# Pedernales Electric Cooperative

PO Box 1, Johnson City, TX 78636

## Meeting Minutes - Draft

## Board of Directors

| Friday, July 24, 2026 | 9:00 | PEC Headquarters Auditorium |
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**201 S Ave F, Johnson City, TX 78636**

Open Session of this Regular Meeting was held in the PEC Auditorium and recorded in accordance with Board Meetings Policy. Members may watch the recording from the PEC website at https://pec.legistar.com/Calendar.aspx.

### Call to Order and Roll Call

This meeting was called to order at 9:02 a.m., on July 24, 2026, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. Director Amy Akers was not present.

**Present:** 6 - Director Milton Rister, Director Carlos St. James, President Mark Ekrut, Secretary/Treasurer Travis Cox, Director Alice Price, and Vice President Paul Graf

**Absent:** 1 - Director Amy Akers

### Safety Briefing

President Mark Ekrut provided the Safety Briefing.

### Cooperative Recognitions

**1.** 2026-225 **Resolution - Approval of Recognition for Julie Parsley - M Ekrut**

*Body:*

**The State of Texas**
**County of Blanco**

**WHEREAS,** the Members, Employees, and the Board of Directors of Pedernales Electric Cooperative, Inc. of Johnson City, Texas, celebrate the contribution of their esteemed colleague and friend, Chief Executive Officer **Julie Caruthers Parsley**; and,

**WHEREAS, Julie Caruthers Parsley** served as the Chief Executive Officer for Pedernales Electric Cooperative, Inc. beginning in December 2017 and throughout her more than eight-year tenure, her direction cemented the Cooperative in its position as a leader in the industry; and,

**WHEREAS, Julie Caruthers Parsley** successfully led the nation's largest electric distribution cooperative through a period of unprecedented growth in meter count from approximately 299,000 to more than 440,000; and,

**WHEREAS, Julie Caruthers Parsley** provided steadfast leadership through some of the most complicated challenges in the Cooperative's history, including the COVID-19 pandemic and Winter Storms Uri and Mara, and ensured the Cooperative emerged from each event stronger and more resilient than before; and,

**WHEREAS, Julie Caruthers Parsley** led the Cooperative through its largest and most ambitious project to date - the construction of the Cooperative's transmission control center, giving PEC real-time visibility and direct dispatching access within ERCOT and strengthening reliability for Members across the service territory; and,

**WHEREAS, Julie Caruthers Parsley** led the Cooperative to earn multiple national accolades as a top workplace, including awards for Cultural Excellence Among Women-Led Businesses and the Top Workplaces USA Today award during her tenure; and,

**WHEREAS, Julie Caruthers Parsley's** leadership and expertise have extended beyond Pedernales Electric Cooperative, Inc. through service and influence at the state and national levels, advancing the interests of cooperatives and contributing to the future of energy and electric delivery; and,

**WHEREAS,** the Board of Directors desires to formally recognize and express its sincere appreciation for **Julie Caruthers Parsley's** extraordinary contributions, lasting legacy, and profound impact on Pedernales Electric Cooperative, Inc. and the communities it serves; and,

**WHEREAS,** the Board of Directors of Pedernales Electric Cooperative, Inc. thought it fit and proper that a Resolution be passed and be affixed to the minutes of the meeting on July 24, 2026, forever recognizing the contributions made by **Julie Caruthers Parsley**;

**NOW, THEREFORE,** be it resolved by the Board of Directors of Pedernales Electric Cooperative, Inc. that all Members, Employees, and Directors of Pedernales Electric Cooperative, Inc. hereby express their gratitude for the invaluable services rendered by **Julie Caruthers Parsley** to Members, Employees, and Directors of Pedernales Electric Cooperative, Inc.; and,

**BE IT FURTHER RESOLVED** that the original of this resolution be humbly delivered to **Julie Caruthers Parsley**.

President Mark Ekrut presented the resolution and asked the Board for approval.

**A motion was made by Director Rister, seconded by Vice President Graf, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

## Adoption of Agenda

The agenda was adopted as posted and without objection.

## Consent Items

Without objection the items listed under Consent Items were approved by general consent.

