

1. CALL TO ORDER

President Felicelli called the meeting of the San Miguel Power Association (SMPA) Board of Directors to order at 9:31 AM. All Directors were present.

2. APPROVAL OF CONSENT AGENDA

Director Garvey motioned to approve the revised consent agenda (April 24, 2018) to include the March 27, 2018 meeting minutes. Director Alexander seconded. The motion was voted on and carried.

3. MEMBER OR CONSUMER COMMENTS

- Director Sibold attended the Tri-State Annual Meeting and sat next to DMEA representative, Bill Patterson. They discussed the recent DMEA presentation with Jasen Bronec and the differences in our Tri-State contract term and service territory.
- Director Cokes re-capped the most recent Clean Energy Meeting and explained that they watched a one-hour film. Her take away from the film is the importance of your rate structure when bringing on green energy.
- General Counsel, Jim Link received a contractor compliment on how well our Ouray crews have been to work with while building his new home.
- Director Felicelli had a Member mention they were impressed with the crews with all of the recent outages.
- Allyn Svoboda and Joanna Kanow introduced themselves, they will both run against Director Alexander for the District 3 seat.

4. STRATEGIC PLANNING

Update: Instill an impeccable safety culture- Paul Enstrom & Duane Oliver

Paul Enstrom, Safety and Regulatory Compliance Coordinator updated the Board with the new promotional items beginning with embroidered hats. Looking to schedule the Electrical Hazard Awareness Clinic for the West End area for mid-May. The Safety Committee attended the RMEL Safety Best Practices and toured the Western United rubber goods testing facility. They have completed final drafts for the Cover-Up Testing Procedure and Live Line Tools Testing Procedure. Greg is scheduled in August to present mountain driving and braking safety and Johnathan and Lester will present meter and meter base safety this fall. Scheduled in June is Swift Water Hazard Awareness and Rescue Training. Still working on installing electronic message boards and "Why I'm going to work safe today" picture boards. The next peer to peer safety observation will happen in May.

Update: Improve Member Outreach/Communication/Education- Wiley Freeman

Manager Freeman updated the Board on several of the initiatives for his department. He highlighted samples of the improved media relations with several recent clippings mentioning SMPA. Using the ReadyOp software has improved outage communication. Staff is working on updating customer records with the preparation of the NISC conversion. The NISC program gives Members the tools to pay bills and monitor usage with the application SmartHub. Promotions to urge Members to sign up for the application will include the raffle of the Rad-mini Electric Bike. Meeting with local policy makers to educate with the "carbon clear" campaign. Staff is working on the rebranding of Green Blocks program and targeting "carbon neutral" influencers. With this target in mind, we will work on website changes.

5. CEO REPORT

Manager Zaporski has been working with other coop managers to respond to proposed changes to Tri-State's 115 Policy. He discussed some of the potential changes that the managers have discussed to suggest to Tri-State and would like the support of the Board to recommend that Tri-State postpone their decision to allow more time for the cooperative managers to give adequate feedback. The Board was in support of this.

Manager Tea explained the technology we currently have at each facility to defend against lightning. He explained what we would like to purchase to defend against future strikes. We received a quote from a company out of Grand Junction, Two-Way Communications, Inc., to install a Halo System in Nucla; and looking to get an additional quote for our facilities in Telluride.

Introduction of Employee Guests

There were several employees in attendance of the Board Meeting, Alex Shelley, Communications Executive, Mike Therriault, Staff Engineer, Jeremy Fox, Planning Supervisor, and new employee, Terry Schuyler. Terry gave a brief introduction and has forty years in renewables and consulting. He lives in Ridgway, relocating from the Fort Collins area.

Corporate Donations

There were no donations for review this month.

Board Donations

There were no Board donations this month.

Finance Update

Manager Mertz reviewed his report with the Board and is preparing for the training session at next month's Board Meeting.

RUS Loan Application

Director Garvey motioned to approve Resolution 2018-03 and the certifications to comply with the RUS loan application process. Director Alexander seconded. The motion passed pending the Board of Directors discussing any Board outside activities that may be in conflict with this resolution to be discussed in Executive Session.

Marketing & Member Services

Manager Freeman briefly went over the Member Services report and explained the discrepancy with the Green Fund Balance being due to the processing dates.

Election: order of ballots

District 6 had one valid petition submitted, Debbie Cokes, will retain her seat with no election.

