

REGULAR BOARD OF DIRECTORS MEETING  
ANZA ELECTRIC COOPERATIVE, INC.  
AUGUST 23, 2018

DIRECTORS PRESENT

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

STAFF PRESENT

Kevin Short, General Manager  
Brian Baharie, Operations Manager  
Laura Snider-Manseau, Office Services Manager  
Debbie Winger, Telecommunications Manager  
Jennifer Miller, Gov. Relations / HR Director  
Yuri Gudino, Administrative Assistant

OTHERS PRESENT

Raymond B. Schooley, Member  
Gerald Clarke Jr, Cahuilla Tribal Council  
Anthony Madrigal, Cahuilla Tribal Council  
Erica Rae Macias, Cahuilla Tribal Council  
Shawn Trento, Network Administrator

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in the office of the Cooperative on August 23, 2018.

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

Vice President Firth called for agenda items. After the discussion of the agenda, Director Machado made a motion to approve the agenda as presented. Director Carlisle seconded the motion. Motion carried.

Vice President Firth called for approval of the minutes of the Regular Board Meeting of June 28, 2018. After the discussion, Director Machado made a motion to approve the minutes as presented. Director Carlisle seconded the motion. Motion carried.

Vice President Firth called for approval of the minutes of the Executive Session of June 28, 2018. After the discussion, Director Machado made a motion to approve the minutes as presented. Director Burdick seconded the motion. Motion carried.

Vice President Firth presented and discussed the 2018-2019 Committee Assignments. After discussion, it was the consensus of the Board to refer the 2018-2019 Committee Assignments to Board President, Billy Adams.

Vice President Firth called for member comments.

Raymond B. Schooley, Cooperative member presented and discussed the Capital Credit Estate Settlement on his account.

At 8:21 a.m. Raymond B. Schooley left the Board meeting.

At 8:28 a.m. the Board entered Executive Session to discuss the Cahuilla Reservation and the Casino Expansion.

At 9:01 a.m. the Board returned to Regular Session.

At 9:12 a.m. Gerald Clarke Jr, Anthony Madrigal and Erica Rae Macias, Cahuilla Tribal Council entered the Board Meeting.

The Cahuilla Tribal Council presented and discussed the Cahuilla Reservation and the Casino Expansion.

At 9:19 a.m. the Cahuilla Tribal Council 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 an analysis of the Cranston Fire Review. After discussion, Director Machado made a motion to adopt the following resolution as presented,

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

*WHEREAS, AEC experienced the longest system-wide outage in its history because of the Cranston Fire of July 25, 2018 through August 3, 2018 and,*

*WHEREAS, The Board of Directors has duly delegated operational authority to the General Manager and recognizes the emergency necessities and financial obligations incurred by AEC during the outage and,*

*WHEREAS, The Board of Directors further recognizes and approves the actions taken by the General Manager during the Cranston Fire to achieve the briefest duration of outage time at the lowest possible cost and overall impact to the Cooperative, including all purchases and commitments made including the increase of the existing Line of Credit with CoBank from \$2M to \$5M, and the necessary repairs to AEC lines and substation facilities.*

*NOW, THEREFORE BE IT RESOLVED that the Board of Directors hereby approves the **Cranston Fire Response Analysis** and attached herein, and duly authorizes the General Manager to satisfy all indebtedness associated with the outage and recovery.”*

Director Carlisle seconded the motion. Motion carried.

At 10:45 a.m. Shawn Trento, Network Administrator entered the Board Meeting.

Government Relations Liaison presented and discussed the Cranston Fire, Governor Jerry Brown's Wildfire Mitigation Letter and Proposed Legislation, and Wildfire Mitigation Letter from CPUC.

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

Director Burdick presented and discussed the General Manager's expenses for the month of June in the amount of \$999.86. After the discussion, Director Carlisle made a motion to receive and file the General Manager's expenses. Director Lauzier seconded the motion. Motion carried.

Director Burdick presented and discussed the General Manager's expenses for the month of July in the amount of \$760.29. After the discussion, Director Machado made a motion to receive and file the General Manager's expenses. Director Carlisle seconded the motion. Motion carried.

