



Meeting Minutes - Draft

Board of Directors

Friday, July 19, 2024

9:00 AM

PEC Headquarters Auditorium

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 this recording from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

Call to Order and Roll Call

This meeting was called to order by Vice President Travis Cox at 9:03 a.m., on July 19, 2024, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. Board President, Emily Pataki, Director James Oakley, and Director Amy SJ Akers were not present at the meeting.

Present: 4 - Director Milton Rister, Secretary/Treasurer Mark Ekrut, Vice President Travis Cox, and Director Paul Graf

Absent: 3 - President Emily Pataki, Director James Oakley, and Director Amy Akers

Safety Briefing

At 9:03 a.m., Mr. Nathan Fulmer, Vice President, Workforce and Safety Operations, announced the Safety Briefing.

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.

1. [2024-184](#) **Friday, June 21, 2024 - Regular Meeting Minutes**

Attachments: [2024-06-21 OS Meeting Minutes](#)

Cooperative Monthly Report

2. [2024-186](#) **Cooperative Update - J Parsley/E Dauterive/R Kruger/N Fulmer/J Urban**

Attachments: [July Cooperative Update FINAL 2024-186](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Eddie Dauterive, Chief

Strategy Officer (CSO), Mr. Randy Kruger, Chief Financial Officer (CFO), Mr. Nathan Fulmer, Vice President, Workforce and Safety Operations, and, Mr. JP Urban, Executive Vice President, External Relations, presented a collaborative Cooperative Update.

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

3. [2024-187](#) Member Comments

Attachments: [Decorum Policy](#)

There were no members present.

Action Items / Other Items

4. [2024-041](#) Resolution - Approval of Power (Substation) Transformer 5-Year Master Service Agreement - E Dauterive

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative approve a five-year Master Supply Agreement for substation power transformers; 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.

Attachments: [PPT - Power Transformer MSA - 2024-041 V2](#)

Mr. Eddie Dauterive, Chief Strategy Officer (CSO), presented the resolution and asked the Board for approval.

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

Yes: 4 - Rister, Ekrut, Cox, and Graf

5. [2024-188](#) Resolution - Approval of Pole Supply Contract for T587 Blanco to Mountain Top Upgrade - C DeWitt

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative approve an agreement for the purchase of materials for the upgrade of the T587 transmission line as described herein; 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.

Attachments: [PPT - T587 Blanco to Mountain Top Project Summary 2024-188](#)

Mr. Eddie Dauterive, Chief Strategy Officer (CSO), presented the resolution and asked the Board for approval.

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

Yes: 4 - Rister, Ekrut, Cox, and Graf

6. [2024-190](#) **Resolution - Approval to Appoint NRECA Voting Delegates for NRECA Regional Meeting, October 21-23, 2024 - E Pataki**
- Body:** **RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the following Directors are appointed and designated as authorized representatives of the Cooperative to serve as a voting delegate and alternate delegate to act at meetings of the National Rural Electric Cooperative Association Regional Meetings 8 & 10, October 21-23, 2024, until successors are duly appointed and designated: Mark Ekrut, Voting Delegate; and Travis Cox, Alternate Delegate.
- BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions necessary to implement this resolution.
- Board Vice President, Travis Cox, discussed the NRECA Voting Delegates for the NRECA Regional Meeting.
- A motion was made by Secretary/Treasurer Ekrut, seconded by Director Graf, that this item be approved. The motion carried by the following vote:**
- Yes:** 4 - Rister, Ekrut, Cox, and Graf
7. [2024-191](#) **Resolution - Approval to Appoint CFC Voting Delegates for CFC District Meeting, October 23, 2024 - E Pataki**
- Body:** **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the following Directors are appointed and designated as authorized representatives of the Cooperative to serve as the voting delegates of the Cooperative and to cast the vote of the Cooperative for matters pertaining to the 2024 District 10 Meeting of the National Rural Utilities Cooperative Finance Corporation (CFC): Mark Ekrut, as Voting Delegate and Travis Cox, as Alternate Delegate.
- BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is authorized to take all such actions necessary to implement this resolution.
- Attachments:** [Regions 8&10 Meeting](#)
- Board Vice President, Travis Cox, discussed the CFC Voting Delegates for the CFC District Meeting.
- A motion was made by Director Graf, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**
- Yes:** 4 - Rister, Ekrut, Cox, and Graf
8. [2024-192](#) **Resolution - Approval of Written Certification of the Election Results - A Hagen**
- Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the election results, as certified by Survey & Ballot Systems and presented to the Board this day, are hereby accepted as the official results of the Cooperative's 2024 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: [24-PEC Final Report Certified - Redacted](#)

Ms. Aisha Hagen, Senior Associate General Counsel, reviewed the proposed resolution for the written certification of the 2024 election results and asked the Board for approval.

