.

Manager Freeman communicated that SMPA has expanded payment options to accept American Express payments.

#### Information Technology

Manager Tea reviewed his report, highlighting staff is working with the operations team to review technology systems.

#### Administration & Human Resources

Human Resources and Administration Coordinator Danielle Rodriguez reviewed her report, noting that SMPA has met all of the Workers Compensation Cost Containment Program requirements and is approved for a 5% insurance premium reduction. Ms. Rodriguez provided a staffing update, noting that the Journey Line Technician Jacob Cadwell has been promoted to the Ridgway Foreman position.

The Board reviewed Policy 201, Bond and Insurance. Following discussion, Director Alexander moved the policy be adopted as presented. Director Rhoades seconded. The motion was voted and carried.

The Board reviewed Policy 204, Sale of Used Surplus Equipment. Following discussion, Director Brown moved the amended policy be adopted as presented, including the position title update from store supervisor to store specialist. Director Alexander seconded. The motion was voted and carried.

#### Engineering | Operations | Safety and Regulatory Compliance

##### Material Lead Times

Manager Fox informed the Board that inventory challenges and lead time issues are significant. However, staff continues to take measures to try to stay ahead of challenges to ensure needed materials are on hand for upcoming projects, including evaluating idle service accounts.

Manager Fox stated that notifications have been sent to the Red Mountain Stakeholders group advising them of communication with CDOT to schedule road closures in the spring, weather permitting. Mr. Fox reported that eight staff members have completed the OSHA 30 training/certification program.

## **6. ASSOCIATED MEETING REPORTS**

CREA- Debbie Cokes

Director Cokes provided a brief overview of the topics discussed at the CREA Annual Meeting and the regular CREA Board Meeting, including a review of upcoming legislative items that could impact the utility industry, transmission overview, cybersecurity discussion, and guests speakers from the US Forest Service and NRECA.

Western United- Dave Alexander

Director Alexander stated that Western United (WU) had another record year and continues to grow, including adding a new board seat. WU continues to focus on addressing supply chain issues by striving to maintain high inventory counts where possible and prioritizing long-term cooperative members.

Eco-Action- Kevin Cooney

Director Cooney communicated that Eco-Action in Partnership with Sneffles Energy Board and SMPA will host a Beneficial Electrification (BE)/Renewable Energy (RE) roundtable discussion on March 24.

Tri-State- Kevin Cooney

Director Cooney advised that at Tri-State's first-rate committee, consultants presented an overview of rate design and cost-of-service rates structure. He stated that Tri-State has hired consultants to help identify cost reduction opportunities in the organization, including identifying areas where efficiencies may be gained through departmental reorganization. Director Cooney reported that Tri-State is very supportive of having a Regional Transmission Organization (RTO) in this area of the country, noting that joining the Southwest Power Pool RTO may be a good fit. Director Cooney informed the Board that Tri-State has created a new position to focus on developing energy as service offerings, with that focus Tri-State is evolving from a traditional Generation & Transmission (G&T) to a G&T plus services.

## **7. ATTORNEY'S REPORT**

Legal Counsel Jim Link did not have any items for discussion, and it was determined another executive session was not necessary.

## **8. BOARD TRAVEL**

N/A

## **9. MISCELLANEOUS**

Certify Director Districts

Jim Link, General Council, communicated that the member report allocation by the district had been reviewed at the November 2021 Board meeting and recommended no changes. Director Rhoades motioned to certify the districts as presented, Director Garvey seconded. The motion was voted and carried.

Tri-State Annual Meeting Voting Delegate and Alternate Voting Delegate

Director Felicelli motioned to appoint General Manager/CEO Brad Zaporski as SMPA's voting delegate at the Tri-State Annual Meeting. Director Brown seconded. Following discussion, Director Felicelli withdrew his motion.

After further conversation, Director Felicelli motioned to maintain the same Member Voting Delegate (Director Cooney) and Alternate (Director Brown) at Tri-State Annual Meeting. Director Alexander seconded. The motion was voted and carried.

**10. BOARD CALENDAR REVIEW**

The Board discussed the Tri-State Annual Meeting scheduled for April 5-6, 2022, in Denver, CO.

**11. NEXT MEETING**

The February 23, 2022, will reconvene on March 8, 2022, in an executive session to discuss contractual matters. The next Board of Directors meeting will be Tuesday, March 29, 2022, in Nucla and Via Zoom. The April 2022 meeting will occur on Tuesday, April 26, 2022, in Ridgway and Via Zoom.

**12. SUSPEND**

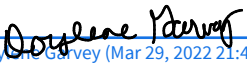
Director Felicelli suspended the meeting at 2:42 PM and advised that the meeting would reconvene on March 8, 2022, in Ridgway and via Zoom, at 9:30 AM in executive session to continue discussing contractual matters.

**13. RECONVENE**

On March 8, 2022, Director Felicelli reconvened the meeting at 9:47 AM. The meeting was held in person at the Ridgway office location and via Zoom Video/Teleconference. Director Brown and Director Rhoades attended via Zoom Video/Teleconference, and Director Felicelli, Director Cokes, Director Alexander, and Director Garvey attended in-person at the Ridgway office location. Director Cooney was recused from the executive session due to a conflict of interest with his role as SMPA's Tri-State Director. At 9:48 AM, Director Garvey made a motion to enter into executive session for personnel and contractual matters. Director Cokes seconded. The motion was voted and carried. The Board entered into executive session at 9:48 AM and came out at 12:57 PM. While in the executive session, no decisions were made, nor votes taken.

**14. ADJOURN**

Director Alexander motioned to adjourn the meeting at 12:58 PM. Director Cokes seconded. The motion was voted and carried.

  
Doyleene Garvey (Mar 29, 2022 21:44 MDT)

Doyleene Garvey, Secretary/Treasurer