

Record of Minutes

**Colorado 31 Larimer**

**Poudre Valley Rural Electric Association, Inc.**

**February 22, 2011**

President Jack R. Schneider called the meeting to order at 9:00 a.m. Nine of the eleven directors were present including newly appointed director Fender; director Sutherland was unable to attend due to health issues, and director Anderson was unable to attend. Also attending were CEO Robert B. Gaskill, Chief Financial/Operating Officer Jeff Wadsworth, Human Resources and Safety Services Manager Duane Ziller, Member Services and External Affairs Manager Myles Jensen, and Attorney Randolph Starr. Attorney Westbrook was unable to attend due to a death in the family. Guests present were Kenton Brunner, John Beri and Vikki Wagner.

There being no further business to come before the January 25, 2011, meeting of the Board, upon motion duly made, seconded and unanimously carried the meeting was adjourned.

President Schneider called the regular February Board meeting to order.

Changes to the Agenda were made by President Schneider as follows:  
None. [09:01]

President Schneider asked for comment from the public. John Beri and Vikki Wagner [Plant Manager] commented about the capital credit retirement policy of the association and its effect on Eastman Kodak. During the presentation [09:12] director Anderson entered the Board room [09:15]

President Schneider welcomed director Fender to the Board room. President Schneider thanked director Anderson for his long [27 years] service to the association.

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

1. Minutes of the Board Meeting on January 25, 2011.
2. Work Order Form 219 (#807-01-11) in the amount of \$322,238.43.
3. Construction contracts for January, 2011 on the list given to the Board prior to the meeting.
4. Estate capital credits discounted payment for January in the amount of: \$5,556.81 on the list given to the Board prior to the meeting. [09:18]

Additional information was distributed by CEO Gaskill. [09:22]

CF/OO Wadsworth gave a verbal and PowerPoint® report on various financial matters. Questions were asked by members of the Board and answered by Mr. Wadsworth. Upon motion duly made, seconded and unanimously carried the financial report was accepted. [09:45] At this time Ms. Wagner and Mr. Beri left the Board room. Mr. Wadsworth reviewed the year end RUS Form 7 that had been sent to the Board prior to the meeting. [09:51]

Manager Ziller presented the 2010 OSHA Form 300A. [09:54]

CF/OO Wadsworth gave a verbal report on the 2010 IRS Form 990 Questionnaire for the association. He reviewed each question and reviewed possible answers to the questions. [10:00]

CEO Gaskill and CF/OO Wadsworth gave a verbal report on the proposed new rate structure and design of rates for the association. [10:08]

CEO Gaskill gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:25]

Manager Ziller gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:27]

Manager Jensen gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:40]

CF/OO Wadsworth gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:48]

Upon motion duly made, seconded and unanimously carried the management reports were accepted. [10:48]

The written safety report of February 9, 2011, had been sent to the Board prior to the meeting. CEO Gaskill reviewed the contents of the report. Upon motion duly made, seconded and unanimously carried, the safety report was accepted. [10:57]

Attorney Starr had a short status report. Discussion about contract negotiations ensued. [11:15]

CEO Gaskill reported on the status of (Agenda Item 12): A) CREA 2011 Membership proposed Resolutions that had been sent to the Board prior to the meeting [11:18]; B) 2011 rate design / member information meetings~with input by Manager Jensen [11:25]; C) update on the Association's AMI project~with input by Manager Jensen [11:32]; D) update on projects/inquiries and contracts by CF/OO Wadsworth [11:47]; E) update on annual member meeting arrangements by Manager Jensen [11:56].

At this time the regular luncheon break was taken. A video presentation was played during lunch; and January and February recipients of the monthly safety theme program were recognized. Director Anderson left the Board room at this time. [reconvene at 12:41]

Discussion ensued about disclosure of the contents of the materials that are sent to the Board prior to the Board meetings and disclosure of voting lists for the annual meeting. [12:57]

Upon motion duly made, seconded and unanimously carried, the following resolution was adopted:

A) Approve write off of accounts deemed uncollectable in the amount of \$92,363.80 [July, 2010 through December, 2010]. [13:16]

Discussion ensued about how employees of the association report suspected criminal activity to law enforcement. [13:27] At this time staff members left the Board room.

President Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. Discussion ensued about on bill financing of energy efficiency construction and other legislation. [13:48]

Director Michie reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [13:58]

Director Lock reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. [13:59]

Upon motion duly made, seconded and carried CEO Gaskill was designated as the delegate and President Schneider was designated as alternate to the CRC Annual meeting (held in conjunction with the CFC Forum June 13 to 15). [14:02]

Other past and upcoming meetings were discussed: NRECA Director Conference in San Antonio January 31 to February 1; Agriculture Hall of Fame Banquet (Denver) on Thursday, February 24; CREA Annual Meeting in Denver February 26 to March 1, 2011; and NRECA Annual Member meeting March 6 to 9 in Orlando; PVREA Annual Member Meeting on March 26; PVREA Board Meeting on March 29; Tri-State Annual Meeting April 6 to 7, 2011; NRECA Legislative Conference in Washington, D.C. May 1 to 4; CoBank Energy Conference June 8 to 10; and CFC Forum 2011 June 13 to 15. [14:45]

Each of the Board members, the CEO and the attorney reported on the contents of their respective expense billing sheets. Upon motion duly made,

seconded and unanimously carried, the director and CEO reports were approved. [14:55]

Discussion of member correspondence distributed by CEO Gaskill ensued. Discussion ensued about the position of the association about "on bill financing." [15:12]

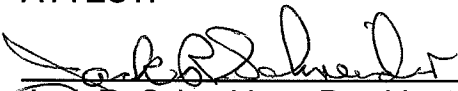
Upon motion duly made, seconded and carried the October Board meeting was changed to Monday, October 31. [15:15]

Discussion ensued about the capital credit rotation policy. [15:19]

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was recessed until the Annual Board meeting on **March 26, 2011** at the Embassy Suites in Loveland after the Annual Member meeting, and then to the regular Board meeting on **March 29, 2011**. [15:19]

  
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Robert A. Lock – Secretary

ATTEST:

  
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Jack R. Schneider – President

NOTE: The 2011 Board meeting dates have been set as follows: March 26, 2011 (reorganization only), March 29, 2011, April 26, 2011, May 31, 2011, June 28, 2011, July 26, 2011, August 30, 2011, September 27, 2011, **October 31**, [note new date in October] 2011, November 29, 2011, and December 20, 2011. The Annual Meeting of members of the Association has been set for Saturday, March 26, 2011, at the Embassy Suites in Loveland [registration starts at 7:30 a.m.].