

RECORD OF MINUTES

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

August 29, 2023

Chair Jack R. Schneider called the meeting to order at 8:59 a.m. Eight of the nine directors were present in the J. Arthur Anderson Room of the Association's headquarters, being Jack R. Schneider, Ronald G. Sutherland, Rick D. Johnson, Thaine J. Michie, Peter C. Hyland, Bryan D. Ehrlich, Sheryl Dryer Henderson, and Jan K. Peterson. Steven D. Anderson was absent. Also attending in person were President and CEO Jeffrey C. Wadsworth; Vice President, CFO and Treasurer Amy Mahon; Vice President, COO John Bowerfind; Vice President, Member and Government Relations Amy Rosier; Vice President, Technology and Energy Resources Josh Noel; and Vice President, Safety and Human Resources Ben Ludington; along with General Legal Counsel Randolph W. Starr and Michael A. Westbrook. Notice of this meeting was issued as required by law and the bylaws.

Agenda Item 1—Call the Meeting to Order: Chair Schneider called the August 29, 2023, 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. [09:00]

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

Agenda Item 5—Public Participation: Chair Schneider and President and CEO Wadsworth had received no written comments made by members prior to the meeting. No members or others were present in person. [09:00]

Agenda Item 6—Items for Review and Consideration of Approval: After questions were responded to by President and CEO Wadsworth, 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 July 20, 2023.
- B. Estate capital credits Retirements: discounted payment for July 2023 in the total amount of \$ -0-. [09:01]

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

- A. **Safety Report:** Vice President, Safety and Human Resources Ben Ludington reviewed the contents of the July 25, 2023, safety report with the Board.

Questions from the Board members were addressed and answered by Mr. Ludington. Upon motion duly made, seconded, and unanimously carried, the safety report was accepted. [9:04]

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. An extensive discussion of Tri-State rate and contract issues ensued. [09:26]
- b. Vice President, COO Bowerfind gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:34]
- c. Vice President, Technology and Energy Resources Noel gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. After a presentation by Vice President Noel with input by President and CEO Wadsworth, and after discussion among the board members, upon motion duly made, seconded, and unanimously carried, staff was authorized to negotiate and close a contract for the purchase of 14+ acres of land in Weld County for use as a community solar facility on the terms described by staff during the board meeting. [09:43]
- d. Vice President, Member and Government Relations Rosier gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [09:45]
- e. Vice President, CFO and Treasurer Mahon gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [09:46]

Questions from the Board members were addressed and answered by staff. Upon motion duly made, seconded, and unanimously carried, the staff reports were accepted. [09:46]

C. Financial Report: Vice President, CFO and Treasurer Mahon with input by President and CEO Wadsworth, gave a verbal update to her report on financial matters for July 2023. Questions posed by Board members were answered by Vice President Mahon and President and CEO Wadsworth. Upon motion duly made, seconded, and unanimously carried, the financial report was accepted. [10:03] A break was taken. [10:03-10:13]

D. KRTA Review: Vice President, CFO and Treasurer Mahon gave a visual and verbal report on selected ratios from the NRUCFC's Key Ratio Trend Analysis (KRTA) that had been furnished to the Board prior to the meeting.

- ☐ KRTA is a tool to help leadership and board members comprehend a complete picture of their system's performance.
- ☐ NRUCFC developed the KRTA in 1975 to analyze distribution systems.
 - Operations
 - Highlight strengths and weaknesses
 - Help gauge past and present performance
 - Support predictions of future performance
- ☐ Measured against Median of Five Peer Groups:
 - US Median (811 coops) - distribution cooperatives nationally and gives the "big picture" of how we compare nationally
 - State (22 coops) - distribution cooperatives in Colorado
 - Consumer Size (57 coops) - distribution cooperatives nationally in a similar consumer size group

- Power Supply (41 coops) - distribution cooperatives that are served by Tri-State
- Plant Growth (50 coops) - distribution cooperatives in the nation with a similar five-year rate of growth in total utility plant

Ms. Mahon responded to questions from the Board members. Mr. Wadsworth made additional comments. [10:46]

Agenda Item 8—Attorney Report: Attorney Westbrook reported on two eminent domain cases by other entities that have been resolved. [10:49]

Agenda Item 9—Director Reports / Items:

- A. Western United Report:** Director Hyland reported on WUESC matters. A written report on WUESC was distributed prior to the meeting. [11:03]
- B. Tri-State Report:** Director Michie reported on Tri-State matters and responded to questions from the Board members. President and CEO Wadsworth gave additional comments and input. A written report on Tri-State had been distributed prior to the meeting. [11:21]
- C. CREA Report:** Chair Schneider, with input from President and CEO Wadsworth, reported on CREA matters and they responded to questions from Board members. A written report on CREA was distributed prior to the meeting. [11:32]
- D. CoBank Directors Conference:** Directors Dryer Henderson, Ehrlich, Hyland, Michie, and Schneider attended and they each provided a report. [11:41] A break was taken. [11:41 to 12:16]
- E. Basin Annual Meeting:** Directors Schneider and Hyland attended, and they each provided a report. [12:31]
- F. PVREA Strategic Planning Meeting:** A recap of the meeting results regarding rates for the Association was given by President and CEO Wadsworth. [12:37]
- G. Proposed Bylaw Changes:** President and CEO Wadsworth discussed the proposed bylaw changes. The changes to the bylaws will be set for approval on the consent agenda in the September Board meeting. [12:51]

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

- A.** Member Correspondence and General Correspondence. Discussion ensued.
- B.** Boulder, Larimer, Weld County Livestock Sale. Boulder County: Ron Sutherland, Larimer County: Bryan Ehrlich, Weld County: Pete Hyland.
- C.** Other. [13:05] Staff members left the board room.

Agenda Item 11—Review Upcoming Events/Meeting Dates:

- A.** PVREA Board Meeting, September 21, 2023.
- B.** NRECA Region 7/9 Meeting, September 27-28, 2023.
- C.** CREA Fall Meeting, October 28-31, 2023.
- D.** Mid-West Electric Annual Meeting, December 12-14, 2023. [13:08]

Agenda Item 12—Consider Delegate Designations

- A.** NRECA Colorado Meeting:

MEETING	DELEGATE	ALTERNATE
NRECA Colorado Meeting	Schneider	Hyland

[13:09]

Agenda Item 13—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. [13:14]

Agenda Item 14—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 Chief Executive Officer evaluation and compensation. President and CEO Wadsworth left the meeting. During the session Mr. Wadsworth returned to the Board room. 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. Upon motion duly made, seconded, and unanimously carried the revised compensation amount for Jeffrey C. Wadsworth as Chief Executive Officer was approved, and compensation was set as provided in the compensation form signed by the Chair. [13:20]

Agenda Item 15—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 **Thursday, September 21, 2023, at 9:00 a.m.** [13:20]


Bryan D. Ehrlich, Secretary

ATTEST:


Jack R. Schneider, Chair

Poudre Valley REA Board Meeting Schedule for 2023
September 21, 2023—Thursday
October 26, 2023—Thursday
November 28, 2023—Tuesday
December 14, 2023—Thursday