

REGULAR BOARD OF DIRECTORS MEETING
ANZA ELECTRIC COOPERATIVE, INC.
APRIL 26, 2018

DIRECTORS PRESENT

Billy Adams, President
Thomas Firth, Vice President
Michael Machado, Secretary
Harold Burdick, Treasurer
Joel Carlisle
Steve Lauzier
Steve Silkotch Sr.

STAFF PRESENT

Kevin Short, General Manager
Brian Baharie, Operations Manager
Katherine MacIver, Member Services Manager
Laura Snider-Manseau, Office Services Manager
Jennifer Miller, Gov. Relations / HR Director
Yuri Gudino, Administrative Assistant
Shawn Trento, Network Administrator

OTHERS PRESENT

Jon Martell, Executive Director of Energy Services, AEPCO
Pete Scott, Chief Financial Officer, AEPCO
Rohan Pease, Treasury Services Manager, AEPCO
Tisha Brackeen, Member and Customer Services Liaison, AEPCO
Erinne Roscoe, Anza Community Broadcasting
Robert Giffin, Anza Community Broadcasting
Cecille Williamson, Member

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in the office of the Cooperative on April 26, 2018.

The meeting was called to order by President Billy Adams at 8:00 a.m. Upon calling the roll, Directors Billy Adams, Thomas Firth, Michael Machado, Harold Burdick, Joel Carlisle, Steve Lauzier and Steve Silkotch Sr. were present thereby constituting a quorum.

President Adams called for agenda items.

1. Add Cecile Williamson, Member
2. Add Erinne Roscoe, Anza Community Broadcasting
3. Add Robert Giffin, Anza Community Broadcasting
4. Add the Anza Scholarship Fund donation request

After discussion of the agenda, Director Carlisle made a motion to approve the agenda as presented. Director Machado seconded the motion. Motion carried.

President Adams called for approval of the minutes of the Regular Board Meeting of March 22, 2018. After discussion, Director Carlisle made a motion to approve the minutes as presented. Director Firth seconded the motion. Motion carried.

President Adams called for member comments.

Erinne Roscoe and Bob Giffin from Anza Community Broadcasting presented and discussed the update on Radio station needs and request for donation.

Jon Martell, Pete Scott, Rohan Pease and Tisha Brackeen from AEPCO presented and discussed the AEPCO billing cost analysis.

At 9:30 am Erinne Roscoe from Anza Community Broadcasting, left the Board Meeting.

At 10:45 am Robert Giffin from Anza Community Broadcasting, left the Board Meeting.

General Manager presented and discussed the 17 KW Solar Farm monthly update, SunAnza output update, Hoover Dam Update, EV Charger update, ConnectAnza update, Work Plan update and other Business.

General Manager presented and discussed the SEDC Advanced Security Upgrade Proposal. After discussion, Director Carlisle made a motion to adopt the following resolution:

"WHEREAS, Anza Electric Cooperative, Inc. (AEC) exists to provide reliable utility services for its members at the lowest possible cost and,

WHEREAS, AEC has utilized a Customer Information System (CIS), named Utility Power Net (UPN) as provided by South Eastern Data Cooperative, Inc. (SEDC) since 1999 for billing, member records, and for other purposes and,

WHEREAS, SEDC has proposed encryption of our data base server to protect sensitive member information and,

WHEREAS, this encryption upgrade has been proposed by SEDC for \$10,000.00 one time and \$3,000.0 annually recurring fees.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors hereby approves the Advanced Security for UPN Quotation as proposed by SEDC and attached herein, and duly authorizes the General Manager to execute all documents associated with this transaction."

Director Burdick seconded the motion. Motion carried.

Government Relations Liaison presented and discussed AB-2165 Election Day Holiday, SB 901 Wildfire Mitigation Plans and Measures, SB 833 Emergency Alerts: Evacuation Orders, SB 822 Broadband Internet Access Service, SB 826 Corporations: Broads of Directors and NRECA Legislative Rally discussion points.

Office Services Manager presented and discussed the RUS Form 7- Revenue Comparison for the month of March, the Operations / Variance Reports for Anza Electric Cooperative and ConnectAnza, the March AEPCO billing information, the investment report and the cash flow report. After discussion, Director Machado made a motion to receive and file the RUS Form 7- Revenue Comparison as presented. Director Firth seconded the motion. Motion carried.

Director Burdick presented and discussed the General Manager's expenses for the month of March in the amount of \$93.77. After discussion, Director Machado made a motion to receive and file the General Manager's expenses. Director Silkotch Sr. seconded the motion. Motion carried.

Director Burdick presented and discussed the Directors' expenses for the month of March in the amount of \$21,470.44. After discussion, Director Carlisle made a motion to receive and file the Directors' expenses as presented. Director Firth seconded the motion. Motion carried.

Director Burdick presented and discussed the expenditures for the month of March in the amount of \$1,346,411.86. After discussion, Director Firth made a motion to receive and file the expenditures as presented. Director Carlisle seconded the motion. Motion carried.

Human Resources Director presented and discussed the 2018 AEC Family Photo, Employee Appreciation Day, retirement announcement, Walmart is reportedly in talks to buy Humana and Employee Wellness Program update.

Member Services Manager presented and discussed Publishing Board Minutes. After discussion, Director Machado made a motion to approve publishing the Board minutes each month. Director Firth seconded the motion. Motion carried. Director Burdick opposed.