**2.** 2026-184 **Friday, June 19, 2026 - Regular Meeting Minutes**

***Attachments:*** 6-19-26 OS Minutes

**Cooperative Monthly Report**

**3.** 2026-188 **Cooperative Update - J Parsley/N Fulmer/R Kruger/J Urban**

***Attachments:*** July Cooperative Update_v4 2026-188

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Nathan Fulmer, Chief Operations Officer - Distribution, Mr. Randy Kruger, Chief Financial Officer (CFO), and Mr. JP Urban, Chief Administrative Officer, presented a collaborative Cooperative Update.

**Member Comments (3-minute limitation or as otherwise directed by Board)**

**4.** 2026-195 **Member Comments**

***Attachments:*** Decorum Policy

There were no member comments.

**Action Items / Other Items**

**5.** 2026-258 **Resolution - Approval to Amend the List of Board Approved Future Meetings to Move the July 2026 Board Meeting**

*Body:* **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** to ratify the decision to postpone the July 2026 Regular Board Meeting by one week;

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** to amend the 2026 list of Board Approved Future Meetings to reflect the dates provided within this resolution;

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Executive Officer, or designee, is authorized to take such actions as needed to implement this resolution.

President Mark Ekrut presented the resolution and asked the Board for approval.

**A motion was made by Secretary/Treasurer Cox, seconded by Director Price, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

**6.** 2026-189 **Resolution - Approval of Written Certification of the Election Results - M Butler**

*Body:* **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the election results, as certified by SBS and presented to the Board this day, are hereby accepted as the official results of the Cooperative's 2026 Election; and

**BE IT FURTHER RESOLVED** that the General Counsel, or designee, is authorized to enter the official election results into the minutes of the Cooperative and to take any other actions to implement this resolution.

***Attachments:*** Approval of Written Certification of the Election Results 2026-189
26-PEC Final Report Certified_Redacted

Mr. Michael Butler, Senior Counsel, reviewed the proposed resolution for the written certification of the 2026 election results asked the Board for approval.

**A motion was made by Director Rister, seconded by Secretary/Treasurer Cox, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

**7.** 2026-190 **Post-Election Analysis - M Butler**

***Attachments:*** Post-Election Analysis 2026-190 FINAL

Mr. Michael Butler, Senior Counsel, presented an overview of the annual voter turnout for the 2026 Director Election.

**8.** 2026-191 **Annual Review of Conflicts of Interest Certification and Disclosure Forms from Directors - M Butler**

***Attachments:*** Annual Review of Conflicts of Interest Certification and Disclosure Forms 2026-191
Director Forms

Mr. Michael Butler, Senior Counsel, stated that pursuant to the Conflict of Interest Policy, the Board of Directors' signed certifications and disclosure forms were included in the materials along with copies of other certifications.

**9.** 2026-196 **Key Performance Indicator (KPI) Update of 2026 Period 1 Results - E Dauterive**

***Attachments:*** KPI 2026 P1 Performance Final 2026-196

Mr. Brady Porter, Director, Strategic Program Management, presented the 2026 Period 1 Key Performance Indicators (KPI) update. Mr. Porter said the Period 1 KPI payout was 8.50% and was distributed to employees on July 22, 2026.

**Proposed Future Items / Meetings (subject to final posting)**

**10.** 2026-197 **List of Board Approved Future Meetings**

***Attachments:*** 2026 Board Meeting Calendar

President Mark Ekrut said the Board approved meeting dates were included in the meeting materials.

**11.** 2026-198 **Board Planning Calendar (Written Report in Materials)**

***Attachments:*** Annual Board Planning Calendar

3-Month Outlook

President Mark Ekrut said the planning calendars were included in the meeting materials.

**Recess to Executive Session**

President Mark Ekrut announced the items to be discussed in Executive Session and at 10:07 a.m., stated the Board would go into Executive Session.

**Executive Session - Legal and Governance Matters**

**12.** 2026-199 **Matters In Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

**13.** 2026-204 **Litigation and Related Legal Matters - E Kane**

2026-205 **Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - E Kane**

**15.** 2026-206 **Discussion of Board Relations and Governance Issues - M Butler**

**16.** 2026-220 **Draft Resolution - Directors' Code of Conduct Policy - J Rickman/M Butler**

**17.** 2026-221 **Draft Resolution - Directors' Conflict of Interest Policy - J Rickman/M Butler**

**18.** 2026-222 **Draft Resolution - Board of Directors' Travel and Expense Reimbursement Policy - J Rickman/M Butler**

**19.** 2026-223 **Draft Resolution - Ethics and Compliance Reporting Policy - J Rickman/M Butler**

**Executive Session - Contract and Competitive Matters**

2026-224 **Resolution - Consideration of Service Area Exception - E Kane**

**21.** 2026-218 **Draft Resolution - Approval of Construction Contract - T328 Buda-Manchaca TL Upgrade - J Greene**

**22.** 2026-219 **Draft Resolution - Approval of Structure Contract - T416 Dripping Springs-Rutherford Overhaul - J Greene**

