

Minutes of the Board of Directors of the
Sulphur Springs Valley Electric Cooperative, Inc.

July 18, 2018

A regular meeting of the Board of Directors of the Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC) was held Wednesday, July 18, 2018 in the SSVEC Willcox headquarters boardroom, 350 North Haskell Avenue, Willcox, Arizona.

President Barrera called the meeting to order at 9:33 a.m. Members arriving at any time during the meeting would be recognized. The following directors were present: *CALL TO ORDER*

District

1 - Kathy Thatcher	8 - Peter Gillespie
2 - Curtis Nolan – Treasurer	9 - James Johnson
3 - Pat English	10 - Gary Payne
4 - Tom Goodman - Secretary	11 - Ed Molina
6 - Dan Barrera - President	13 - Gene Manring – Vice President

All directors were present. Creden W. Huber, Chief Executive Officer, Chris Hitchcock, General Counsel, and the following SSVEC employees were also present: Kirby Chapman, Jack Blair, Ricardo Garcia, Orson Garnsey, Daniel Wilson, Jason Bowling, Ron Lee, Curtiss Peterson, and Char Bennett.

President Barrera announced there was a quorum.

Mr. Gillespie gave the invocation and led the Pledge of Allegiance.

The agenda for this July 18, 2018 meeting was presented.

*APPROVAL OF
AGENDA*

Mr. Huber requested the deletion of agenda item 11.a.1) a). Depreciation Study.

Mr. Manring made a motion to approve the agenda as amended. Mr. English seconded the motion, which carried.

The minutes of the regular meeting held June 20, 2018 were presented. A motion was made, seconded and carried to approve the minutes as presented.

*APPROVAL OF
MINUTES*

No members were present for the Call to Members.

*CALL TO
MEMBERS*

Under the Call to Directors, Mr. Molina stated that he had submitted his resignation from the SSVEC board, effective July 31, 2018. He explained his decision and expressed his appreciation. Directors thanked Mr. Molina for his service on the Board.

Call to Directors

President Barrera, Mr. Manring and Mr. Gillespie reported on the CFC Forum, which they recently attended.

Mr. Johnson reported on the NRECA Summer School West, which he recently attended. He completed all courses required to achieve Certified Credentialed Director status.

The Executive Committee reviewed the board meeting agenda and discussed agenda items for the 2018 board retreat.

*GOVERNANCE
COMMITTEE
REPORTS
Executive
Committee*

The Committee of the Whole presented Policies E-7, Participation in Training Conferences and/or Professional & Trade Association Meetings; E-8, Apprenticeship Program; and E-9, Code of Business Ethics and Compliance, which were included in the board report.

Committee of the Whole

Policies

After full discussion, Mr. English made a motion to approve Policy E-7 as presented. Mr. Molina seconded the motion, which carried.

Policies E-7, E-8 & E-9 Readopted

Mr. English made a motion to approve Policy E-8 as further amended by the Committee. Ms. Thatcher seconded the motion, which carried.

A motion was made, seconded and carried to approve Policy E-9 as further amended by the Committee.

The approved policies are attached to and made a part of these minutes.

The Committee reviewed Policies E-10, Whistleblower Policy; E-11, Family and Medical Leave; and E-12, Legal Work Status, and will present them for consideration in August.

The Committee of the Whole presented the May 2018 Form 7, which was included in the board report.

Finance

After full discussion and with the Committee's recommendation, Mr. Nolan made a motion to accept the May 2018 Form 7. The motion carried.

The Committee presented vouchers in the amount of \$10,312.27.

After full discussion and with the Committee's recommendation, Mr. Nolan made a motion to accept the vouchers. The motion carried.

The Committee will hold a pre-audit meeting with auditors on August 22, 2018 prior to the board meeting.

The Board discussed potential topics for the 2018 board retreat agenda, which will be held September 25 – 26. The agenda will be presented for consideration in August.

The Board reviewed the NRECA Electric Cooperative Governance Task Force Report, Director Qualifications, which was previously mailed and included in the iPad report. They discussed various topics as they relate to SSVEC's practices and bylaws.