Member Services Manager presented and discussed Touchstone Energy Sponsorship Funds, HEAP (Home Energy Assistance Program) Funds and Washington Youth Tour.

Member Services Manager presented and discussed the 2018 First Quarter Write-offs in the amount of \$7,460.55. After discussion, Director Firth made a motion to approve the First Quarter Write-Offs as presented. Director Machado seconded the motion. Motion carried.

At 12:25 pm Jon Martell, Pete Scott, Rohan Pease and Tisha Brackeen from AEPCO left the Board Meeting.

Operations Manager presented and discussed the safety meeting for the month of March, lost time due to accidents, outages, new services, construction costs, operational time allotments, the Mountain Center daily peaks and low temperatures and other business for the month of March. After discussion, Director Carlisle made a motion to acknowledge the safety meeting for the month of March. Director Burdick seconded the motion. Motion carried.

Network Administrator presented and discussed ConnectAnza's installation update, Substantial Upgrade, Outage on March 16, CPUC Meeting and bandwidth utilization for the month of March.

Director Carlisle presented and discussed the Bylaw and Policy Committee report. After discussion, Director Machado made a motion to approve the following policies as presented:

- Policy No. 116 – “NOMINATION AND ELECTION OF OFFICERS AND REPRESENTATIVES OF THE BOARD OF DIRECTORS”
- Policy No. 117 – “GUIDELINES FOR BOARD OF DIRECTORS MEETINGS”
- Policy No. 119 – “CORRESPONDENCE”
- Policy No. 120 – “GUIDELINES FOR DIRECTOR ATTENDANCE & MEETINGS”
- Policy No. 121 – “GUIDELINES FOR DIRECTOR TRAINING”
- Policy No. 122 – “COMMUNICATIONS”

Director Burdick seconded the motion. Motion carried.

After discussion of Board Policy No. 114 – “QUALIFICATIONS TO SERVE ON BOARD OF DIRECTORS”, Director Silkotch Sr. made a motion to approve the policy as presented. Director Firth seconded the motion. Motion unanimously carried.

Director Carlisle reviewed Bylaw Article IV.

General Manager presented the AEPCO report.

Director Carlisle discussed the AEPCO Director Board compensation for the General Manager. After discussion, Director Carlisle made a motion to donate 50/50 to the Thimble Club and American Heart Association. After discussion, Director Carlisle withdrew his motion. After further discussion, Director Machado made a motion to donate 50/50 to the Thimble Club and American Heart Association. Director Firth seconded the motion. Motion carried.

Director Burdick and Director Machado presented the GCSECA report.

General Manager presented and discussed the GSPC report.

General Manager presented and discussed the NRECA Member Resolutions Submission Process.

Director Carlisle, Director Silkotch Sr., General Manager and Human Resources Director discussed the 2018 Legislative Rally review.

President Adams presented and discussed the Director Attendance approval for the Director’s School for June 22-27, 2018 in Coeur d’Alene, Idaho. After discussion, Director Machado made a motion to approve the following director’s attendance:

- Director Firth
- Director Silkotch Sr.
- Director Lauzier

Director Carlisle seconded the motion. Motion carried.

President Adams presented and discussed the Election to Ruralite Services, Inc Board of Directors. After discussion, it was the consensus of the board to take no action.

President Adams presented and discussed the Ruralite Services, Inc Voting Delegate and Alternate. After discussion, it was the consensus of the board to take no action.

General Manager presented and discussed the Patronage Capital Notice of Allocations from CoBank, Federated Rural Electric Insurance Exchange and Southeastern Data Cooperative, Inc (SEDC).

President Adams presented and discussed the request for donation for the Anza Scholarship Fund. After discussion, Director Carlisle made a motion to donate \$2,500 and apply for the CoBank Sharing Success matching donation. Director Silkotch Sr. seconded the motion. Motion carried

President Adams presented and discussed the request for donation for Anza Community Broadcasting After discussion, Director Lauzier made a motion to donate \$2,500. Director Machado seconded the motion. Motion withdrawn. After further discussion, Director Lauzier made a motion to donate \$1,000. Motion dies for lack of second. Following further discussion, Director Lauzier made a motion to donate \$2,000 and apply for the CoBank Sharing Success matching donation. Director Firth seconded the motion. Motion carried.

President Adams presented and discussed the request for donation for the Hamilton High School Bobcat Band. After discussion, Director Burdick made a motion to donate \$400. Director Silkotch Sr. seconded the motion. Motion carried

President Adams presented and discussed the request for donation for the NRECA Connect Conference. After discussion, Director Carlisle made a motion to donate \$500. Director Firth seconded the motion. Motion carried

At 1:43 p.m. the Board entered Executive Session to discuss Management's Response to Director Machado's April 11, 2018 email to the Board of Directors.


At 2:50 p.m. the Board returned to regular session.

There being no further business to come before this meeting, the meeting was duly adjourned at 2:51 p.m.



Michael Machado, Secretary

ATTESTED:




Billy Adams, President

CERTIFICATION

I, Michael Machado do hereby certify that I am the duly elected and qualified Secretary of the Board of Directors of the Anza Electric Cooperative, Inc. and that the above is a true and correct copy of the minutes of the Regular Meeting of the Board of Directors held on April 26, 2018 at which time a quorum was present and voting throughout.

IN WITNESS WHEREOF; I have hereunto subscribed my name as the Secretary and affixed the Corporate Seal of said Cooperative this 26th day of April 2018.



Michael Machado, Secretary