

Record of Minutes

**Colorado 31 Larimer**

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

**March 28, 2009**

President Keith D. Croonquist called the meeting of the board of directors to order at 13:15 p.m. at the Sandhouse Room of the First National Bank Exhibition Building at the Larimer County Fairground, Loveland, Colorado. All directors were present including newly elected board member Roger Alexander. Also attending were CEO Brad Gaskill, Engineering Services Manager Byrne, Finance / Corporate Services Manager Mike Johnson, Member Services Manager Myles Jensen, 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 February 24, 2009, meeting of the Board, upon motion duly made, seconded and carried, the meeting was adjourned.

President Croonquist called the regular 2009 annual director and regular March Board meeting to order.

Director Schneider raised the issue of a possible conflict of interest of newly elected board member Roger Alexander regarding his business interest in solar energy sales and energy audits. Discussion ensued on the opportunities for a conflict of interest for Mr. Alexander. Mr. Alexander indicated that he will take action to eliminate potential conflicts of interest as a member of the board that may exist due to his business pursuits. [13:27]

President Croonquist conducted the election of officers. Upon motion duly made, seconded and unanimously carried, the following directors were unanimously elected as officers of the association:

President:	Keith D. Croonquist
Vice-President:	Jack Schneider
Secretary-Treasurer:	Thaine J. Michie
Assistant Secretary-Treasurer:	Robert Lock

Election of Poudre Valley's member of the board of directors of Tri-State was presented. Jack Schneider, Rick Johnson and Thaine Michie were nominated. A written ballot was submitted, and Thaine Michie was elected as the association's member of the board of directors of Tri-State. [13:33]

Election of Poudre Valley's member of the board of directors of CREA was presented. Jim Park declined to be reappointed. Jack Schneider and Roger Alexander were nominated. A written ballot was submitted, and Jack Schneider was elected as the association's member of the board of directors of CREA. Jim Park was elected as the alternate board member to CREA. [13:35]

Election of Poudre Valley's member of the board of directors of Western United was presented. Georglyn Diehl and Bob Lock were nominated. A written ballot was submitted, and Georglyn Diehl was elected as the association's member of the board of directors of Western United. Bob Lock was elected as the alternate board member Western United. [13:39]

Upon motion duly made, seconded and carried, President Croonquist was designated as delegate and Vice-President Schneider was designated as alternate to the Tri-State annual member meeting. [13:40]

Action on the fee agreement with Starr & Westbrook P.C. was deferred.

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

1. Minutes of the February 24, 2009, board meeting.
2. Work Order Form 219 (#784-02-09) in the amount of \$450,218.33.
3. Construction contracts for March, 2009, on the list given to the board prior to the meeting were approved. [13:42]

CEO Gaskill presented Board Policy 2.04 regarding Identity Theft as sent out in the materials with the board agenda. Attorney Westbrook had worked with staff to develop the policy. Upon motion duly made, seconded and carried Policy 2.04 "Identity Theft Prevention" was adopted effective April 1, 2009 as presented by management. [13:47]

CEO Gaskill presented the Resolution included with the materials sent to the board prior to the meeting regarding the continued deregulation of Tri-State. After discussion by the board, upon motion duly made, seconded and carried, the following resolution was passed without dissent:

RESOLUTION  
IN SUPPORT OF CONTINUED DE-REGULATION TRI-STATE  
GENERATION AND TRANSMISSION

WHEREAS, Tri-State Generation and Transmission Association, Inc. (Tri-State G&T) is a non-profit member-owned utility; and

WHEREAS, Tri-State G&T provides wholesale electric power to 44 non-profit electric distribution cooperative in four states; and

WHEREAS, Tri-State G&T is governed by a 44 member board consisting of one member from each of its member systems; and

WHEREAS, Tri-State G&T is not regulated by the Colorado Public Utilities Commission (PUC) at this time; and

WHEREAS, Poudre Valley Rural Electric Association, Inc. (PVREA), as a non-profit electric distribution cooperative headquartered in Fort Collins, Colorado, is a member of Tri-State G&T, holds an all-power requirements contract with Tri-State G&T, and has elected a director who serves on the Tri-State G&T board of directors; and

