

## Record of Minutes

### Colorado 31 Larimer

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

**July 29, 2008**

President Keith D. Croonquist called the meeting to order at 8:59 a.m. All directors were present except director Sutherland. Also attending were CEO Gaskill, Engineering Services Manager Byrne, Member Services Manager Jensen, Finance / Corporate Services Manager Johnson, Human Resources and Safety Services Manager Duane Ziller, and Operations Services Manager Stanton and Attorney Starr. Guest Steve Szabo was also in attendance.

There being no further business to come before the June 24, 2008, meeting of the board, upon motion duly made, seconded and carried, the meeting was adjourned.

President Croonquist called the regular July Board meeting to order.

Changes to the Agenda were made by President Croonquist to add: 17c Boomerang Substation design contract. (09:02)

President Croonquist asked for comment from the public. Mr. Szabo made short comments about a display at the DNC. (09:04)

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

1. Minutes of the June 24, 2008, board meeting.
2. Work Order Form 219 (#776-06-08) in the amount of \$268,733.93.
3. Construction contracts for July, 2008, on the list given to the board prior to the meeting. (09:05)

CEO Gaskill distributed additional documents received since the board packet had been mailed. (09:08)

Manager Johnson gave a verbal and PowerPoint® report on various financial matters. During the presentation Director Sutherland entered the board room. (09:19) 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. (09:35)

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. President Croonquist appointed directors

Lock and Croonquist as Board representatives to attend negotiation sessions with the IBEW on reopening wage rates (no other subjects will be renegotiated) starting on August 15. (10:14)

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 2009 Annual Member meeting ensued. (10:24)

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. (10:28)

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. A motion was made, seconded and carried that the association will match funds donated to assist Danny Martinez from the employees and board. (10:33)

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. (10:40)

Upon motion duly made, seconded and carried the management reports were accepted.

The written safety report of July 10, 2008, was sent to the board prior to the meeting. CEO Gaskill reviewed the contents of the report. Upon motion duly made, seconded and carried, the safety report was accepted. (10:52)

Attorney Starr had no legal report. (10:57)

Director Park reported on CREA matters. A written report on CREA had been delivered to the board prior to the meeting. (11:11)

Director Hansen reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. September 2 was set for a member information meeting. (11:34)

Director Diehl reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. President Croonquist appointed director Lock as the alternate board member to the WUESC board meetings. (11:42)

Director Hole reported on the Capital Credits Committee meeting. The next meeting of the Committee will be August 12 at 7:30 p.m. (11:44)

Director Michie reported on the Board Evaluation Committee. Director Michie reported on the Bylaws and Articles of Incorporation Committee (Michie, Hole, Croonquist and Johnson). (11:48)

Director Hansen reported on the CEO Evaluation Committee meeting. (11:53)

Director Michie reported on the Board Policy Committee presentation of the draft of the revised Policies for the Board to consider. The copy had been reviewed at the board's prior monthly meeting and the final changes were presented today. The Board discussed the Policies as presented. CEO Gaskill indicated that the Board should adopt the Financial Policy Statement that had been included in the board meeting materials as a Board Policy. After discussion by the Board, the proposed policies including the Financial Policy Statement were adopted as presented. (11:59)

At this time the luncheon break was taken. (12:51)

CEO Gaskill presented changes to the 2008 Operating Budget and to the 2008 Capital Budget that had been sent to the board prior to the meeting. Upon motion duly made, seconded and carried the amendments to the Operating Budget as presented by management were approved, except that by motion to amend the proposed budget that was duly made, seconded and carried the "Additional Solar Rebate" in the amount of \$2,000 was removed. Upon motion duly made, seconded and carried the amendments to the Capital Budget as presented by management were approved. (13:13)

CEO Gaskill and Manager Byrne presented a standard form RUS contract for engineering services for the design of the Boomerang Substation for an amount not to exceed \$65,000 to Exponential Engineering Company. Upon motion duly made, seconded and carried the contract presented by management was approved. (13:19)

CEO Gaskill reported on and explained the background of the Administrative Policy 312 related to recruitment and employment. (13:36)

Upon motion duly made, seconded and carried CEO Gaskill was appointed as the alternate to the Region VII NRECA meeting in Omaha. (13:37)

Arrangements for the August and September board meetings, the CREA Semi-annual meeting and the NRECA Region VII in Omaha were discussed. (13:41)

CEO Gaskill reported on the status of the Town of Berthoud regarding a franchise, the status of the judgment against Moblesource, an update on the new FTC "Red Flag" Rules that will be implemented, an update on the required

hearing on the new PURPA standards required by the December, 2007 amendments made by Congress, the implementation of the new "PVREA" tag line: "Powering Your Future". [a break was taken at this time for the public hearing on Tariff changes].

At 2:00 p.m. President Croonquist called the public hearing on the proposed changes in the tariff to order. CEO Gaskill made a presentation about the proposed changes in the tariffs regarding net metering (Tariff Sheet 40 and 40a). No members of the public appeared in opposition to the proposed changes and no written protests had been received. After discussion upon motion duly made, seconded and carried the proposed tariff changes were adopted as presented by management with one small amendment to the verbiage. (14:14) At this time Mr. Szabo left the board room.

Discussion ensued about the implementation of the new "PVREA" tag line: "Powering Your Future". "Energizing Your Future" was added as a suggestion by director Hole. A motion was made and seconded to approve "Powering Your Future" and the motion was approved. CEO Gaskill and Manager Johnson discussed communication options through the use of a new email system and intranet site, and the board agreed that it should be implemented. The 4-H auctions will be 2008 purchases will be for sheep, the 2009 purchases will be swine, the 2010 purchases for beef, the 2011 purchases for sheep, the purchases for 2012 for swine, the 2013 purchases for beef, the 2014 for sheep, and the purchases for 2015 for swine, and the 2016 for beef [2008 buyers will be: Boulder (Lock), Larimer (Hansen) and Weld (Park)]. Donation requests were also discussed. (14:39)

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. (14:45)

CEO Gaskill updated the board on employee matters. (15:10)

There being no further business to come before the meeting, upon motion duly made, seconded and carried, the meeting was recessed until the regular board meeting on August 26, 2008, at 9:00 A.M. at the Association's headquarters. [15:10]

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Thaine J. Michie – Secretary

ATTEST:

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Keith D. Croonquist – President

NOTE: The 2008 board meeting dates have been set as follows: August 26, 2008, September 25, 2008, October 28, 2008, November 25, 2008 and December 23, 2008. The annual meeting of members for 2009 will be at the Larimer County Fairgrounds ("The Ranch") on Saturday, March 28, 2009.