**23.** 2026-166 **Draft Resolution - Approval of Budget Process Updates - J Smith/K Jones**

**24.** 2026-207 **Resolution(s) - Approval of Contract Renewals or Extensions - A Hagen**

**25.** 2026-208 **Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey**

**26.** 2026-209 **Markets Report - R Kruger/R Strobel**

**27.** 2026-212 **System Planning Midyear Update - J Greene/N Fulmer**

**Executive Session - Real Estate Matters**

2026-210 **Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - N Glenn/A Hagen**

**29.** 2026-211 **Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - A Hagen**

**Executive Session - Safety and Security Matters**

**30.** 2026-213 **Safety and Security Matters - C Powell**

**31.** 2026-214 **Cyber Security Semiannual Update - S Stoppelmoor**

**Executive Session - Personnel Matters**

**32.** 2026-215 **Personnel Matters**

**33.** 2026-216 **Chief Executive Officer Corporate Initiatives and Action Items Quarterly Update - J Parsley**

**Reconvene to Open Session**

At 3:00 p.m., the Board reconvened to the Open Session meeting. Director Amy Akers was not present.

**Present:** 6 - Director Milton Rister, Director Carlos St. James, President Mark Ekrut, Secretary/Treasurer Travis Cox, Director Alice Price, and Vice President Paul Graf

**Absent:** 1 - Director Amy Akers

**Items from Executive Session**

The following agenda items were discussed in Executive Session and set for approval in Open Session.

**14.** 2026-205 **Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - E Kane**

*Body:* **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to settle the

Cooperative's appeal of TCEQ's administrative order on the terms discussed this day in Executive Session, and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Executive Officer, or designees, are hereby authorized to make such determinations as necessary for disposition of the litigation matters and execute, acknowledge, and deliver any such documents, and otherwise take any actions as needed to implement this resolution.

**A motion was made by Director Price, seconded by Vice President Graf, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

**Absent:** 1 - Akers

**20.** 2026-224 **Resolution - Approval of Filing of Application as to Its Certificate of Convenience and Necessity with Public Utility Commission of Texas - E Kane**

***Body:*** **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative consent to the filing of an appropriate application to amend its Certificate of Convenience and Necessity with the Public Utility Commission of Texas, as discussed in Executive Session; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer or designee is hereby authorized to take such actions as needed to implement this resolution.

**A motion was made by Vice President Graf, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

**Absent:** 1 - Akers

**28.** 2026-210 **Resolution - Approval of Sale of Land and Release from Lien for Property in Hays County - A Hagen**

***Body:*** **WHEREAS**, the Cooperative's Board of Directors has reviewed Schedule 1 for the sale of the Land with respect to the La Cima Property in Hays County as provided in Executive Session; and

**WHEREAS,** the Cooperative's Board of Directors hereby concludes that the sale of the Land is necessary for the conduct of the business of the Cooperative, and the Land is no longer necessary or advantageous in the business of the Cooperative; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the sale price represents the fair value for the Land; and

**WHEREAS**, the Land constitutes less than all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

**WHEREAS**, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master

Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative hereby sells the Land for the amount as discussed, in Executive Session, with certain details of any such transaction to be publicly available upon public filing of instruments;

**BE IT FURTHER RESOLVED** that the Cooperative requests that the Trustee release the Land from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land from the Deed of Trust;

**BE IT FURTHER RESOLVED** that the Chief Executive Officer or any person designated in writing for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and release of the Land from the Lien, in such form and containing such terms and conditions as such officer or agent may in his or her sole discretion deem necessary, appropriate, or desirable; and

**BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

**A motion was made by Secretary/Treasurer Cox, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, St. James, Ekrut, Cox, Price, and Graf

**Absent:** 1 - Akers

**Adjournment**

There being no further business to come before the Board of the Directors, the meeting adjourned at 3:02 p.m.

Approved:

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Travis Cox, Secretary

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Mark Ekrut, President