

# RECORD OF MINUTES

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

June 30, 2020

Chair Steven D. Anderson called the meeting to order at 9:00 a.m. in the J. Arthur Anderson Room at the Association's headquarters office and by hosting a Zoom electronic voice meeting room. All of the nine directors were present in the room, being Steven D. Anderson, Rick D. Johnson, James F. Fender, Ronald G. Sutherland, Jack R. Schneider, Thaine J. Michie, Peter C. Hyland, Bryan D. Ehrlich, and Jan K. Peterson. Also attending in person was President and CEO Jeffrey Wadsworth with Vice President, CFO and Treasurer Lisa Wright. Vice President of Member and Government Relations David White, Vice President of Technology and Energy Resources Josh Noel, and Safety Director Ben Ludington attended via conference call. General Legal Counsel Randolph W. Starr and Michael A. Westbrook appeared by telephone.

As a result of the novel coronavirus COVID-19, a state of emergency has been declared by Colorado's Governor and the President of the United States. A notice of this meeting was issued, and provision was made for electronic participation in the meeting as required by law of members, consumers, and news media.

**Agenda Item 1—Call the Meeting to Order:** Chair Anderson called the June 30, 2020, Board meeting to order.

**Agenda Item 2—Roll Call.** Each board member answered the roll call, and a quorum was present in person. [09:00]

**Agenda Item 3—Pledge of Allegiance:** Director Johnson led the Pledge of Allegiance. [9:00]

**Agenda Item 4—Additions to Agenda:** Additional subject matters were added to the agenda. None. [09:00]

**Agenda Item 5—Public Participation:** Chair Anderson and CEO Wadsworth had received no comments made by members prior to the meeting. No members of the public were on the telephone. [09:00]

**Agenda Item 6—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 May 26, 2020.
- B. Estate Capital Credit Retirements: discounted payment for May 2020 in the total amount of \$ 12,484.38.

- C. Capital Credit Retirement. Consistent with Board direction, staff recommended retiring member capital credits through a 50/50 basis of first-in-first-out and last-in-first-out. The PVREA retirement will total \$600,000 and the Tri-State retirement will total \$2,400,000 for a total retirement of \$3,000,000. This means the 2004 PVREA remaining allocation of \$334,409 will be reduced by \$300,000, the 2019 PVREA allocation of \$5,556,686 will be reduced by \$300,000, the 1993 Tri-State remaining allocation of \$1,388,804 will be reduced by \$1,200,000 and the 2019 Tri-State allocation of \$3,694,077 will be reduced by \$1,200,000. [9:03]

**Agenda Item 7—Staff Reports / Presentations:** Staff reports were presented as follows:

- A. **Safety Report:** Mr. Ludington, with comments by President and CEO Wadsworth, reviewed the contents of the May 27, 2020 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. [09:17]

**B. President~CEO and Staff Written Reports:**

- a. President and CEO Wadsworth gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. A detailed update of Tri-State matters was given by Mr. Wadsworth. Director Michie, with input by President and CEO Wadsworth, reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [moved from Item 9B] [10:19] Director Michie left the board meeting. [10:25]
- b. Vice President, CFO and Treasurer Wright gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [10:27]
- c. In the absence of Vice President and COO Bowerfind, Mr. Wadsworth gave a verbal update to Mr. Bowerfind's written presentation that had been sent to the Board prior to the meeting. [10:32]
- d. Vice President Noel gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:39]
- e. Vice President White gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:42]

Upon motion duly made, seconded, and unanimously carried the staff reports were accepted. [10:42] A short break was taken. [10:42 to 10:52]

- C. **Financial Report:** Vice President, CFO and Treasurer Wright gave a brief verbal report on financial matters for May 2020. Upon motion duly made, seconded, and unanimously carried the financial report was accepted. [11:00]

- D. **Rate Comparison:** Vice President, CFO and Treasurer Wright presented the written rate comparison prepared by staff of the Association. [11:10]

