

VERMONT ELECTRIC COOPERATIVE, INC.
SPECIAL MEETING OF THE BOARD OF DIRECTORS

April 27, 2020

APPROVED MINUTES

As required under the VEC Bylaws, notice of this meeting was sent to each Director either via US Mail on April 20, 2020 or by electronic means for those Directors requesting such delivery.

CALL TO ORDER

President Rich Goggin called the meeting to order at 3:35 p.m. via videoconference. Present were Directors Ken Hoepfner, Carol Maroni (Second Vice President), Mark Woodward (Secretary), George Lague, Charlie Van Winkle, Rich Westman, Don Worth, Paul Lambert (First Vice President), John Ward (Treasurer), Tom Bailey, and Jody Dunklee. Also present from VEC were CEO Rebecca Towne, General Counsel Vickie Brown, Chief Financial Officer Mike Bursell, and Chief Operations Officer Peter Rossi, Safety & Security Manager John Varney, and Manager of Government Affairs and Member Relations Andrea Cohen, and Project Planner Laura Kinney.

APPROVE BOARD MEETING MINUTES -- AGENDA ITEM #1

President Goggin noted that there are three sets of meeting minutes to be approved during this Special Meeting. He asked if there were any additions or corrections to the minutes of the Special Meeting of the Board of Directors meeting held on March 18, 2020.

Woodward moved and Worth seconded:

That the minutes of the March 18, 2020, Special Meeting of the Board of Directors be approved.

The minutes were approved by unanimous vote.

Goggin asked for addition or corrections to the minutes of the regular Board meeting held on March 30, 2020.

Ward moved and Lague seconded:

That the minutes of the March 30, 2020, Regular Meeting of the Board of Directors be approved.

The minutes were approved by unanimous vote.

Goggin asked if there were any additions or corrections to the minutes of the Special Meeting of the Board of Directors meeting held on March 30, 2020.

Hoepfner moved and Woodward seconded:

That the minutes of the March 30, 2020, Special Meeting of the Board of Directors be approved.

The minutes were approved by unanimous vote.

REVIEW 2019 Financial Audit Report -- AGENDA ITEM #4

Goggin noted that the Board had reviewed the audit report with the auditors, including in executive session, in the regular Board meeting held prior to this special meeting.

Ward moved and VanWinkle seconded that the Board accept the 2019 Financial Audit Report presented at the April 27, 2020 Regular Board Meeting.

The motion passed by unanimous vote.

REVIEW AGREEMENT WITH VELCO TO PURCHASE ASSETS-- AGENDA ITEM #5

Goggin again noted that the Board had reviewed this proposed transaction in the regular Board meeting held prior to this special meeting.

Lague moved and VanWinkle seconded that the Board adopt the following resolution:

That Vermont Electric Cooperative Inc. (VEC) is authorized to enter into a Purchase and Sale Agreement (PSA), as well as related agreements, to effectuate the acquisition of 33.65 miles of 46kV transmission line and related assets from Vermont Electric Power Corporation (VELCO) for their net book value of not to exceed \$1.9 million; and

That the CEO and CFO are authorized and directed on behalf of VEC to sign, execute and deliver a final PSA and to do all things which they deem to be necessary or advisable to act on, carry out or perform the PSA; and

That the CEO and CFO are authorized and directed on behalf of VEC to sign, execute and deliver any and all instruments or documents which they deem to be necessary or advisable to act on, carry out or perform the PSA and to agree to such modification which they deem to be necessary or advisable to carry out the intent of the Board of Directors.

The motion passed by unanimous vote.

REVIEW ADOPTION AGREEMENT TO IMPLEMENT 401(K) CHANGE -- AGENDA ITEM #4

Again, this item was discussed at the earlier Board meeting.

Westman moved and Hoepfner seconded that the Board adopt the Resolution of the Board of Directors Authorizing the Amendment of the Safe Harbor 401(k) Provisions under the NRECA 401(k) Pension Plan for Vermont Electric Cooperative, Inc., included in the April 27, 2020 Regular Board packet and to be appended to the minutes of the April Board meeting.

The motion passed by unanimous vote.

COMMITTEE REPORTS – GOVERNANCE COMMITTEE – AGENDA ITEM #5

Westman moved and Ward seconded that the Board approve the minutes of the February 24, 2020 Governance Committee meeting and accept the recommendations from the Committee to make changes to Board Policy BOD.12 (concerning legal representation and use of attorneys), the VEC Red Flags Policy, the VEC Conflict of Interest policy, and the VEC Records Management Policy.

The motion passed by unanimous vote.

ADJOURNMENT

Ward moved and Worth seconded to adjourn.

The motion carried unanimously.

The meeting adjourned at 3:44.

Respectfully submitted:

Mark Woodward, Secretary

Rich Goggin, President