Director Burdick presented and discussed the Directors' expenses for the month of June in the amount of \$13,115.23. After the discussion, Director Machado made a motion to receive and file the Directors' expenses as presented. Director Lauzier seconded the motion. Motion carried.

Director Burdick presented and discussed the expenditures for the month of June in the amount of \$1,477,326.84. After the discussion, Director Machado made a motion to receive and file the expenditures as presented. Director Lauzier seconded the motion. Motion carried.

Director Burdick presented and discussed the expenditures for the month of July in the amount of \$1,094,615.15. After the discussion, Director Machado made a motion to receive and file the expenditures as presented. Director Lauzier seconded the motion. Motion carried.

Member Services Manager presented and discussed the Annual Meeting Election Results, Washington Youth Tour and System Wide Outage/Cranston Fire.

Member Services Manager presented and discussed the Capital Credit Estate Settlements for Bernie Cangelosi and Paul R Larson in the amount of \$1,540.14. After discussion, Director Machado made a motion to approve the Capital Credit Estate Settlements per Board Policy at 50% for a total disbursement in the amount of \$770.07. Director Carlisle seconded the motion. Motion carried.

Member Services Manager presented and discussed the 2018 Second Quarter Write-offs in the amount of \$5,084.15. After discussion, Director Machado made a motion to approve the Second Quarter Write-Offs as presented. Director Carlisle seconded the motion. Motion carried.

Operations Manager presented and discussed the safety meetings for the months of June and July, 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 July. After discussion, Director Carlisle made a motion to acknowledge the safety meetings for the months of June and July. Director Machado seconded the motion. Motion carried.

Telecommunications Manager presented and discussed ConnectAnza's installation update, Thank You from Members, July uptime & outages and bandwidth utilization for the month of July.

Telecommunications Manager and Shawn Trento, Network Administrator presented and discussed SKADA and expansion upgrade.

At 12:07 a.m. Shawn Trento, Network Administrator left the Board Meeting.

Director Lauzier 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. 303 – "Area of Coverage"
- Policy No. 304 – "Energy Conservation"
- Policy No. 306 – "Interconnection of Distributed Generation Resources"
- Policy No. 307 – "Power Theft"
- Policy No. 308 – "Idle Services"

Director Carlisle seconded the motion. Motion carried.

Director Carlisle reviewed Bylaw Article VII.

General Manager presented the AEPCO report.

Director Burdick and Director Machado presented the GCSECA report, Ballot Initiative Cost Split and Summer Meeting Review from July 31, 2018.

Director Machado made a motion to make a donation to GCSECA of \$4000 in support of their lobbying efforts to prevent an AZ renewable portfolio standard. After discussion a vote was taken. Results were 3 in favor of supporting the AZ lobbying efforts and 3 in favor of not supporting. With a tied vote no action is taken.

General Manager presented and discussed the GSPC report.

General Manager presented and discussed the GSPC Annual Meeting Sponsorship and donation. After discussion, Director Carlisle made a motion to donate \$2,500. Director Burdick seconded the motion. Motion carried.

Director Lauzier presented and discussed the Northwest Public Power Association 2018-2019 Board Officers.

Director Lauzier presented and discussed the Northwest Public Power Association approval of post meeting Director Education Fees. After discussion, Director Carlisle made a motion to approve the post meeting Director Education Fees. Director Machado seconded the motion. Motion carried.

Vice President Firth presented and discussed the Northwest Public Power Association Director attendance approval for Director Lauzier to attend the September 12 – 14, 2018 Board Meeting, Walla Walla, WA. After discussion, Director Carlisle made a motion for Director Lauzier to attend the NWPPA Board meeting. Director Silkotch Sr. seconded the motion. Motion carried.

General Manager presented and discussed the CFC Report from the Boardroom and CFC Director Candidate Selection. After discussion of the CFC Director Candidate Selection, Director Machado made a motion to elect Bradley P. Janorschke for the Manager-Director position and Elizabeth Higgins for Director At-Large.

