REGULAR BOARD OF DIRECTORS MEETING  
ANZA ELECTRIC COOPERATIVE, INC.  
JUNE 24, 2021  

DIRECTORS PRESENT  
Ryall Stewart, President  
Stephan Lauzier, Vice President  
Stephen P. Silkotch, Sr., Secretary  
Harold Burdick, Treasurer  
W.A. (Chilli) Ainsworth  
Michael Machado  

STAFF PRESENT  
Kevin Short, General Manager  
Brian Baharie, Operations Manager  
Debbie Winger, Member Services Manager  
Jennifer Williams, HR Director / Gov. Relations  
Laura Snider-Manseau, Office Services Manager  
Yuri Gudino, Administrative Assistant  
Shawn Trento, Network Administrator  
Sandy King, Engineering Supervisor / EIT  

OTHERS PRESENT  
Hope Adams, Member  
Diane Sieker, Member  
Jarrod Bryant, CPA / Audit Manager, Bolinger, Segars, Gilbert & Mcss, L.L.P  
Karen Schlichting, P.E., TriSage Consulting  

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in the office of the Cooperative in-person and through video conference on June 24, 2021.  

The meeting was called to order by President Ryall Stewart at 8:10 a.m. Upon calling the roll, Directors Ryall Stewart, Stephan Lauzier, Stephen P. Silkotch, Sr., Harold Burdick, W.A. (Chilli) Ainsworth and Michael Machado were present thereby constituting a quorum.  

President Stewart called for approval of agenda. After discussion of the agenda, Director Machado made a motion to approve the agenda as presented. Director Lauzier seconded the motion. Motion carried.  

President Stewart called for approval of the minutes of the Regular Board Meeting of May 27, 2021. After discussion, Director Lauzier made a motion to approve the minutes as presented. Director Machado seconded the motion. Motion carried.  

President Stewart called for member comments.  

President Stewart gave the President’s report.  

At 8:55 a.m. Hope Adams, cooperative member, entered the Board Meeting via video call.  

Jarrod Bryant, Certified Public Accountant/Audit Manager, Bolinger, Segars, Gilbert & Moss, L.L.P, presented and discussed, via video call, the Annual Audit Review. After discussion it was the consensus of the board to recommend the Annual Audit to the membership for Approval.  

At 9:02 a.m. Jarrod Bryant left the Board Meeting.

General Manager presented and discussed the Signing Authority for Riverside County Planning Department Application. After discussion, Director Machado made a motion to adopt the following resolution,

"WHEREAS, Anza Electric Cooperative, Inc. intends to submit a Riverside County Planning Department Application for a project to install 2 MW of Battery Energy Storage on its existing Solar PV and Battery Facility located on Assessor’s Parcel Number 575-110-036, and,

WHEREAS, Anza Electric Cooperative, Inc. desires to grant authority to its General Manager to sign the Riverside County Planning Department Application.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors hereby authorizes the General Manager of Anza Electric Cooperative, Inc. to bind the cooperative and to sign the Riverside County Planning Department Application, together with any such other certificates, documents, instruments or forms, as may be necessary, for the project to install 2 MW of Battery Energy Storage on its existing Solar PV and Battery Facility located on Assessor’s Parcel Number 575-110-036."

Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Government Relations Liaison presented and discussed 2021 Wildfire Mitigation Plan Update and Addendum. After discussion, Director Machado 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, following several years of drought conditions and strong Santa Ana wind events, the risk of wildfire caused by utility assets has increased significantly and,

WHEREAS, California Public Utilities Code, Chapter 6, §8387. (a), requires each local publicly owned electric utility and electrical cooperative to develop a Wildfire Mitigation Plan and,

WHEREAS, AEC has a company-wide focus on addressing and minimizing wildfire related risks to the health, safety and welfare of our membership and,

WHEREAS, AEC’s governing board has determined that there is a significant risk of catastrophic wildfire resulting from damage to or unintentional contact with the utility’s electrical lines and equipment, the electrical cooperative shall annually present to the board for its approval those wildfire mitigation measures the utility intends to undertake to minimize the risk of its electrical lines and equipment causing a catastrophic wildfire and,

WHEREAS, AEC’s Wildfire Mitigation Plan provides a comprehensive overview of the organizational and operational activities AEC undertakes in addressing the risk of fire within the Cooperative’s service territory and,

WHEREAS, AEC’s Wildfire Mitigation Plan is subject to the direct supervision of the General Manager and delegated to senior management and,
WHEREAS, This Addendum to Anza Electric Cooperative’s (AEC) 2021 Wildfire Mitigation Plan (WMP) responds to each of the recommendations included in the 2021 WSAB Guidance Advisory Opinion,
WHEREAS, CPUC §8387 requires Electric Cooperatives and POUs to submit their Wildfire Mitigation Plans to the Wildfire Safety Advisory Board (WSAB) on or before July 1st annually beginning calendar year 2020,
WHEREAS, AEC’s Wildfire Mitigation Plan is a “living document”, subject to annual review and modification as regulations are updated and advances in technology occur.
NOW, THEREFORE BE IT RESOLVED that AEC’s Board of Directors hereby approves AEC’s 2021 Wildfire Mitigation Plan Addendum, and submission to the WSAB."
Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Human Resources Director presented and discussed matching donation for Zachary Cholodenko-Vollan, AEC Updated Family Photo, AEC Welcomes Our Newest Family Member and Cal/OSHA COVID-19 Updated Guidance.

Member Services Manager presented and discussed the Mask distribution, FIND Food Distribution, FIND/Hope Food Distribution, preparing to open the lobby, CCP/LIHEAP Distributions and Member Statistics.

