



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Final

Board of Directors

Friday, October 24, 2025

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 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 October 24, 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 Alice Price, 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. [2025-283](#) **Friday, September 19, 2025 - Regular Meeting Minutes**

Attachments: [2025-09-19 Meeting Minutes](#)

Cooperative Recognitions

2. [2025-312](#) **2025 Community Transformer Award - C Mikeska/J Fields**

Attachments: [2025-312 Community Transformer Award - C Mikeska/J Fields FINAL](#)

Ms. Celeste Mikeska, Community Relations Manager, and Mr. Jared Fields, External Relations Representative, presented the 2025 PEC Community Transformer Award to Ms. Anne K. Duffy, recognized as an outstanding change-maker within her community. The Board recessed the meeting from 9:08 a.m. to 9:14 a.m. for a photo opportunity with Ms. Duffy.

Cooperative Monthly Report**3. 2025-284 Cooperative Update - J Parsley/C Powell/N Fulmer/R Kruger/J Urban**

Attachments: [October Cooperative Update 2025-284](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Christian Powell, Chief Compliance Officer, 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)**4. 2025-285 Member Comments**

Attachments: [Decorum Policy](#)

There were no members present.

Action Items / Other Items**5. 2025-286 Resolution - Approval to Establish 2026 Annual Membership Meeting****Date and Location - A Stover**

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS that the 2026 Annual Meeting of Pedernales Electric Cooperative, Inc. ("PEC") be held within the PEC service territory at the Cooperative's E. Babe Smith Headquarters in Johnson City, Texas, on Friday, June 19, 2026, at 9:00 a.m.; and

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

Ms. Andrea Stover, General Counsel, presented the resolution and asked the Board for approval.

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

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

6. 2025-289 Resolution - Approval to Award and Negotiate and Contract with Election**Service Provider - A Stover**

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that based on the determination of the Election RFP Committee as discussed in executive session, SBS is designated as the election service provider for the next three years subject to the final negotiated contract terms; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS that the

General Counsel, or designee, is authorized to take any actions necessary to implement this resolution.

Ms. Andrea Stover, General Counsel, 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, Price, Graf, and Akers

7. 2025-287 Resolution - Approval of 2025 Interim TCOS Filing - J Greene/C Powell/A Stover

Body: **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THECOOPERATIVE, that the Cooperative is authorized to file an interim transmission cost of service rate application pursuant to 16 TAC § 25.192(h) at the PUCT as discussed by the Board this day; and**

BE IT FURTHER RESOLVED, that the General Counsel, or a designee, is authorized to take all such actions as needed to implement this resolution.

Attachments: [PPT - 2025 Interim TCOS Filing 2025-287 Final](#)

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

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

8. 2025-254 Resolution - Approval of Structure Contract for T360 Friendship-Rutherford Transmission Line Rebuild - J Greene

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative is authorized to execute an agreement to procure the structures for the T360 transmission line as described in Executive Session and set out in the confidential term sheet; 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 - T360 Friendship-Rutherford Structure Contract 2025-254 Final](#)

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

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

2025-288 Resolution - Approval of 2024 IRS Form 990 - S Houghton

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Form 990 as submitted to the Board at its regular meeting held on October 24, 2025, is approved, with such changes thereto, if any, as were discussed and approved by the Board;**

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Financial Officer, or designee, is hereby

authorized and directed to file the Form 990 with the Internal Revenue Service as the official filing of the Cooperative and make it publicly available.

Attachments: [PPT - Approval of 2024 IRS Form 990 - 2025-288 Final](#)

[Pedernales EC 2024 Form 990 - v3 Draft 10.08.2025](#)

Ms. Kat Jones, Vice President, Finance presented the resolution for approval of the 2024 IRS Form 990. President Pataki said the Board would take action on this item after Executive Session.

10. [2025-310](#) Draft Resolution - Approval of Rate Changes - R Kruger/W Symank

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** the rates and effective dates as described herein are approved with such changes, if any, as were discussed and approved by the Board on this day; and

BE IT FURTHER RESOLVED that the Cooperative is directed to incorporate such rate changes into its Tariff and Business Rules as of the effective date 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- 2026 Rate Plan - 2025-310 - Final](#)

Mr. Randy Kruger, Chief Financial Officer, provided a summary of the draft resolution.

11. [2025-290](#) Draft Resolution - Approval to Amend Tariff and Business Rules - C Powell

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the amendments to the Tariff and Business Rules as attached and presented this day is approved with such changes, if any, as were discussed and approved by the Board; and

BE IT FURTHER RESOLVED that these changes are to become effective March 1, 2026; and

BE IT FURTHER RESOLVED that the General Counsel and Chief Compliance Officer, or designee, are authorized to take all such actions as needed to implement this resolution.

Attachments: [Tariff and Business Rules - Proposed Edits for Annual and Rates - 2025-290 - FINAL REDLINE](#)
[Tariff and Business Rules - Proposed Edits for Annual and Rates - 2025-290 -FINAL CLEAN](#)
[PPT - Tariff & Business Rules Annual Updates - 2025-290 - Final](#)

Mr. Christian Powell, Chief Compliance Officer, provided a summary of the draft resolution.

12. [2025-295](#) **Draft Resolution - Approval of Rebalance and Equitable Consideration of Director District Boundaries - A Stover**

Body: NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that Director District boundary revisions as presented this day are consistent with the law and criteria established under PEC bylaws and are therefore approved, to be effective for Director elections beginning in 2026; and

BE IT FURTHER RESOLVED that the General Counsel, or designee, is authorized to take any actions necessary to implement this resolution.

