

REGULAR BOARD OF DIRECTORS MEETING  
ANZA ELECTRIC COOPERATIVE, INC.  
JUNE 28, 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  
Laura Snider-Manseau, Office Services Manager  
Debbie Winger, Telecommunications Manager  
Jennifer Miller, Gov. Relations / HR Director  
Yuri Gudino, Administrative Assistant

OTHERS PRESENT

Cecille Williamson, Member  
Ryall Stewart, Member  
Edison Gomez, AVMAC

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in the office of the Cooperative on June 28, 2018.

The meeting was called to order by President Billy Adams at 8:04 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. After the 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 May 17, 2018. After the discussion, Director Machado made a motion to approve the minutes as presented. Director Carlisle seconded the motion. Motion carried.

President Adams called for member comments.

Edison Gomez, AVMAC presented and discussed the Illegal Cannabis Cultivation in the Anza Valley and requested Board support of the AVMAC's CERC report and recommendations to the County Supervisor's office.

At 8:16 a.m. Robert Cobb, Audit Senior, Bollinger, Segars, Gilbert and Moss, entered the Board Meeting via teleconference.

Robert Cobb, Audit Senior, Bollinger, Segars, Gilbert, and Moss presented and discussed the 2018 Annual Audit Review.

At 9:00 a.m. Robert Cobb ended the teleconference and left the Board Meeting.

At 9:08 a.m. Edison Gomez, AVMAC 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.

Government Relations Liaison presented and discussed a PG&E Equipment and Power Lines cause Northern California Wildfire Article, SB 901 Wildfire Mitigation Plans and Measures, SB 833 Emergency Alerts, SB 1088 Safety, Reliability and Resiliency Planning, SB 460 Communications, Broadband Internet Access Service and SB 822 Communications, Broadband Internet Access Service.

Government Relations Liaison and Operations Manager presented and discussed the 2018 Draft Wildfire Mitigation Plan. After discussion, Director Carlisle made a motion to approve the 2018 Draft Wildfire Mitigation Plan as presented. Director Firth seconded the motion. Motion carried.

Office Services Manager presented and discussed the RUS Form 7- Revenue Comparison for the month of May, the Operations / Variance Reports for Anza Electric Cooperative and ConnectAnza, the May 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 Comparison as presented. Director Lauzier seconded the motion. Motion carried.

Director Burdick presented and discussed the General Manager's expenses for the month of May in the amount of \$1,315.32. After the discussion, Director Carlisle 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 May in the amount of \$8,386.76. After the 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 May in the amount of \$1,282,133.53. After the discussion, Director Carlisle made a motion to receive and file the expenditures as presented. Director Firth seconded the motion. Motion carried.

General Manager discussed the director travel days approval. After discussion, it was the consensus of the Board to refer the matter to July's Bylaw and Policy Committee Meeting.

Human Resources Director presented and discussed the NRECA 2017 401k Nondiscrimination Testing, Employee Performance Management Review Survey and Employee Wellness Program update.

Member Services Manager presented and discussed the First Quarter Write Offs Correction, Youth Tour, and Election Materials.

Operations Manager presented and discussed the safety meeting for the month of May, 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 May. After discussion, Director Carlisle made a motion to acknowledge the safety meeting for the month of May. Director Firth seconded the motion. Motion carried.

Telecommunications Manager presented and discussed ConnectAnza's installation update, computer literacy classes, May uptime & outages and bandwidth utilization for the month of May.

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. 205 – "AUTHORIZED SAFE DEPOSIT BOX SIGNATURES"
- Policy No. 206 – "PETTY CASH FUND"
- Policy No. 207 – "INSURANCE COVERAGES"
- Policy No. 208 – "RECORDS MANAGEMENT"
- Policy No. 301 – "METER READING AND BILLING AND COLLECTION"
- Policy No. 301.1 – "DEPOSITS AND FEES"
- Policy No. 302 – "RELOCATION OF LINES"

Director Carlisle seconded the motion. Motion carried.

Director Carlisle reviewed Bylaw Article VI.

General Manager presented the AEPCO report.

President Adams presented and discussed the Director Attendance Approval for Member Director Orientation for October 9, 2018. After discussion, Director Machado made a motion to approve the following directors to attend:

Director Lauzier  
Director Silkotch Sr.

Director Carlisle seconded the motion. Motion carried.

Director Burdick and Director Machado presented the GCSECA report.

President Adams discussed Director Expense approval for the GCSECA Summer Meeting for July 30-August 2, 2018 in Tucson, Arizona. After discussion, Director Machado made a motion to approve one day of travel to the meeting at \$325.00, plus per diem of \$75.00 for meals, plus mileage and one day of travel at \$325.00 plus per diem of \$75.00, plus mileage following the meeting one day of compensation for the meeting at \$325.00 plus \$75.00 per diem for food expenses and one additional day of compensation at \$325.00 plus per diem at \$75.00 for meals if the director is taking a class. Total number of approved days compensated is 3 days with no classes for a total director compensation of \$1,200.00 plus mileage and 4 days if taking the class for a total of \$1,600.00 plus mileage. Director Carlisle seconded the motion. Motion carried.

General Manager presented and discussed the GSPC report.

President Adams presented and discussed the Director Expense approval for the GSPC Annual Meeting for September 12, 2018, in Palm Springs, California. After discussion, Director Silkotch Sr. made a motion to approve a one-night stay at the hotel, \$325.00 director compensation for the meeting, \$75.00 per diem for meals, and mileage to and from the meeting. Director Adams seconded the motion. Motion carried.

Director Lauzier presented and discussed the Northwest Public Power Association Board of Trustees Voting Results.

Director Adams discussed the Post Meeting Director Education Fee approval for Steve Lauzier. After discussion, it was the consensus of the Board to discuss further during the July Regular Board Meeting.

President Adams called for the 2018 – 2019 Director Declaration of Officers. After discussion, the 2018 – 2019 Officer Declarations are as follows:

Director Adams and Director Machado President,

Director Firth and Director Machado Vice President,

Director Machado and Director Carlisle Secretary,

Director Burdick Treasurer,

Director Lauzier and Director Silkotch Sr. None,

President Adams 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

At 1:18 pm Cecille Williamson, and Ryall Stewart left the Board Meeting.

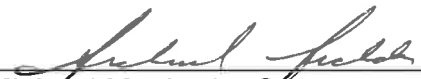
At 1:24 pm the Board entered Executive Session to discuss the Cahuilla Reservation and the Casino Expansion/Hotel development.

At 1:43 pm the Board returned to Regular Session.

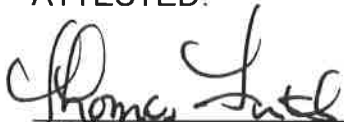
President Adams discussed the presentation from Edison Gomez and the request from the ACMAC to support the CERC's proposal and recommendations to the Riverside County Supervisor's office. After discussion, Director Carlisle made a motion to take no action. Director Silkotch Sr. seconded the motion. Motion carried. Director Machado opposed.

Director Machado presented and discussed his Proposed Ordinance Support Request.

There being no further business to come before this meeting, the meeting was duly adjourned at 2:03 p.m.

  
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Michael Machado, Secretary


ATTESTED:

  
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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 June 28, 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 28<sup>th</sup> day of June 2018.

  
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Michael Machado, Secretary