Member Services Manager presented and discussed the Telecommunications Report, Fiber/Connects update, Fiber System uptime update, RDOF/CPUC Auction, Member Comments, and bandwidth utilization for the month of May.

Shawn Trento, Network Administrator presented and discussed 2021 Third Party Intrusive Cyber Security Testing. After discussion, Director Lauzier 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, instances of cyber-crimes are on the rise nationwide, perpetrated both domestically and by foreign state actors attempting to disrupt domestic infrastructure, and,
WHEREAS, it is our duty to protect the security of our member’s private information held by the cooperative, and our duty to remain operational and to provide around the clock services regardless of cyber threats, and,
WHEREAS, AEC Board Policy 506, Section E, Paragraph 1, states in part that “The Cooperative maintains member information with reasonable and appropriate technical, administrative, physical and cyber safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure of member/consumer information. No system can ever be fully protected against every possible hazard”, and,
WHEREAS, third party testing of computer systems is an effective and industry standard practice necessary for the benefit of professional cyber-security standards,
NOW, THEREFORE BE IT RESOLVED that the Board of Directors hereby approves the Executive/Staff Summary recommending hiring InfoSight inc. for a one time third party intrusive testing of the AEC internal computer network, for the dollar amount of $10,575.”
Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Operations Manager presented and discussed the safety meeting for the month of May, loss 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 Burdick made a motion to acknowledge the safety meeting for the month of May. Director Machado seconded the motion. Motion carried with unanimous vote.

Operations Manager presented and discussed the Vehicle leasing Term and Interest. After discussion, Director Machado made a motion to approve the Vehicle leasing Term and Interest. Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Operations Manager and Karen Schlichting of TriSage Consulting presented and discussed the Tony Lappos rebuild and Circuit 1300 Reconductor. After discussion, Director Lauzier made a motion to adopt the following resolution,

"WHEREAS, Anza Electric Cooperative, Inc. is in need of construction services to rebuild its Tony Lappos sub-station and upgrade conductors and poles for circuit 1300.

WHEREAS, Anza Electric Cooperative, Inc., has received bids from interested construction firms to complete these projects in a timely fashion with Wasatch Electric Power and Utility services submitting the lowest bid for the Tony Lappos and circuit 1300 reconductor projects of $2,329,400 and $719,813 respectively, with a 10% contingency in the amount of $232,940.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors hereby approves entering into contracts with Wasatch Electric Power and Utility services to complete both the Tony Lappos sub-station rebuild and the circuit 1300 reconductor projects, and authorizes the General Manager of Anza Electric Cooperative, Inc. to execute documents associated with the construction work as needed."

Director Ainsworth seconded the motion. Motion carried with unanimous vote.

At 9:32 a.m. Karen Schlichting left the Board Meeting.

At 9:35 a.m. the Board and staff went on a tour of the Lappos Substation rebuild project.

At 10:18 a.m. the Board and staff returned to regular session.

Office Services Manager presented and discussed the RUS Form 7- Revenue Comparisons for the month of May, the Operations/Variance Reports for Anza Electric Cooperative and ConnectAnza, the May AEPCO billing information, the investment report, the cash flow report, and Construction Work Plan Loan Report. After discussion, Director Machado made a motion to receive and file the RUS Form 7- Revenue Comparisons for
the month of May as presented. Director Burdick seconded the motion. Motion carried with unanimous vote.

Director Burdick presented and discussed the General Manager’s expenses for the month of May in the amount of $0.

Director Burdick presented and discussed the following Directors’ expenses for the month of May:

Director Ainsworth $ 758.00
Director Burdick $ 758.00
Director Lauzier $ 2,334.00
Director Machado $ 758.00
Director Silkotch, Sr. $ 758.00
Director Stewart $ 808.00

After discussion, Director Ainsworth made a motion to receive and file the Directors’ expenses for the month of May in the amount of $6,174.00 combined total. Director Silkotch, Sr. seconded the motion. Motion carried with unanimous vote.

Director Burdick presented and discussed the expenditures for the month of May in the amount of $1,695,939.58. After discussion, Director Ainsworth made a motion to receive and file the expenditures as presented. Director Stewart seconded the motion. Motion carried with unanimous vote.

Director Silkotch, Sr. presented and discussed the Bylaw and Policy Committee report. After discussion, Director Stewart 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 – “Fees and Deposits”
Policy No. 302 – “Relocation of Lines”

Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Director Silkotch, Sr. reviewed Bylaw Article VI.

Director Burdick and General Manager presented AEPCO report and May Board Summary.

General Manager presented and discussed GSPC Report and the revised Date for GSPC Annual Meeting for October 12-13, 2021.

General Manager presented and discussed NRECA Board Meeting Report.
President Stewart presented and discussed approval of Director attendance for the NRECA 2021 Summer School online for July 19-23, 2021. After discussion, it was the consensus of the Board to take no action.

President Stewart called for the 2021 – 2022 Director Declaration of Officers. After discussion, the 2021 – 2022 Officer Declarations are as follows:

Directors' Stewart, Lauzier, Machado and Ainsworth for President,
Directors' Stewart, Lauzier, Machado and Ainsworth for Vice President,
Directors' Silkotch, Sr., Stewart and Ainsworth for Secretary
Directors' Burdick, Stewart and Ainsworth for Treasurer,

President Stewart presented the Thank You for donation Letter from NRECA International.

President Stewart called for any additional business.

There being no further business to come before this meeting, the meeting was duly adjourned at 11:15 a.m.

Stephens P. Silkotch, Sr., Secretary

ATTESTED:

Ryall Stewart, President

CERTIFICATION

I, Stephen P. Silkotch, Sr. 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 24, 2021, 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 24th day of June 2021.

Stephen P. Silkotch, Sr., Secretary