

Record of Minutes

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

August 26, 2008

President Keith D. Croonquist called the meeting to order at 8:59 a.m. All directors were present. Also attending were CEO Brad Gaskill, 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 July 29, 2008, meeting of the Board, upon motion duly made, seconded and carried, the meeting was adjourned.

President Croonquist called the regular August Board meeting to order.

Changes to the Agenda were made by President Croonquist to add: Item 16(b) action on engineering contract with ESC for arc flash study, and Item 20(l) information on statewide ballot initiatives regarding labor. (09:03)

President Croonquist asked for comment from the public. No members of the public were in attendance. (09:03)

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

1. Minutes of the July 29, 2008 board meeting.
2. Work Order Form 219 (#777-07-08) in the amount of \$204,305.69.
3. Construction contracts for August 2008 on the list given to the board prior to the meeting were approved. (09:04)

CEO Gaskill distributed additional documents received since the board packet had been mailed. (09:05)

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. (09:28)

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. (10:10)

A short break was taken at this time. (10:20)

At this time Debbie Fox from the Lyons Jr./Sr. High School solar project and Pat Plank entered the board room and made a presentation about the request for funds for the project. A contract had been presented to the board prior to the meeting. Various questions were asked by board members and responses were given by Ms. Fox, Mr. Plank and Mr. Gaskill. Upon motion duly made, seconded and carried, with directors Anderson, Hansen and Schneider dissenting, the contract was authorized to be signed and management will decide when and how the payments will be made. At the conclusion of the report Ms. Fox and Mr. Plank left the board room. (11:05)

Upon motion duly made, seconded and carried the CEO's report was accepted. (11:05)

Director Michie reported on the Board Evaluation Committee. (11:05)

Director Hansen reported on the CEO Evaluation Committee meeting. The evaluation survey questions for the board to answer had been presented to the board prior to the meeting and discussion about the questions ensued. Upon motion duly made, seconded and carried the survey questions were adopted for use by the board. (11:22)

Director Michie reported on the Bylaws and Articles of Incorporation Committee (Michie, Hole, Croonquist and Johnson). Discussion ensued about the proposed changes. A motion was made and seconded to approve the proposed changes made by the Committee in the Articles of Incorporation. The motion carried with director Johnson dissenting. A motion was made and seconded to table consideration of the proposed bylaw changes. Discussion ensued. The motion was defeated by majority vote. A motion was made and seconded to propose a bylaw change at the September board meeting to eliminate the At Large positions and to replace At Large Position A in Larimer County and to replace At Large Position B in Weld County effective at the next election for those positions. The motion passed unanimously. (12:16)

At this time the luncheon break was taken. Director Michie left the board room at this time. A video presentation was given by director Park about the alleged climate crisis. (13:05)

Manager Jensen was attending a seminar and his report had been given by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting. (13:05)

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. (13:18)

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. (13:19)

Manager Byrne was attending to a family matter and his report had been given by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting. (13:19)

Upon motion duly made, seconded and carried the management reports were accepted. (13:19)

The written safety report of August 15, 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. (13:34)

Attorneys Starr and Westbrook had no legal report. (13:34)

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. (13:43)

Director Lock (replaced director Diehl for this meeting) reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. (13:45)

Director Park reported on CREA matters. A written report on CREA had been delivered to the board prior to the meeting. (13:59)

Director Hole reported on the Capital Credits Policy Committee meeting. A draft of the Policy was prepared by Attorney Starr and delivered to the board with the monthly board information. Director Hole reviewed each provision of the draft of the Policy. Discussion among the board members ensued about the terms of the Policy. Upon motion duly made, seconded and carried the Capital Credits Policy 503 was approved as proposed with one typo correction effective on January 1, 2009. At this time Attorney Westbrook left the board room. (14:22)

CEO Gaskill presented a donation request for the Northern Colorado Medical Center's Burn Unit. No action was taken on the request. (14:25)

CEO Gaskill presented a contract with ESC not to exceed \$70,000 for system modeling and arc flash study. Upon motion duly made, seconded and carried the appropriate officers were permitted to sign the contract. (14:30)

Upon motion duly made, seconded and carried President Croonquist was designated as delegate and CEO Gaskill was designated as alternate to the CFC 2008 District Meeting were approved for signature. (14:31)

Discussion about the tour of the Spiræ InteGrid Lab ensued by those who were able to attend. (14:40)

Arrangements for the September board meeting, the CREA Semi-annual meeting and the NRECA Region VII in Omaha were discussed. (14:41)

CEO Gaskill reported on the status of the Town of Berthoud regarding a franchise, and CEO Gaskill was directed to respond to the August 8 letter from Mr. White; 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 to be set by December, and the hearing will be conducted at the November board meeting with appropriate notice to the members and the public. Discussion about the issues to be raised at the Region VII NRECA resolutions process ensued. (15:00) Manager Johnson gave a presentation on the important portions of the KRTA report received from CFC for 2007. During the presentation director Anderson left the board room. (15:16) Manager Johnson reported that IRS Form 990 for 2007 was prepared and filed on time by the association. (15:29) Manager Johnson described an intranet setup for association matters that can be available to the board for information distribution. (15:49) Directors Lock, Park and Hansen reported on the 4-H livestock (sheep) purchases at the County Fairs of Boulder, Larimer and Weld Counties. (15:53) CEO Gaskill inquired of the board about the desirability of a tour of parts of the service territory of the association. October 23 was identified as a suggested date for the tour; and CEO Gaskill will undertake arrangements for the tour. (16:08)

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. (16:17)

Upon motion duly made, seconded and unanimously carried the board entered executive session to consider documents or testimony given in confidence generally relating to union negotiation employee 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. (16:46)

Director Hansen discussed naming of a substation for Steve Goodwin. CEO Gaskill will investigate the process for renaming of a substation. (16:54)

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 September 25, 2008, at 9:00 A.M. at the Association's headquarters. [16:54]

Thaine J. Michie – Secretary

ATTEST:

Keith D. Croonquist – President

NOTE: The 2008 board meeting dates have been set as follows: 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.