

## Record of Minutes

### Colorado 31 Larimer

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

**May 25, 2010**

President Jack R. Schneider called the meeting to order at 9:00 a.m. All directors were present. Also attending were CEO Robert B. Gaskill, Chief Financial Officer Jeff Wadsworth, Operations Services Manager Tim Stanton, Human Resources and Safety Services Manager Duane Ziller, Member Services and External Affairs Manager Myles Jensen, Engineering Services Manager E. James Byrne, and Attorney Randolph Starr.

There being no further business to come before the April 20, 2010, meeting of the Board, and the May 24, 2010, additional Board meeting, upon motion duly made, seconded and carried the meeting was adjourned.

President Schneider called the regular May Board meeting to order.

Changes to the Agenda were made by President Schneider as follows: Add 5E, approval May 24, 2010 additional Board minutes, add Item 8C, Voluntary Renewable Resources Pricing, add 20C appointment of Board committee members and add 20D consideration of alternative Board meeting location. [09:03]

President Schneider asked for comment from the public, and there was no comment. [09:03]

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

1. Minutes of the Board Meeting on April 20, 2010.
2. Minutes of the Additional Board Meeting on May 24, 2010.
3. Work Order Form 219 (#798-04-10) in the amount of \$2,909,249.12.
4. Construction contracts for May 2010 on the list given to the Board prior to the meeting.
5. Estate capital credits discounted payment for April in the amount of: \$35,735.71 on the list given to the Board prior to the meeting. [09:15]

Additional information was distributed by CEO Gaskill in addition to information provided to the Board prior to the meeting.

CFO Wadsworth gave a verbal and PowerPoint® report on various financial matters. Questions were asked and answered by members of the

Board. Upon motion duly made, seconded and carried the financial report was accepted. [09:38]

CEO Gaskill presented a number of matters for action by the Board; and upon motion duly made, seconded and carried the following actions were taken:

A. Approve unanimously the allocation to members of the Association of the 2009 patronage capital in accordance with the Articles of Incorporation, Bylaws, Policies, Rules and Regulations of the Association. [09:39]

B. Approve unanimously the changes to Tariff Sheet 153~Service Connection And Line Extension Policy as recommended by management of the Association with the verbal change made in the meeting to increase from \$5,000 to \$10,000 the amount in Section 1~General Provisions, Subsection (j)(2) and add 3% annually starting in January 2011 rounded to the nearest \$100 to be effective June 1, 2010; and appropriate notice of the change is directed to be given as provided in the Tariffs, Rules and Regulations of the Association. [09:50]

C. Approve by a majority vote the changes to Rate Tariff Sheet 57~General Service Classification~Riders and Rate Tariff Sheet 57a~Energy Sales From Renewable Resources~Renewable Resource Contract Rider as recommended by management of the Association to be effective June 1, 2010; and appropriate notice of the change is directed to be given as provided in the Tariffs, Rules and Regulations of the Association. [10:10]

CEO Gaskill reported on the status of: A) update on the sale of about 1.59 acres to the Windsor-Severance Fire Protection District~with additional input from Manager Byrne [10:11]; B) update on Timberline Energy's (now Larimer Energy, LLC) 1.5Mw Larimer County landfill methane generation project~with additional input from Manager Byrne [10:16]; C) update on the Association's AML project~with additional input from Manager Jensen [10:27]; D) update on the Front Range Energy, PRESYS Energy Group and Association demonstration project~with additional input from Manager Byrne [10:30]; E) update on the transfer of transmission assets to Tri-State~with additional input from director Michie [10:36]; F) update on Rural Energy Savings Program [10:42]; G) New potential renewable energy generation project inquiries~with additional input from Manager Jensen [10:53]; H) review of Administrative and Team Member Policies and Procedures included in the Board materials [10:54].

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. [11:11]

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. [11:23]

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. [11:27]

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. [11:58]

CFO Wadsworth 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. [12:00]

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. [12:07]

Upon motion duly made, seconded and unanimously carried the management reports were accepted. [12:07]

At this time the regular luncheon break was taken. At this time director Anderson left the Board meeting. [Reconvene at 12:45]

CEO Gaskill explained the background of a Quit Claim Deed signed by the officers yesterday. [12:47]

The written safety report of May 11, 2010, 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. [13:07]

Attorney Starr reported on the May 7, 2010, CREA attorney seminar. [13:19]

Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. [13:25]

Director Michie reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. [13:31]

Director Lock reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. [13:33]

CEO Gaskill had included Board Policies in Article 5~Financial Matters [5.01 through 5.05] in the materials sent to the Board prior to the meeting. After discussion by the Board, the proposed changes were referred to the Policy Revision Committee to be formed by the Board. [13:36]

Other past and upcoming meetings were discussed: NRECA Legislative Conference May 2 to 5 in Washington, D.C.; [At this time the managers left the Board room] [13:52]; CoBank Energy Directors Conference May 17 to 19 in Colorado Springs; CFC Forum 2010 on June 7 to 9 in Philadelphia; and the CRC Annual Meeting on June 7; and Board meeting of June 29 will be moved to June 30 due to a schedule conflict. [14:04]

Discussion ensued about an email request for the association to provide BPL service. [14:19] Discussion about assistance to a Boy Scout for his Eagle Scout project ensued. [14:21] Discussion about an article in the Fort Collins newspaper ensued. [14:24]

Each of the Board members reported on the contents of their respective Board billing sheets. Upon motion duly made, seconded and unanimously carried, the reports were approved. Upon motion duly made, seconded and unanimously carried, the CEO's expense report was approved. [14:14]

President Schneider appointed a Board Policy Committee: Michie, Alexander and Diehl. The first meeting of the Board Policy Committee will be Tuesday, June 8 at 8:30 a.m. President Schneider appointed a Bylaw Revision Committee: Croonquist, Michie, Lock and Hole. The date of the first meeting of the Bylaw Revision Committee will be determined at the June 30 Board meeting. [14:32]

Discussion ensued about the conduct of the Board meeting. [14:45]

Upon motion duly made, seconded and unanimously carried the Board entered executive session to consider documents or testimony given in confidence generally relating to CEO and attorney 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. [14:45]

A motion to exit the executive session was made, seconded and unanimously carried. [15:02]

A motion was made to increase the salary of the CEO effective June 1, 2010. [15:04]

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 **June 30, 2010. NOTE CHANGE IN DATE OF JUNE BOARD MEETING.** [15:04]

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Robert A. Lock – Secretary

ATTEST:

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Jack R. Schneider – President

NOTE: The 2010 Board meeting dates have been set as follows: **June 30, 2010**, July 20, 2010 [in the J. Arthur Anderson Room], August 31, 2010, September 28, 2010, October 26, 2010, November 30, 2010, and December 21, 2010. The annual meeting of members for 2011 will be at the Embassy Suites Convention Center in Loveland on Saturday, March 26, 2011.