WHEREAS, PVREA believes that the cooperative form of governance of Tri-State G&T, without outside control by the PUC or any other body, is the most cost-effective and democratic way to accomplish state and federal goals and best serves the interests of PVREA and its members.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Poudre Valley Rural Electric Association, Inc. hereby supports Tri-State G&T's continued status as a deregulated utility and is opposed to any manner, shape or form of Colorado Public Utility Commission regulation of Tri-State G&T. [13:49]

CEO Gaskill presented a request from United Power to pass a resolution regarding a request for cost information from and cost reduction by Tri-State. Discussion among the board members ensued. No action on the request was taken. [13:57]

CEO Gaskill presented a contract with the contractor under an RUS Contract Form for the remodeling of the headquarters facility. Upon motion duly made, seconded and carried the Contract was approved as presented and the following resolution was approved:

RESOLUTION  
Building Addition/Remodel Contract

WHEREAS, Poudre Valley Rural Electric Association, Inc. (Poudre) needs to add and remodel office space that has been approved in the 2009 Association Budget; and

WHEREAS, Poudre has agreed to utilize an outside contractor as necessary to complete the 2009 Building Addition/Remodel Construction Project; and

WHEREAS, Poudre has budgeted the necessary funds for the project; and

WHEREAS, Poudre's Finance/Corporate Services staff has gone out for competitive bids for the Building Addition/Remodel Construction Project; and

WHEREAS, on March 9, 2009 Poudre received and opened four competitive bids for the Building Addition/Remodel Construction Project; and

WHEREAS, Poudre's staff recommended the acceptance of the bid by McCauley Constructors.

NOW THEREFORE, BE IT RESOLVED that the board of directors of Poudre does hereby accepts the bid of McCauley Constructors in the amount of \$244,665.00 for the Building Addition/Remodel 2009 Construction Project.  
[14:00]

CEO Gaskill presented a Contract for construction labor under the Work Plan for construction in 2009; and 6 bids were received. Manager Byrne described the solicitation for bids and the labor-only construction contained in the bid. Colorado Powerline, Inc. was the lowest responsible bidder. Upon motion duly made, seconded and carried, the following resolution was approved:

RESOLUTION  
2009 Work Plan Construction

WHEREAS, Poudre Valley Rural Electric Association, Inc. (Poudre) needs to construct various projects that have been approved in the 2006-2009 Construction Work Plan; and

WHEREAS, Poudre needs to utilize outside construction services as necessary to complete the various projects that have been approved in the 2006-2009 Construction Work Plan; and

WHEREAS, Poudre has applied for a loan, by way of the 2006-2009 Construction Work Plan or Construction Work plan Amendment thereto, to the Rural Utilities Service which will provide the necessary funds for the project; and

WHEREAS, Poudre's engineering staff has gone out for competitive bids for the Construction Services for selected 2006-2009 Construction Work Plan Projects; and

WHEREAS, on March 17, 2009, Poudre received and opened six competitive bids for the Construction Services for selected 2006-2009 Construction Work Plan Projects; and

WHEREAS, Poudre's engineering staff recommended the acceptance of the bid by Colorado Powerline Inc.

NOW THEREFORE, BE IT RESOLVED that the board of directors of Poudre does hereby accepts the bid of Colorado Powerline Inc. for the Construction Services for selected 2006-2009 Construction Work Plan Projects. [14:07]

CEO Gaskill presented the wage contract amendment instituting the wage rate for the five International Brotherhood of Electrical Workers members recently placed into the bargaining unit. The agreement was, upon motion duly made, seconded and carried the wage rates contained in the contract were adopted. [14:14]

Manager Johnson gave a verbal update to the financial statement and PowerPoint® slides sent to the board prior to the meeting. Upon motion duly made, seconded and carried the financial report was accepted. [14:26]

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. [14:35]

Director Emeritus status was discussed for director Hansen. A request for payment of the registration fee for an IEEE "Green Power" conference by a member of the association was made; and Manager Byrne discussed the context of the request. Upon motion duly made, seconded and carried a payment of the registration fee of \$300 of the member to the IEEE conference was approved. Director Lock mentioned attendance at the CoBank Conference. Registration will be taken at the April board meeting. [14:49]

Upon motion duly made, seconded and unanimously carried the board entered executive session to consider documents or testimony given in confidence generally relating to personnel 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. [14:55]

There being no further business to come before the meeting, upon motion duly made, seconded and carried, the meeting was recessed until April 22, 2009, at 9:00 A.M. [14:55]

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Thaine J. Michie –Secretary

ATTEST:

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Keith D. Croonquist – President

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