- E. **Rate Options:** Vice President White and Vice President Noel gave a verbal explanation about the written presentation on alternative pilot rates that had been sent to the Board prior to the meeting. President and CEO Wadsworth made additional comments. No action was taken on the presentation. [12:03] Director Ehrlich left the board meeting. A break for lunch was taken. [12:03-12:28] Director Michie rejoined the board meeting. [12:28]

**Agenda Item 8—Attorney Report:** Mr. Starr and Mr. Westbrook had no additional comments in addition to the matters that had already been discussed. [12:29]

**Agenda Item 9—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. Director compensation was proposed for WUESC officers and board committees by a board member and will be discussed in the August board meeting. [12:38]
- B. Tri-State Report:** [given under Item 7B].
- C. CREA Report:** Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. [12:51]
- D. Review Board Policies—Article 4 Board Matters:** President and CEO Wadsworth presented the proposed minor changes to Board Policies 4.01 through 4.11 that had been presented to the Board prior to the meeting, except for maintaining ballots for 90 days in 4.11. Upon motion duly made, seconded, and unanimously carried the changes proposed by staff were approved. [12:54]
- E. Board Credential Status:** President and CEO Wadsworth discussed the status of the Board's credential status. [13:02]

**Agenda Item 10—Discussion of Utility Industry and PVREA Topics if Needed:**

- A.** Member Correspondence and General Correspondence.
- B.** Boulder, Larimer, and Weld County Livestock Sales Information. The livestock purchase for 2020 is sheep. Board members volunteered for appearance at each auction. Discussion about the livestock purchases ensued. Upon motion duly made, seconded, and carried, the Association will continue to purchase livestock annually, rotating between each primary type of animal [beef, sheep, swine].
- C.** Other. Director Fender discussed his resignation as director on the WUESC and Director Hyland was appointed as the director on WUESC with Director Fender as alternate. [13:09]

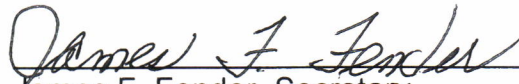
**Agenda Item 11—Review Upcoming Events/Meeting Dates:**

- A.** CoBank Energy Directors Conference July 13-15, 2020 in Colorado Springs – canceled.
- B.** PVREA Board Meeting July 28 Tuesday.
- C.** Tri-State Annual Member meeting August 4 at Little America in Cheyenne. Director Michie was designated as delegate to the meeting.
- D.** PVREA Board meeting August 25 Tuesday.
- E.** PVREA Board Meeting—strategic planning—September 16-17 at headquarters.
- F.** NRECA Region VII/IX October 14-16 and will be held online.
- G.** CREA Fall Member Meeting October 10-13, 2020 in Denver. [13:14]


**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 directors, President and CEO and legal expense reports were approved. [13:17]

**Agenda Item 13—Executive Session if Needed:** Upon motion duly made, seconded and unanimously carried the Board entered executive session to consider documents or testimony given in confidence generally relating to Tri-State contract matters. All staff members left the telephone conversation. No action was taken by the Board to make final policy decisions or adopt or approve any resolution, rule, regulation, or formal action, any contract, or any action calling for the payment of money. A motion was made to exit the executive session and it was seconded and unanimously carried. [13:35]

**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 **Tuesday, July 28, 2020. Depending on the status of the COVID-19 public health orders in effect at the time, then a virtual meeting may be held. If recrudescence of COVID-19 causes new public health orders to be issued, then notice will be given about any necessary changes in the conduct of the meeting.** [13:35]

  
James F. Fender, Secretary

ATTEST:

  
Steven D. Anderson, Chair

The 2020 Board meeting dates have been set as follows:

- July 28 Tuesday
- August 25 Tuesday
- September 16-17 (Wednesday and Thursday) Strategic Planning Exec Session
- September 22 Tuesday
- October 27 Tuesday
- November 19 Thursday
- December 17 Thursday

Colorado's Governor has issued an Order Implementing Safer At Home Requirements. The Association conducts an essential business and it has implemented the requirements of the Order and the order of the Larimer County Health Department in place at this time.