District 3 order of ballots will be as follows: Joanna Kanow, Allyn Svoboda, Dave Alexander

Ballots will be mailed to District 3 in mid-May.

Information Technology

Manager Tea updated the Board on the NISC conversion, training, and upcoming project dates. He explained the data conversion and clean up. Manager Mertz supplied them with a new accounting structure that we will use next year to streamline our processes.

Administration & Human Resources

Manager Reams briefly went over her report.

Delegation from the Board of Directors to the General Manager/CEO (Policy 5.02)

Director Alexander motioned to approve Policy 5.02 Delegation from the Board of Directors to the General Manager/CEO. Director Justis seconded. The motion was voted and carried.

Director Alexander amended his motion to approve Policy 5.02 to include the language to be more specific:

To formulate, with SMPA staff, strategic viewpoints, objectives, and corporate policies which pertain to finances, members and Board of Director governance of SMPA to be recommended by the General Manager/CEO to the Board of Directors for approval. To develop work procedures *and employee policies* for employee guidance.

Director Justis seconded. The motion was voted and carried.

Engineering

Manager Riley gave a presentation of the lines from Sunshine Substation to Telluride and how the new Telluride/Mt. Village Reliability Project line currently works. He discussed the outage that occurred on Friday the 13th and the events that led to the outage. He explained in detail the state of the current project and the equipment issues we are having. He further explained the future operation of the underground line and how the switching will work.

6. ATTORNEY'S REPORT

Mike Hockersmith was present to discuss in executive session a contractual issue. The Board entered into executive session and discussed the attorney's report out of sequence.

Director Rhoades made a motion at 1:33 PM to enter into executive session for personnel and contractual issues. Director Garvey seconded. The motion was voted on and carried. The board entered into executive session at 1:33 PM and came out at 3:13 PM. While in executive session no decisions were made, nor votes taken.

Engineering- resumed

Jeremy Fox discussed the recent meeting with San Miguel County, Black Hills Energy, and Lawson Hill HOA. Black Hills Energy is doing some work on the Galloping Goose Trail and part of that meeting was to make sure they were not disturbing any of our efforts. Per our storm water management plan, water bars were installed to prevent soil erosion near the access road. Two of those water bars have failed and we have received worried Two River homeowner complaints regarding erosion. The contractor is scheduled next week to fix the bars. Staff is working with the Forest Service to formalize the permanent road access. The Forest service would like to look into re-establishing the old right away behind the homes. Potential issues include that some homes have impeded in that right of away with additions to their homes and personal belongings.

Operations

Manager Oliver updated the Board on the very busy last week's outages due to the strong winds. The crews will be working with a helicopter tomorrow, April 25th to set poles off Camp Bird Road outside of Ouray.

Safety and Regulatory Compliance

Paul Enstrom gave a brief review of his report. His final session of CLCP certification will be in May.

7. ASSOCIATED MEETING REPORTS

CREA- Bob Justis

Director Justis discussed a bill to would allow an investor owned utility to seek approval from the PUC to provide discounted rates in order to encourage economic development and new customers to Colorado. Also discussed was that there are activities in the state of Oklahoma where they are posting Form 990s on social media. The Farm bill is up for renewal to continue to offer broadband loans.

Western United- Dave Alexander

The meeting will be later this week.

Eco Action- Jack Sibold

Their last meeting was the Strategic Planning Session, in which he distributed information via email.

Tri-State – Jack Sibold

Director Sibold reviewed the Craig 3 Generator Failure and Load Analysis presentations.

Discussion regarding Xcel Energy pulling out of the Mountain West Transmission Group (MWTG) and the impact on the Southwest Power Pool.

8. BOARD TRAVEL

n/a

9. MISCELLANEOUS

n/a

10. BOARD CALENDAR REVIEW

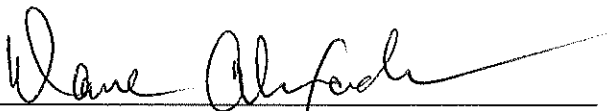
n/a

11. NEXT MEETING

The May Board of Directors Meeting will be on Tuesday May 22, 2018 in Ridgway beginning at 8:30 AM. The second half of the meeting will be financial training.

12. ADJOURN

Director Cokes motioned to adjourn the meeting at 3:48 PM. Director Rhoades seconded. The motion was voted on and carried.



Dave Alexander, Secretary/Treasurer