General Manager presented and discussed the CoBank 2018 Director Election. After discussion, Director Machado made a motion to elect Janet L. Kass. Director Carlisle seconded the motion. Motion carried.

General Manager presented and discussed the need to change the authorized signers on the Cooperative General Fund Bank accounts. After discussion, Director Burdick made a motion to notify the bank of the following changes:

Account # General Fund 4709602901

Authorized signers: Billy Adams, President

Thomas Firth, Vice President

Joel Carlisle, Secretary

Harold Burdick, Treasurer

Kevin Short, General Manager

Laura Snider-Manseau, Office Services Manager

Brian Baharie, Operations Manager

Katherine Maclver, Member Services Manager

Director Machado seconded the motion. Motion carried.

General Manager presented and discussed the need to change the authorized signers on the Cooperative Community Care Fund Bank accounts. After discussion, Director Burdick made a motion to notify the bank of the following changes:

Account # Cooperative Community Care Fund Account 4750553401

Authorized signers: Billy Adams, President  
Thomas Firth, Vice President  
Joel Carlisle, Secretary  
Harold Burdick, Treasurer  
Kevin Short, General Manager  
Laura Snider-Manseau, Office Services Manager  
Brian Baharie, Operations Manager.

Director Machado seconded the motion. Motion carried

General Manager presented and discussed the need to change the authorized signers on the Cooperative Construction and Capital Credits Bank accounts. After discussion, Director Burdick made a motion to notify the bank of the following changes:

Account # Construction Account 4750511901

Authorized signers: Billy Adams, President  
Thomas Firth, Vice President  
Joel Carlisle, Secretary  
Harold Burdick, Treasurer  
Kevin Short, General Manager

Account # Capital Credits Account 4750509701

Authorized signers: Billy Adams, President  
Thomas Firth, Vice President  
Joel Carlisle, Secretary  
Harold Burdick, Treasurer  
Kevin Short, General Manager

Director Machado seconded the motion. Motion carried.

Vice President Firth presented and discussed setting date for the September Board Meeting. After discussion, Director Carlisle made a motion to set date for September 21, 2018. Director Burdick seconded the motion. Motion carried.

Vice President Firth presented and discussed setting date for the November Board Meeting. After discussion, Director Carlisle made a motion to set date for November 29, 2018. Director Burdick seconded the motion. Motion carried.

Vice President Firth presented and discussed setting date for the December Board Meeting. After discussion, Director Burdick made a motion to set date for December 27, 2018. Director Silkotch Sr. seconded the motion. Motion carried.

Vice President Firth presented and discussed setting date for the Employee Relations Committee Meeting. After discussion, it was the consensus of the Board to set date for September 10, 2018. Motion carried.

Vice President Firth presented and discussed setting date for the Strategic Planning Meeting. After discussion, it was the consensus of the Board to refer to next month.

Vice President Firth presented and discussed the request for a donation for the Anza Valley Lions Club. After discussion, Director Firth made a motion to donate \$100. Director Carlisle seconded the motion. Motion carried

Vice President Firth presented and discussed General Manager Review.

Vice President Firth presented and discussed the Sacred Heart Catholic Church request for donation for their 2018 Fiesta Community Event. After discussion, Director Silkotch Sr. made a motion to donate \$250. Director Carlisle seconded the motion. Motion carried.

Vice President Firth presented and discussed the Anza Civic Improvement League request for donation for power pole to mount two cameras. After discussion, Director Silkotch Sr. made a motion to donate the power pole. Director Machado seconded the motion. Motion carried.

Vice President Firth presented and discussed the Anza Civic Improvement League request for donation for Rock N Roll Car Show. After discussion, Director Burdick made a motion to donate \$250. Director Silkotch Sr. seconded the motion. Motion carried.

There being no further business to come before this meeting, the meeting was duly adjourned at 1:41 p.m.

  
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Joel Carlisle, Secretary

ATTESTED:

  
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Billy Adams, President

#### CERTIFICATION

I, Joel Carlisle 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 August 23, 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 23<sup>rd</sup> day of August 2018.

  
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Joel Carlisle, Secretary