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

Yes: 4 - Rister, Ekrut, Cox, and Graf

9. [2024-189](#) Resolution - Approval to Renew Contract for Election Service Provider - M Butler

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the General Counsel, or designee, or General Counsel department is authorized to negotiate and execute a one-year renewal with Survey & Ballot Systems as Election Service Provider on behalf of the Cooperative.

Ms. Aisha Hagen, Senior Associate General Counsel, presented the resolution and asked the Board for approval.

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

Yes: 4 - Rister, Ekrut, Cox, and Graf

10. [2024-194](#) Election Update - Annual Voter Turnout - M Butler

Attachments: [Election Update Annual Voter Turnout 2024-194](#)

Ms. Aisha Hagen, Senior Associate General Counsel, presented a summary of the annual voter turnout for the 2024 Director Election.

11. [2024-195](#) Annual Review of Conflicts of Interest Certification and Disclosure Forms from Directors - A Hagen

Attachments: [Rister, Milton](#)
[Pataki, Emily](#)
[Ekrut, Mark](#)
[Cox, Travis](#)
[Oakley, James](#)
[Graf, Paul](#)
[Akers, Amy](#)

Ms. Aisha Hagen, Senior Associate General 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.

12. [2024-117](#) Energage Employee Engagement Survey Results - N Fulmer

Attachments: [Energage Results - 2024-117 Final](#)

Mr. Nathan Fulmer, Vice President, Workforce and Safety Operations, presented the results of the Energage Employee Engagement Survey.

13. [2024-196](#) Key Performance Indicator (KPI) Update of 2024 Period 1 Results - E Dauterive

Attachments: [KPI 2024 P1 Performance 2024-196 Final](#)

Mr. Eddie Dauterive, Chief Strategy Officer (CSO), presented the Key Performance Indicators (KPI) update of 2024 Period 1 (P1) Performance. Mr. Dauterive said the P1 KPI payout is 8.86% and will be distributed to employees on July 24, 2024.

Proposed Future Items / Meetings (subject to final posting)**14. [2024-197](#) List of Board Approved Future Meetings**

Attachments: [2024 Board Meeting Calendar](#)

Board Vice President, Travis Cox stated that the Board approved meeting dates were included in the meeting materials.

15. [2024-198](#) Board Planning Calendar (Written Report in Materials)

Attachments: [PEC Annual Board Planning Calendar](#)
[3-Month Outlook Calendar](#)

Board Vice President, Travis Cox stated that the planning calendars were included in the meeting materials.

Recess to Executive Session

Board Vice President Travis Cox announced the items to be discussed in Executive Session and at 9:49 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters**16. [2024-199](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services****17. [2024-200](#) Litigation and Related Legal Matters - A Hagen****18. [2024-201](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Hagen**

Executive Session - Contract and Competitive Matters

19. [2024-041](#) Resolution - Approval of Power (Substation) Transformer 5-Year Master Service Agreement - E Dauterive

Attachments: [PPT - Power Transformer MSA - 2024-041 V2](#)

This matter was voted upon during Open Session.

20. [2024-203](#) Markets Report - R Kruger
21. [2024-193](#) Power Supply and Delivery Update - R Kruger
22. [2024-204](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey

Executive Session - Real Estate Matters

23. [2024-205](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive/C Moos
24. [2024-206](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - E Dauterive/C Moos

Executive Session - Safety and Security Matters

25. [2024-207](#) Safety and Security Matters

Executive Session - Personnel Matters

26. [2024-208](#) Personnel Matters

Reconvene to Open Session

At 1:35 p.m., the Board reconvened to the Open Session meeting. Board President, Emily Pataki, Director James Oakley, and Director Amy SJ Akers were not present.

Items from Executive Session

There were no items from Executive Session for approval.

Adjournment

There being no further business to come before the Board of the Directors, the meeting was adjourned at 1:35 p.m.

Approved:

Mark Ekzut, Secretary

Emily Pataki, President