Ms. Andrea Stover, General Counsel, provided a summary of the draft resolution.

Proposed Future Items / Meetings (subject to final posting)

13. [2025-291](#) **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.

14. [2025-292](#) **Board Planning Calendar (Written Report in Materials)**

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

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

Recess to Executive Session

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

Executive Session - Legal Matters

15. [2025-293](#) **Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

16. [2025-294](#) **Litigation and Related Legal Matters - A Stover**

[2025-309](#) **Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover**

18. [2025-311](#) **Draft Resolution - Revocation of Plan Administration Committee (PAC) Charter and Approval of Retirement Plan Committee Charter - A Stover**

- 19. [2025-315](#) Draft Resolution - Approval of ERISA Wrap Plan for Health and Welfare Benefit Plans - A Stover
- 20. [2025-320](#) Draft Resolution - Approval of ERISA Self-Insured Medical Plan Document - A Stover
- 21. [2025-316](#) Draft Resolution - Approval of ERISA Severance Plan - A Stover
- 22. [2025-319](#) Discussion of Rebalance and Equitable Consideration of Director District Boundaries - A Stover
- 23. [2025-298](#) Annual Enterprise Risk Management (ERM) Update - K Krueger

Executive Session - Contract and Competitive Matters

- 24. [2025-296](#) Resolution(s) - Approval of Contract Renewals or Extensions - A Stover
- 25. [2025-313](#) Resolution - Approval to Amend Terms of Construction Contract T318 Blanco-Devils Hill Overhaul - J Greene
- 26. [2025-200](#) Draft Resolution - Approval of Structure Contract for T328 Buda-Manchaca Transmission Line Upgrade - J Greene
- 27. [2025-302](#) Draft Resolution - Approval of Budget Amendment - Friendship Upgrade T1 and T2 to 46.7 MVA - J Greene
- 28. [2025-297](#) Draft Resolution - Approval of Oracle Master Service Agreement Contract Extension and Amendment - L Mueller/A Robertson
- 29. [2025-314](#) Draft Resolution - Approval of Contract Extension for National Information Solutions Cooperative (NISC) - J Urban
- 30. [2025-299](#) Draft Resolution - Approval of 2026 Operating Budget and 2026 Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts and Real Estate - J Smith/A Murosko
- 31. [2025-300](#) Draft Resolution - Approval of Authorization for the Increase and Extension of Long-Term Debt Financing for the Cooperative - R Kruger
- 32. [2025-303](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
- 33. [2025-304](#) Markets Report - R Kruger/R Strobel
- 34. [2025-317](#) Discussion of Rate Changes - R Kruger
- 35. [2025-318](#) Discussion of Amendments to Tariff and Business Rules - C Powell

Executive Session - Real Estate Matters

2025-305 **Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell**

37. 2025-306 **Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell**

Executive Session - Safety and Security Matters

38. 2025-307 **Safety and Security Matters**

Executive Session - Personnel Matters

39. 2025-308 **Personnel Matters**

Reconvene to Open Session

At 3:48 p.m., the Board reconvened to the Open Session meeting.

Items from Executive Session

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

17. 2025-309 **Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to settle the charge against the Cooperative on the terms discussed this day in Executive Session, and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the General Counsel, 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 Secretary/Treasurer Ekrut, seconded by Director Price, that this item be approved. The motion carried by the following vote:

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

9. 2025-288 **Resolution - Approval of 2024 IRS Form 990 - S Houghton**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Form 990 as submitted to the Board at its regular meeting held on October 24, 2025, is approved, with such changes thereto, if any, as were discussed and approved by the Board;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Financial Officer, or designee, is hereby authorized and directed to file the Form 990 with the Internal Revenue Service as the official filing of the Cooperative and make it publicly available.

Attachments: [PPT - Approval of 2024 IRS Form 990 - 2025-288 Final](#)

[Pedernales EC 2024 Form 990 - v3 Draft 10.08.2025](#)

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

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

25. [2025-313](#) Resolution - Approval to Amend Terms of Construction Contract T318 Blanco-Devils Hill Overhaul - J Greene

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to execute a construction contract to complete the work required for the overhaul of T318 Blanco-Devils Hill transmission line with the newly selected contractor on the terms and at the cost consistent with the discussion in the confidential term sheet and Executive Session; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Transmission or designee is authorized to take all such actions as needed to implement this resolution.

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

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

36. [2025-305](#) Resolution - Authorization of the Cooperative to Use Eminent Domain to Acquire Property for the Buffalo Clover Substation Expansion - C Powell

Body: **WHEREAS** the Board of Directors of PEC, pursuant to the Texas Constitution and Texas Utilities Code, Section 161.125, and Chapter 21 of the Texas Property Code, hereby finds that the Buffalo Clover Substation is necessary for public use and it is in the public interest to acquire the property through eminent domain proceedings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Compliance Officer of the Cooperative, or designee, is authorized as an officer or agent of the Cooperative to make offers, negotiate, settle and agree on a purchase price for the necessary property interests in such form and containing such terms and conditions as may be deemed necessary, appropriate, or desirable; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that if an agreement as to the value of and/or compensation for necessary property interests cannot be reached, then the General Counsel of the Cooperative or designee, is authorized to undertake all necessary actions required to exercise the Cooperative's power of eminent domain to acquire property interests necessary to construct the Buffalo Clover Substation; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that all actions taken prior to the effective date hereof by the officers and duly authorized agents of the Cooperative, including, but not limited to, the delivery of any relevant document in the name of and on behalf of the Cooperative relating to any bona fide offer to the owners are hereby confirmed, ratified, and approved.

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

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

Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 3:50 p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President