

RECORD OF MINUTES

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

July 31, 2018

Chair Steven D. Anderson called the meeting to order at 8:58 a.m. in the Board Room. All nine directors were present in person, being Steven D. Anderson, Rickey D. Johnson, James F. Fender, Georglyn L. Diehl, Bryan D. Ehrlich, Thaine J. Michie, Jan K. Peterson, Jack R. Schneider, and Ronald G. Sutherland. 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 July 31, 2018, Board meeting to order.

Agenda Item 2—Pledge of Allegiance: Director Peterson 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. [08:59]

Agenda Item 4—Public Participation: Chair Anderson asked for comment from the public. No comments were made as there were no members present. [08:59]

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 June 26, 2018.

B. Estate capital credits discounted payment for June 2018 in the total amount of: \$ 8,053.20. [08:59]

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

A. **Safety Report:** President and CEO Wadsworth with comments by Vice President Noel reviewed the contents of the July 2, 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. [09:08]

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. [09:30]

Vice President and CFO Wright gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [09:37]

Vice President and COO Bowerfind gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:49]

Vice President Noel gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:50]

Vice President White gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. Additional comments were made by President and CEO Wadsworth. [10:03]

C. Upon motion duly made, seconded and unanimously carried the staff reports were accepted. [10:03] A short break was taken. [10:16]

D. **Financial Report:** Vice President and CFO Wright gave a verbal and PowerPoint® report on various financial matters for June 2018. Upon motion duly made, seconded and unanimously carried the report was accepted. [10:26]

E. **Strategy Map Update.** President and CEO Wadsworth with comments by Vice Presidents Wright, Bowerfind, White and Noel gave an update on the status of the extensive list of items in the Strategy Map that had been sent to the Board prior to the meeting. [11:11]

F. **Load Factor Presentation.** Vice President and CFO Wright with comments by President and CEO Wadsworth gave an informational visual and verbal presentation about the load factor of the system and its effects on the operation and finances of the Association. The presentation had been sent to the Board prior to the meeting. [11:22]

Agenda Item 7—Attorney Report: Attorneys Starr and Westbrook had no report. Discussion about municipal annexation compensation ensued. [11:26]

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. [11:54]

B. **Tri-State Report:** Director Michie and President and CEO Wadsworth reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [12:04]

A break for lunch was taken. [12:04-12:36]

- C. **CREA Report:** Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. [12:43]
- D. **CoBank Energy Conference.** Directors Johnson and Fender reported on the Conference. [12:52]
- E. **Weld County Livestock Sale.** A report on the sale was given by director Schneider. [12:53]
- F. **Board Evaluation.** Chair Anderson distributed the board evaluation forms during the board meeting. Each Board member will return in a self-address stamped envelope by Friday, August 17th. The results will be reviewed during the September 12th Strategic meeting. [12:55]
- G. **Audit Committee.** The audit committee members [Bryan Ehrlich, Rick Johnson, Jan Peterson, and Steve Anderson] met prior to the board meeting and reviewed the RFP status and staff's recommendation. An update was provided by CFO Wright on the recommendation from committee for employment. Upon motion duly made, seconded and unanimously carried, the report of the Audit Committee was accepted, and the audit engagement was awarded to CliftonLarsonAllen LLP. [12:59]

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

- A. Member Correspondence and General Correspondence. Various correspondence was sent to the Board prior to the meeting. COO Bowerfind addressed an outage issue near Longmont. Director Ehrlich described his meeting with Mr. Lamm and President and CEO Wadsworth. [13:04]
- B. Other. [13:04] Staff members left the Board room.

Agenda Item 10—Review Upcoming Events/Meeting Dates:

- A. Tri-State Orientation & Meeting August 2, 2018 at Tri-State.
- B. Member Appreciation BBQs August 21, 22 and 23.
- C. PVREA Board Meeting August 28, 2018.
- D. PVREA Strategic Day September 12, 2018.
- E. PVREA Board Meeting September 19, 2018. **[NOTE: change in date.]**
- F. NRECA Region 7/9 Meeting on September 25 to 27 in Anchorage, Alaska.
- G. Distributed Energy Conference on October 15 to 17 in Denver Marriott West, Golden, Colorado.
- H. PVREA Board Meeting October 26, 2018.
- I. CREA Fall Meeting on October 27 to 30 in Denver at the Westin Downtown. [13:22]

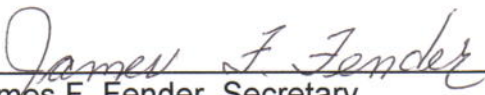
Agenda Item 11—Consideration of Delegate Designations: Upon motion duly made, seconded and unanimously carried, Director Schneider was designated as

delegate and Director Johnson was designated as alternate to the NRECA Region 7/9 meetings. [13:24]

Agenda Item 12—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 director, President and CEO and legal expense reports were approved. [13:25]

Agenda Item 13—Executive Session if Needed: None.

Agenda Item 14—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 **August 28, 2018**. [13:25]


James F. Fender, Secretary

ATTEST:


Steven D. Anderson, Chair

NOTE: The 2018 Board meeting dates have been set as follows: August 28, 2018, [Board Strategic Planning and Tour September 12], **September 19, 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.