Governance Task Force Report: Director Qualifications

President Barrera asked Mr. Huber for his CEO Report. A written report was included in the board report.

CEO Report

Mr. Huber presented a plaque to Mr. Barrera to commemorate his three cooperative golf tournament wins.

Employees Michele McCollum and Eric Petermann joined the meeting. Mr. Peterson left the meeting.

Written staff reports were included in the board report.

STAFF REPORTS

Staff responded to questions asked by directors.

Mr. Chapman expressed appreciation for his time at SSVEC, and the Board thanked him. Mr. Chapman will retire July 24, 2018.

Ms. McCollum and Mr. Blair made a PowerPoint presentation on the 2018-2019 SSVEC Communications Plan, which was included in the iPad report.

*Advertising and
Social Media
Presentation*

Mr. Blair stated that SSVEC's methods of delivery of advertisements include focus groups, community presentations, *Currents*, the website/SmartHub, the annual meeting and annual report, commercials, bill inserts, direct mailings, social media and digital advertising.

Ms. McCollum reviewed the PowerPoint presentation and answered questions. She reported that SSVEC's new website will be introduced in the fall of 2018. SSVEC's revised logo, "Owned by Those We Serve", was chosen by a member focus group to emphasize member identity.

The BARK campaign has been designed "to hit the exact audience you want to reach, to deliver the right message on the right device at the right time." She explained how media such as Facebook work to reach users with expanded information. YouTube was added to the mix this summer with commercials and live videos of the Washington Youth Tour, the YES Fair and scholarship presentations. SSVEC's history video is on YouTube.

Ms. McCollum presented videos of recently completed SSVEC commercials featuring members of the Young Member Focus Group.

Ms. McCollum and Mr. Petermann left the meeting.

Employees Joseph Reyes and Rafael Villegas joined the meeting and introduced themselves.

Employee Marcus Harston and Washington Youth Tour (Tour) students Madyson Wright and her grandmother, Kaleigh Thompson, Madison Nelson and her mother Emily, Gianna Martin, John Hubbell, and Kaleb Watts and his father John and International Science & Engineering Fair (ISEF) students Eduardo Lauro and Dakota Finley and her mother Ashley joined the meeting. Tour chaperone Torey Bell also joined the meeting.

*YOUTH
PROGRAMS*

Tour students reported on their favorite parts of the Tour and thanked SSVEC for supporting the program. Several students distributed thank you notes and photos of the trip.

The ISEF students reported on their experiences and accomplishments and thanked SSVEC for the opportunity to participate.

The student and employee groups joined the board for lunch and then left the meeting.

President Barrera asked Ms. Thatcher for the AEPCO Report on the July 11, 2018 meeting.

AEPCO

The AEPCO Board was updated on risk management, finance, generation and environmental issues.

AEPCO will hold a new director orientation October 9, 2018. The preliminary agenda was included in the board report.

The Board reviewed schedules for the 2018 NRECA conferences, 2018 GCSECA Summer Meeting, and 2018 NRECA Regions 8 – 10 Meeting, which were included in the board report.

Other Business

GCSECA will hold its 2018 summer meeting in Tucson July 30 – August 1 and will host director training on August 2.

President Barrera appointed voting delegates to NRECA, CFC and NISC meetings to be held during the 2018 NRECA Regions 8 – 10 Meeting schedule.

	<u>Delegate</u>	<u>Alternate</u>
NRECA	Kathy Thatcher	Gene Manning
CFC	Gene Manning	Kathy Thatcher
NISC	Creden Huber	

The Board reviewed candidate letters for the CFC at-large board seat and offered guidance.

With no objections stated, the Board entered to executive session at 12:50 p.m.

The regular meeting reconvened at 1:40 p.m. Mr. Chapman, Mr. Blair, Mr. Garnsey, Mr. Garcia, Mr. Wilson, Mr. Lee, and Ms. Bennett did not return to the regular meeting.

There being no further business and no objections stated, President Barrera adjourned the meeting at 1:40 p.m.

Respectfully submitted,

Secretary

Approved:

President