

RECORD OF MINUTES

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

May 29, 2018

Chair Steven D. Anderson called the meeting to order at 9:00 a.m. in the Board Room. All eight of the nine directors were present in person, being Steven D. Anderson, James F. Fender, Rickey D. Johnson, Ronald G. Sutherland, Jan K. Peterson, Georglyn L. Diehl, Jack R. Schneider, and Bryan D. Ehrlich; and Thaine J. Michie was absent. Also attending were President and CEO Jeffrey Wadsworth, Vice President and CFO Lisa Wright, Vice President and COO John Bowerfind, Vice President of Technology and Strategy Joshua Noel, and Vice President of Member Relations David White; and General Legal Counsel Randolph W. Starr and Michael A. Westbrook.

Agenda Item 1—Call the Meeting to Order: Chair Anderson called the May 29, 2018, Board meeting to order.

Agenda Item 2—Pledge of Allegiance: Bryan D. Ehrlich led the pledge of allegiance to the flag. [09:00]

Agenda Item 3—Additions to Agenda: Additional subject matters were added to the agenda. None. [09:00]

Agenda Item 4—Public Participation: Chair Anderson asked for comment from the public. No comments were made as there were no members present. [09:00]

Agenda Item 5—Items for Review and Consideration of Approval: Upon motion duly made, seconded and unanimously carried, the following matters were adopted and approved by the Board:

- A. Minutes of the Board Meeting on April 24, 2018.
- B. Estate capital credits discounted payment for April 2018 in the total amount of: \$ 8,900.19.
- C. Inactive consumer accounts deemed uncollectible for February 2018 in the total amount of \$ 1,131.95.
- D. The 2019 Annual Meeting of Members was set for Saturday, April 6, 2019 at the Embassy Suites in Loveland. [09:01]

Agenda Item 6—Staff Reports / Presentations: Staff reports were presented as follows:

A. Safety Report: President and CEO Wadsworth, Vice President and COO Bowerfind reviewed the contents of the April 30, 2018, safety report in detail. The written safety report had been sent to the Board prior to the meeting. Upon

motion duly made, seconded and unanimously carried the safety report was accepted. [09:10]

B. President~CEO and Staff Written Reports:

President and CEO Wadsworth gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:25]

Vice President and CFO Wright gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [09:26]

Vice President and COO Bowerfind gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:34]

Vice President Noel gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:36]

Vice President White gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:48]

Upon motion duly made, seconded and unanimously carried the staff reports were accepted. [09:48]

C. Financial Report: Vice President and CFO Wright gave a verbal and PowerPoint® report on various financial matters for April 2018. Upon motion duly made, seconded and unanimously carried the report was accepted. [09:57] A short break was taken. [10:05]

D. Proposed Changes to Rules and Regulations. Proposed changes to the Rules and Regulations of the Association had been sent to the Board prior to the meeting for review. After a presentation by President and CEO Wadsworth, and Vice President of Member Relations David White, upon motion duly made, seconded and unanimously carried, the proposed changes to the Rules and Regulations were approved, and final action on the revised Rules and Regulations will be taken at the June Board meeting. [10:15]

Agenda Item 7—Attorney Report: Attorneys Starr and Westbrook had no report. [10:15] Discussion ensued about a consumer inquiry. [10:22]

Agenda Item 8—Director Reports / Items:

A. Western United Report: Director Fender reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. [10:29]

B. Tri-State Report: President and CEO Wadsworth reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [11:04]

C. CREA Report: Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. [11:20]

D. Review Board Policies – Article 3 Financial Matters (3.01-3.04). Proposed changes to the Article 3 Financial Matters Policies 3.01 to 3.04 of the Association

had been sent to the Board prior to the meeting for review. After a presentation by President and CEO Wadsworth, upon motion duly made, seconded and unanimously carried, the proposed changes to the Policies 3.01 to 3.04 were adopted. [11:20]

A break for lunch was taken. [11:20-11:54] Director Schneider added additional comments about CREA. [11:56]

E. Director Fiduciary Duty Presentation. Attorney Starr gave a written and verbal presentation about cooperative director fiduciary and other duties. Questions posed by Board members were answered and discussion ensued. [12:14]

F. Audit Committee. Volunteers for service on the Audit Committee were: Directors Johnson, Ehrlich and Peterson. [12:17] Staff members left the room.

Agenda Item 9—Discussion of Utility Industry and PVREA Topics if Needed:

A. Member Correspondence and General Correspondence.

i. various correspondence was sent to the Board prior to the meeting. [12:18]

B. Other. Discussion about Director Diehl's resignation letter ensued. A replacement committee of Directors Schneider, Sutherland and Peterson was appointed to take applications for replacement and to review candidates and conduct interviews. [12:29]

Agenda Item 10—Review Upcoming Events/Meeting Dates:

A. PVREA Scholarship Dinner June 6, 2018.

B. CFC Forum June 10 to June 13, 2018 in Indianapolis, IN.

C. PVREA Board Meeting on June 26, 2018.

D. CoBank Energy Conference July 10 to July 12, 2018 in Colorado Springs.

E. Tri-State Orientation & Meeting August 2, 2018 at Tri-State.

F. Member Appreciation BBQs August 21, 22 and 23.

G. PVREA Strategic Day September 12, 2018.

H. NRECA Region 7/9 Meeting on September 25 to 27 in Anchorage, Alaska.

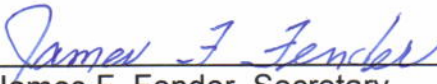
I. Distributed Energy Conference on October 15 to 17 in Denver Marriott West, Golden, Colorado. [12:43]

Agenda Item 11—Consider Board, Attorney and President-CEO's Expenses: Each of the Board members, legal counsel and the President and CEO reported on the contents of their respective expense billing sheets as reported. Upon motion duly made, seconded and unanimously carried, the directors, President and CEO and legal expense reports were approved. [12:46]

Agenda Item 12—Executive Session if Needed: None.

Recognition of the years of service that Director Diehl gave to the Association was given.

Agenda Item 13—Adjourn: There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned. The next regular Board meeting will be held on **June 26, 2018**. [12:49]



James F. Fender, Secretary

ATTEST:



Steven D. Anderson, Chair

NOTE: The 2018 Board meeting dates have been set as follows: June 26, 2018, July 31, 2018, August 28, 2018, [Board Strategic Planning and Tour September 12], September 21, 2018, October 26, 2018, November 27, 2018, and December 20, 2018.

The 2019 Annual Meeting of Members is Saturday, April 6, 2019, at the Embassy Suites in Loveland.