



# Pedernales Electric Cooperative

PO Box 1  
Johnson City, TX 78636

## Meeting Minutes - Draft

### Board of Directors

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Thursday, April 17, 2025

9:00 AM

PEC Headquarters Auditorium  
201 S Ave F, Johnson City, TX 78636

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Open Session of this Regular Meeting was held in the PEC Auditorium and recorded in accordance with Board Meetings Policy. Members may view the video 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 April 17, 2025, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

**Present:** 7 - Director Milton Rister, President Emily Pataki, Secretary/Treasurer Mark Ekrut, Vice President Travis Cox, Director James Oakley, Director Paul Graf, and Director Amy Akers

#### Safety Briefing

President Emily Pataki provided 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. [2025-112](#) **Wednesday, March 12, 2025 - Special Meeting Minutes**  
**Thursday, March 13, 2025 - Special Meeting Minutes**  
**Friday, March 28, 2025 - Regular Meeting Minutes**

**Attachments:** [2025-03-12 Draft OS Meeting Minutes.pdf](#)  
[2025-03-13 Draft OS Meeting Minutes.pdf](#)  
[2025-03-28 Draft OS Meeting Minutes.pdf](#)

#### Cooperative Monthly Report

2. [2025-115](#) **Cooperative Update - J Parsley/A Stover/N Fulmer/R Kruger/J Urban**

**Attachments:** [2025-115 April Cooperative Update.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Ms. Andrea Stover, General Counsel, 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)**

**3. [2025-116](#) Member Comments**

**Attachments:** [Decorum Policy.pdf](#)

There were no members present.

**Action Items / Other Items**

**4. [2025-120](#) Presentation of 2024 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) - J Smith/T Canady**

**Attachments:** [Presentation - 2025-120 Financial Audit and Management Letter](#)

Ms. Janelle Smith, Director of Finance, introduced Mr. Tyler Canady, Audit Partner, Bolinger, Segars, Gilbert & Moss (BSGM), who attended the meeting by telephone. Mr. Canady discussed the 2024 Financial Audit results stating that PEC received a clean audit opinion.

**5. [2025-121](#) Resolution - Acceptance of 2024 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) and Financial Statements - Audit Committee Chair**

**Body:** BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Board of Directors hereby receives, accepts and approves the draft Independent Auditor's Report and Financial Statements for the fiscal year ending December 31, 2024, as the Independent Auditor's Report and Financial Statements ("Financial Statements"); and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Financial Officer, or designee, is authorized to publish the Financial Statements as the official Financial Statements of the Cooperative for fiscal year ending December 31, 2024.

Director James Oakley, Chairman of the Audit Committee, presented the resolution and made a motion for approval.

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

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**6. [2025-122](#) Qualifications and Elections Committee (QEC) Recommendation of Qualified Candidates - QEC Representative**

**Attachments:** [QEC Recommendation of 2025 PEC Board Qualified Candidates - 2025-122](#)  
[PPT - Qualifications & Elections Committee Rep - 2025-122](#)

Mr. Chris Smith, Qualifications and Election Committee (QEC) Representative, presented the QEC's recommendation for certification of the slate of qualified candidates for the 2025 Director Election and ballot.

7. [2025-123](#) **Resolution - Approval of Director Candidates for 2025 Pedernales Electric Cooperative Board of Director's Election Ballot - M Butler**

**Body:** WHEREAS, the Qualifications and Elections Committee of Pedernales Electric Cooperative, Inc. (the "Cooperative") met and verified the qualifications of the Nominees (as defined in the Bylaws) on April 2, 2025, and presented those certified Nominees to the Board of Directors of the Cooperative on this day;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the following individuals are Qualified Candidates (as described in the Election Policy and Procedures):

District 4

Michael Trentel  
Travis Cox  
John Barksdale  
Dan Strack  
Todd H. Votteler

District 5

Alice Price  
Douglas A. Vandiford II  
Milton Scott Powell

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Qualified Candidates are approved for inclusion on the 2025 election ballot and the Secretary or designee shall have the names of Qualified Candidates printed on ballots in the order previously determined by random drawing; and

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

**Attachments:** [PPT - Director Candidates PEC BOD Election Ballot - 2025-123](#)

Mr. Michael Butler, Senior Counsel, presented the resolution and asked the Board for approval.

