

MEETING OF THE BOARD OF TRUSTEES

AS THE SOLE MEMBER OF  
PRAIRIELAND ENERGY, INC.

March 14, 2019

This meeting of the Board of Trustees of the University of Illinois as the sole member of Prairieland Energy, Inc., was held in Illini Rooms B and C, Illini Union, 1401 West Green Street, Urbana, Illinois, on Thursday, March 14, 2019, beginning at 8:05 a.m.

Chair Donald J. Edwards called the meeting to order and asked the secretary to call the roll. The following members of the Board were present: Mr. Kareem Dale, Mr. Donald J. Edwards, Mr. Ricardo Estrada,<sup>1</sup> Ms. Patricia Brown Holmes, Ms. Naomi D. Jakobsson, Dr. Stuart C. King, Mr. Edward L. McMillan,<sup>1</sup> Ms. Jill B. Smart. Mr. Ramón Cepeda and Governor J. B. Pritzker were absent. Ms. Shaina Humphrey, voting student trustee, Springfield, was present. The following nonvoting student trustees were in attendance: Mr. Trayshawn M. W. Mitchell, Urbana, and Mr. Darius M. Newsome, Chicago. President Timothy L. Killeen was present.

Also present were the officers of the Board: Mr. Lester H. McKeever Jr., treasurer; Dr. Avijit Ghosh, comptroller (and vice president/chief financial officer); Mr. Thomas R. Bearrows, University counsel; and Ms. Dedra M. Williams, secretary of the Board of Trustees and of the University.

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<sup>1</sup> Mr. Estrada and Mr. McMillan participated via telephone.

Mr. Edwards asked the secretary to read the titles of the items on the agenda to be considered. By consensus, the Board agreed that one voice vote would be taken.

(The record of the Board action appears at the end of each item.)

Approve Minutes of the Board of Trustees as  
the Sole Member of Prairieland Energy, Inc., Meeting

(1) The secretary presents for approval the minutes of the Board of Trustees as the sole member of Prairieland Energy, Inc., meeting of September 27, 2018.

On motion of Ms. Holmes, seconded by Ms. Smart, these minutes were approved.

Amend the Prairieland Energy, Inc., Bylaws.

(2) The University procures energy commodities and related energy services from market sources through Prairieland Energy, Inc. (Prairieland), a University-Related Organization. Prairieland was authorized by the Board of Trustees of the University of Illinois (the Board of Trustees) in September 1996 to provide energy for the benefit of the University and others. It provides an efficient and effective vehicle for flexible, economical, and real-time participation in wholesale energy markets, resulting in cost savings and other benefits to the University. The Board of Trustees is the sole member of Prairieland and as such is responsible for approving amendments to Prairieland's corporate bylaws.

The current Prairieland bylaws were last amended and restated on January

15, 2015. A recent review conducted by the Prairieland president has identified the need for amendments to the bylaws and the Prairieland board is in agreement and recommends the following changes:

- (a) Section 1- Updated 1.1 with additional company background, the corporate address in 1.2 and removed references to the campuses and the no longer applicable Memorandum of Understanding in 1.3.
- (b) Section 2- Added Capital Contributions in 2.1 to indicate the cash provided by the Sole Member for the formation of Prairieland and new language in 2.4 for Prairieland to reimburse the Sole Member for tax liabilities incurred from allocated profits.
- (c) Section 3- Revised 3.5 to reflect how Sole Member actions are communicated.
- (d) Section 4- Modified 4.4 to eliminate the need for staggered terms and removed section 4.5 for Affirmation of Service. Resignation in 4.6 and Succession of Directors in 4.7 were updated to reflect current practices and address future vacancies in the Chair position.
- (e) Section 5- Added email in 5.9 as a form of written consent.
- (f) Section 6- Revised 6.1, 6.3, 6.4, and 6.9 to reflect “assistant vice president” more consistently as an officer, add a reference to the Duties of the Vice Chair related to succession of the Chair, and to clarify supervisory responsibilities of the President.
- (g) Section 7- Updated the Audit & Finance Committee Composition in 7.3 to address future Independent Director vacancies.
- (h) Section 9- Clarified 9.3 to address the annual conflict disclosure requirement for filing.
- (i) Section 11- Expanded the definition for non-discrimination to be more consistent with the University’s definition.
- (j) Section 13- Modified the amendment section to be more consistent with current practices.

The Board action recommended in this item complies in all material

respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Accordingly, the vice president/chief financial officer and comptroller recommends adoption of the proposed policy modification.

The president of the University concurs.

On motion of Ms. Holmes, seconded by Ms. Smart, this recommendation was approved.

Dr. King stated that he serves on the board of Prairieland. He commended the Prairieland team and invited the Board to visit.

#### MOTION TO ADJOURN MEETING

On motion of Ms. Holmes, seconded by Mr. Mitchell, the meeting adjourned at 8:07 a.m.

There were no “nay” votes.