

Record of Minutes

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

April 22, 2009

President Keith D. Croonquist called the meeting to order at 9:00 a.m. All Directors were present including newly elected board member Roger Alexander. Also attending were CEO Brad Gaskill, Engineering Services Manager Jim Byrne, Member Services Manager Myles Jensen, Finance / Corporate Services Manager Mike Johnson, Human Resources and Safety Services Manager Duane Ziller, and Operations Services Manager Tim Stanton and Attorney Randolph Starr and Attorney Michael Westbrook.

There being no further business to come before the March 28, 2009, meetings of the Board, upon motion duly made, seconded and carried, the meeting was adjourned.

President Croonquist called the regular April Board meeting to order.

Changes to the Agenda were made by President Croonquist: Section 16 add consideration of estate capital credit retirement and move Section 14 to an executive session. Director Michie was appointed as the board's representative to the association's industrial advisory committee. President Croonquist related his reminders about fiduciary duty of board members including duty of loyalty, duties of obedience, due care, and diligence. President Croonquist also discussed a candidate's position in electioneering versus a board member of the association's position on certain issues. Specifics were discussed by President Croonquist including a recent interview of director Alexander about association business in the Fort Collins Coloradoan. [09:14]

President Croonquist asked for comment from the public. There was no comment from the public. [09:14]

Upon motion duly made, seconded and carried, the following matters were adopted unanimously by the Board:

1. Minutes of the Annual Member Meeting on March 28, 2009, and the March 28, 2009, Board meeting.
2. Work Order Form 219 (#785-03-09) in the amount of \$1,090,809.32.
3. Construction contracts for April, 2009, on the list given to the Board prior to the meeting were approved. [09:14]

CEO Gaskill distributed additional documents received since the Board packet had been mailed. Discussion about the telephone system ensued. [09:29]

Manager Johnson gave a verbal and PowerPoint® report on various financial matters. Questions were asked by the Board and answered by Manager Johnson and CEO Gaskill. Upon motion duly made, seconded and carried the financial report was accepted. The list of checks and credit card statements will no longer be emailed to the board; but any director may request the data. [10:10]

CEO Gaskill reported on the status of: A) status of the proposed sale of about 1.59 acres to the Windsor-Severance Fire Protection District with input from Manager Byrne, B) status of the remodeling of the headquarters building with input from Manager Johnson, C) status and debriefing on the 2009 annual member meeting with a presentation by Manager Jensen, and D) report on the bylaw revision committee [directors Michie, Lock, Hole and President Croonquist]. [10:49]

CEO Gaskill gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. [11:10] At this time Cheryl Scofield of USDA Rural Development entered the board room with Pat Plank. A short break was taken. [11:19] Ms. Scofield made a presentation about the REDLG Program. [12:12]

At this time the luncheon break was taken. Messrs Randy Jordal and Todd Owen of Wells Fargo joined the board for lunch. [reconvened 12:53]

Messrs Jordal and Owen presented their written and oral report on the investments of the association with Wells Fargo. [13:14]

Manager Stanton gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. [13:24]

Manager Ziller gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. [13:25]

Manager Byrne gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. [13:33]

Manager Jensen gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. Discussion about the REDLG program ensued. [13:55]

Manager Johnson gave his report by printed slides from his PowerPoint® presentation that had been sent to the Board prior to the meeting, and then he gave a verbal update to the slides. [14:10]

Upon motion duly made, seconded and carried the management reports were accepted. [14:10]

The written safety reports of March 10 and April 14, 2009, were sent to the Board prior to the meeting. CEO Gaskill reviewed the contents of the reports. Upon motion duly made, seconded and carried, the safety reports were accepted. [14:45]

Attorney Starr briefly reported on a recent court matter involving a termination of service. Attorney Westbrook reported on the fire damage case at the Windsor Good Samaritan Village. CEO Gaskill reported on the status of Moblesource (no payment received). [14:58]

Consideration of Director Emeritus status for former director Hansen. Former director Hansen is considered to be retired from the board. A problem with medical insurance coverage has arisen. There is a limit on the number of retired board members under the current plan at three. Former directors Boxberger and Steele are currently covered by the policy. Upon motion duly made, seconded and carried the status of Director Emeritus was conferred on Edward Hansen under Board Policy 4.08. [15:14]

CEO Gaskill presented a number of matters for action by the board:

1. 2009 Capital and Operating Budget amendments. CEO Gaskill distributed a proposed revised operating and capital budget amounts. Upon motion duly made, seconded and carried, the proposed revisions were approved.

2. NRECA International Foundation donation request. No action was taken on the request. At this time Attorney Westbrook left the board room. Also other managers left the board room.

3. Paul Hoshiko Jr. Memorial 4-H golf fundraiser sponsorship. Upon motion duly made, seconded and carried, a non-golf donation to the foundation of \$500 was approved.

4. Rocky Mountain Lineman's Rodeo sponsorship. Upon motion duly made, seconded and carried, a donation of \$250 was approved.

5. Consideration of Gladys Knoedler estate capital credit retirement. Upon motion duly made, seconded and carried the retirement was approved. [15:42]

Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. A copy of a letter from CARE to the Larimer County Democratic Party regarding an item in the newsletter of the Party was distributed. [15:46]

Director Michie reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [15:46]

Director Diehl and Lock reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. [15:55]

Those attending the NRECA Annual Directors Conference, the NRECA Group Benefits Task Force, and the Tri-State Annual member meeting reported on the meetings. Discussion of utility industry and association issues ensued. [16:12] Other upcoming meetings were discussed: NRECA Legislative Conference on May 3 to May 6 in Washington, D.C., PVREA Board meeting on May 26, the CoBank Energy Directors Conference on June 3 to June 5 in Colorado Springs, and the NRUCFC Forum on June 16 to June 18 in Denver. [16:19]

Each of the Board members reported on the contents of their respective Board billing sheets. Upon motion duly made, seconded and carried, the reports were approved. Upon motion duly made, seconded and carried, the CEO's expense report was approved. [16:24]

Discussion about a strategic planning meeting ensued. Agenda items were proposed and reviewed by President Croonquist. Location for the meeting was discussed. Friday, July 24 starting at 8:30 a.m. was set as the date for the planning meeting at the J. Arthur Anderson room at the association's headquarters. Monday, April 27 at 8:30 a.m. was set as the bylaw committee meeting at Mr. Starr's office. Discussion about a retirement party ensued. At this time director Anderson left the board room. [16:43]

Discussion about other association rate issues ensued. [16:52]

Upon motion duly made, seconded and unanimously carried the board entered executive session to consider documents or testimony given in confidence generally relating to legal counsel matters. 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 to exit the executive session was made, seconded and carried. [17:38]

A copy of the audit report was distributed by CEO Gaskill. Upon motion duly made, seconded and carried the content of the board books was modified to include: Board and Staff directory, Rates, Rules and Regulations, Extension Policy, Board Policies, Team Member Policies, Administrative Policies and Procedures, Affirmative Action Plan, Current Budget, and Strategic Plan.

There being no further business to come before the meeting, upon motion duly made, seconded and carried, the meeting was recessed until May 26, 2009, at 9:00 A.M. [17:48]

Thaine J. Michie –Secretary

ATTEST:

Keith D. Croonquist – President

NOTE: The 2009 Board meeting dates have been set as follows: May 26, 2009, June 30, 2009, July 28, 2009, August 25, 2009, September 29, 2009, October 27, 2009, November 24, 2009, December 22, 2009.