**A motion was made by Director Akers, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

8. [2025-117](#) **Resolution - Approval and Certification of 2025 Election Ballot - M Butler**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the 2025 Election Ballots are approved and certified as presented this day which includes the qualified candidates for Director Election in their respective Director Districts; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the General Counsel, or designee, is directed to take all necessary actions to implement this resolution and direct the Election Service Provider to prepare and print the 2025 Election Ballots.

**Attachments:** [PPT - Approval and Certification of 2025 Election Ballot - 2025-117](#)

Mr. Michael Butler, Senior Counsel, presented the resolution and asked the Board for approval.

**A motion was made by Director Akers, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**9. [2025-118](#) Resolution - Approval of 2025 Annual Membership Meeting Agenda - A Stover/C Tinsley**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the agenda for the 2025 Annual Meeting as submitted to and discussed by the Board at its regular meeting this day is approved, with such changes as were discussed and approved by the Board;

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the General Counsel, or designee, is hereby authorized to provide notice of the Annual Meeting and publish the approved agenda to all Members, and the President of the Board (or such other officer of the Board if the President is unavailable) is authorized and directed to conduct the order of business at the Annual Meeting of the Members in accordance with the approved agenda.

**Attachments:** [Draft 2025 Annual Membership Meeting Agenda 2025-118 Final](#)  
[PPT 2025 Annual Membership Meeting Agenda 2025-118 Final.pdf](#)

Ms. Caroline Tinsley Porter, Director, External Relations, presented the resolution and asked the Board for approval.

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

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

**10. [2025-119](#) 2025 Election Timeline Monthly Update - A Stover (Written Report in Materials)**

**Attachments:** [PPT - 2025 Election Timeline Update - 2025-119](#)  
[2025 Election Timeline Final Board Approved 122024 2025-119](#)

Ms. Andrea Stover, General Counsel, said everything continues on schedule and indicated that voting begins on May 21, 2025.

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

**11.     [2025-124](#)     List of Board Approved Future Meetings**

**Attachments:**   [2025 Board Meeting Calendar.pdf](#)

President Emily Pataki stated that the Board approved meeting dates were included in the meeting materials.

**12.     [2025-125](#)     Board Planning Calendar (Written Report in Materials)**

**Attachments:**   [Annual Board Planning Calendar.pdf](#)  
                          [3-Month Outlook Calendar.pdf](#)

President Emily Pataki stated that the planning calendars were included in the meeting materials.

**Recess to Executive Session**

President Emily Pataki announced the items to be discussed in Executive Session and at 9:44 a.m., stated the Board would go into Executive Session.

**Executive Session - Legal Matters****13.     [2025-126](#)     Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services****14.     [2025-127](#)     2025 Texas Legislative Matters - J Urban****15.     [2025-128](#)     Litigation and Related Legal Matters - A Stover****16.     [2025-141](#)     North American Electric Reliability Corporation (NERC) Compliance Update - C Powell****17.     [2025-129](#)     Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover****Executive Session - Contract and Competitive Matters****18.     [2025-139](#)     Draft Resolution - Approval of Construction Contract - Nameless T3 Addition - J Greene****19.     [2025-095](#)     Draft Resolution - Approval of Cisco Enterprise Service Agreement - L Mueller****20.     [2025-130](#)     Draft Resolution - Approval of Capital Credits Special Distribution during Calendar Year 2025 - J Smith/K Jones****[2025-144](#)     Draft Resolution - Debt Issuance - R Kruger****22.     [2025-131](#)     Draft Resolution - Approval of 2026-2030 Strategic Plan - E Dauterive**

23. [2025-132](#) Report on Property, Liability, and Corporate Insurance Policies - K Krueger
24. [2025-133](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
25. [2025-140](#) CFO Quarterly Update - R Kruger
26. [2025-134](#) Markets Report - R Strobel/R Kruger

**Executive Session - Real Estate Matters**

27. [2025-135](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell
28. [2025-136](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell

**Executive Session - Safety and Security Matters**

29. [2025-137](#) Safety and Security Matters

**Executive Session - Personnel Matters**

30. [2025-138](#) Personnel Matters

**Reconvene to Open Session**

At 1:23 p.m., the Board reconvened to the Open Session meeting.

**Present:** 7 - Director Milton Rister, President Emily Pataki, Secretary/Treasurer Mark Ekrut, Vice President Travis Cox, Director James Oakley, Director Paul Graf, and Director Amy Akers

**Items from Executive Session**

The following agenda item was discussed in Executive Session and set for approval in Open Session.

21. [2025-144](#) Resolution - Approval of Unsecured Debt Issuance - R Kruger

**Body:** **WHEREAS**, to continue to fund its capital improvement budget and operating budget for both its distribution and transmission lines of business and in the best interests of the Cooperative, the Cooperative requires a \$300,000,000 commitment (for an unsecured credit facility from one or more lenders);

**WHEREAS**, the Cooperative is currently a party to the following short-term unsecured credit agreements in the aggregate amount up to \$305,000,000: (i) a 364-Day Credit Agreement, dated as of December 4, 2020 (as heretofore amended), with Bank of America, N.A., CoBank, ACB and JPMorgan Chase Bank, N.A. in the authorized amount up to \$105,000,000, (ii) a Second Amended

and Restated 364-Day Revolving Credit Agreement with CoBank, ACB, dated October 19, 2023 (as heretofore amended) in the authorized amount up to \$100,000,000 and (iii) an Amended and Restated Perpetual Line of Credit Agreement with National Rural Utilities Cooperative Finance Corporation (CFC) dated January 22, 2007 (as heretofore amended) in the authorized amount up to \$100,000,000 (all of such lenders collectively, the "Lenders");

**WHEREAS**, the Cooperative is currently a party to that certain 3-Year Credit Agreement, dated December 4, 2020 (as heretofore amended) with Bank of America, N.A., CoBank, ACB and JPMorgan Chase Bank, N.A., in an authorized amount up to \$200,000,000 and that certain Revolving Line of Credit Agreement with CFC dated November 26, 2024, in the authorized amount up to \$100,000,000;

**WHEREAS**, the Cooperative further wishes to authorize the entry into an up to 3-year credit facility with a Lender, subject to the aggregate authorized amount up to \$905,000,000 for all such unsecured credit facilities referenced herein; and

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative authorizes the issuance or incurrence of an up to 3-year credit facility as described herein, in an amount up to \$300,000,000, which may be unsecured; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the credit facility and related 3-year credit agreement authorized herein with any one or more lenders (including but not limited to any of the existing Lenders) as selected by an Authorized Officer (as defined herein) with all of the terms thereof and such other terms as any Authorized Officer determines necessary or appropriate, such determination to be conclusively evidenced by such execution and delivery by any Authorized Officer; and the Cooperative hereby authorizes the execution, delivery and performance of the credit facility as described herein, 3-year credit agreement and any one or more extensions and amendments to any such 3-year credit agreement; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that any of the Authorized Officers are hereby expressly authorized, empowered and directed from time to time to do and perform all acts and things and to execute, acknowledge and deliver, in the name and on behalf of the Cooperative all such documents, certificates, instruments, and notices concerning the documents, whether or not herein mentioned, as the Authorized Officer(s) may determine to be necessary or desirable in order to carry out the terms and provisions of these resolutions and the terms of the credit facility as described herein, the 3-year credit agreement, and other related documents, and to perform the obligations of the Cooperative under all instruments executed in connection therewith, such determination to be conclusively evidenced by such execution and delivery.

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer of the Cooperative, the Chief

Financial Officer of the Cooperative, or any person designated in writing for such purpose by the Chief Executive Officer (each an "Authorized Officer" and collectively, the "Authorized Officers"), are each hereby authorized (whether acting together or alone) as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to negotiate, execute and deliver or acknowledge, the credit facility as described herein, the 3-year credit agreement, , and/or any other agreements that may be required in connection with such transaction, and any other agreements, certificates, consents, affidavits, opinions, and other instruments of any nature necessary or appropriate to give effect to such transaction, in such form and containing such terms and conditions as such Authorized Officer may in her or his reasonable discretion deem necessary, appropriate, or desirable; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Authorized Officers are each hereby authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to do any and all acts deemed by such officer in such officer's judgment to be necessary or appropriate in the best interests of the Cooperative to give effect to the foregoing resolutions.

**A motion was made by Director Akers, seconded by Director Oakley, that this item be approved as amended. The motion carried by the following vote:**

**Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

## Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 1:24 p.m.

Approved:

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Mark Ekrut, Secretary

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Emily Pataki, President