



**Meeting Minutes - Draft**

**Board of Directors**

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Friday, March 13, 2020

9:00 AM

Liberty Hill District Office

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**10625 W. Hwy 29, Liberty Hill, TX 78642**

Open Session of this Regular Meeting is held in the PEC Auditorium and will be video recorded in accordance with Board Meetings Policy.

**Call to Order and Roll Call**

This meeting was called to order at 9:09 a.m. on March 13, 2020 at the Liberty Hill District Office Meeting Room, 10625 W. Hwy 29, Liberty Hill, Texas 78642.

President Graf welcomed those in attendance and thanked employees. President Graf expressed appreciation to Director, Security, Facilities & Corporate Real Estate, Cody Moos, and the Liberty Hill Police Department for their service.

**Present:** 5 - Director Milton Rister, Director Emily Pataki, Director James Oakley, Director Amy Akers, and President Paul 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.

1. [2020-061](#) **Friday, February 21, 2020 - Regular Meeting Minutes**

**Cooperative Monthly Reports**

2. [2020-062](#) **Cooperative Update - J Parsley**

**Attachments:** [2020-3-13 Cooperative Update-FINAL](#)

Chief Executive Officer (CEO), Julie Parsley provided the Cooperative Update highlighting the following:

1. The PEC is following the Center for Disease Control (CDC) COVID-19 pandemic employer guidelines/mitigation strategies. The PEC is in compliance providing COVID-19 procedures with the Texas Reliability Entity, Inc. (Texas RE), the North American Electric Reliability Corporation (NERC), and the Public Utility Commission of Texas (PUC). The PEC is communicating to employees through management by email, provided information posters district-wide on

proper hand washing hygiene, and encouraging employees to stay at home if they are sick.

2. The Safety Pledge - eight (8) statements employees are to abide by keeping one another safe at work.

3. PEC employee recognition programs: WATT An Amazing Employee (\$50 spot award); Quarterly Megawatt Drawing (\$300 opportunity);

4. Youth Tour Winners (June 17-26, 2020): Ten (10) High School delegates to join students from other cooperatives in Washington D.C.

### 3. [2020-063](#) **Financial Services Report - F Wolff**

**Attachments:** [2020-03-13 January 2020 Financial Report to the Board - F Wolff](#)  
[2020-03-13 January 2020 Financial Statements - F Wolff](#)

Controller, Financial Reporting, Freddy Wolff highlighted the financial results for the month of January as follows:

1. 89% of budget for revenues, and 87% of budget for cost of power
2. Gross Margin was 91% of budget, net margin was down 37% - roughly \$4MM lower, about \$2MM from the gross margin that was lower.
3. In January, we had a depreciation study, which had higher depreciation rates coming through. January was a true-up month, too, because it was the month we implemented those rates. We had over \$1MM in extra depreciation expense leading to that net margin.
4. Active accounts growth 1,800 accounts. By year-end, 345,000 accounts. We added about 6.5MM planned additions.
5. Average temperature in January is about 63 degrees
6. Audited results will be provided in April for the year 2019. We had a very successful audit. Controller Wolff expressed his appreciation to the accounting and finance teams for their work.

President Graf thanked Controller Wolf for his presentation.

### 4. [2020-064](#) **Operations Report - E Dauterive**

**Attachments:** [2020-3-13 Operations Report v3](#)

Chief Operations Officer (COO), Eddie Dauterive mentioned the PEC experienced two minor employee accidents and two minor vehicle accidents. We are continuing to address safety. Overall growth continues, we are enjoying the benefits of a mild winter and spring. Our SAIDI is down a half-a-minute, at 46 minutes, which is really good for the membership. COO Dauterive reported all of our projects and daily operations are running smoothly. We are continuing to see a lot of success on process and improvements with the interaction with the new procurement activities.

President Graf thanked COO Dauterive for the presentation.

### 5. [2020-039](#) **Information Technology Report - L Parnell**

**Attachments:** [2020-03-13 Information Technology Report](#)

Chief Information Officer (CIO), Lawanda Parnell provided an update on

Information Technology (IT). CIO Parnell reported on the quality assurance perspective. Automating the various automated IT tasks, which were previously done manually. Cumulatively, this saved hundreds of hours allowing colleagues to focus on other tasks, reducing over time hours. We have focused on having employees submitting their help tickets online. We are approaching 50% of the tickets are online, allowing the focus the IT employees to deploy items to the other locations. President Graf thanked CIO Parnell for her presentation.

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

**6. [2020-065](#) Member Comments**

**Attachments:** [2015-09-21 Decorum Policy \(reference material\)](#)

President Graf reminded all present of the Decorum Policy and three minute time limit. The following members spoke on topics including but not limited to:

There were no members wanting to address the Board.

**Action Items / Other Items**

**7. [2020-085](#) Discussion of Board of Director Resignation, Vacancy - District 3**

President Graf stated that our District 3 Board Director, Randy Klaus resigned effective immediately at the Board of Directors Meeting on February 21, 2020. Director Klaus' resignation was accepted by the Board President on behalf of the board. President Graf stated that therefore, we have a vacancy to discuss and Board Counsel Ross Fischer will present 3 options as allowed in the Cooperative's bylaws for filing a director vacancy.

**8. [2020-086](#) Resolution - Approval of Board Director Vacancy Method, Director District 3**

**Body: Option #1:**

**WHEREAS**, there exists a vacancy on the Cooperative's Board of Directors ("Board"), Director District 3.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board that such vacancy shall remain unfilled until the 2020 Annual Membership Meeting; and

**BE IT FURTHER RESOLVED**, that at the 2020 Annual Membership Meeting, Members within the vacant Director District will elect a Director to fill the unexpired term of the Director whose departure created the vacancy; and

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

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**Option #2:**

**WHEREAS**, there exists a vacancy on the Cooperative's Board of Directors ("Board"), Director District 3.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board calls and authorizes a Special Membership Meeting to conduct a Director Election to fill the unexpired term created by the vacancy;

**BE IT FURTHER RESOLVED**, that the Special Membership Meeting shall be held on \_\_\_\_\_; and

**BE IT FURTHER RESOLVED**, that the Director Election be conducted, the extent feasible, pursuant to the Election Policy and Procedures, including with an Election Timeline and Communications Plan; and

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

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**Option #3:**

**WHEREAS**, there exists a vacancy on the Cooperative's Board of Directors ("Board"), Director District 3.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors wishes to appoint a Nominee or Committee Nominee to fill the vacancy until the next Annual Membership Meeting, at which time the Members in that Director District shall elect a Director to serve the unexpired term of the Director whose departure created the vacancy; and

**BE IT FURTHER RESOLVED**, that the following individuals are appointed to serve on the Search Committee to accept Director Nomination Petitions, review all Nominee Director Qualifications, including primary residence, and present to the Board of Directors a list of those persons qualified for appointment to fill the vacancy;

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_; and

**BE IT FURTHER RESOLVED**, that Director Nominee Petitions be accepted at PEC Headquarters in Johnson City, Texas until 5 p.m. on \_\_\_\_\_; and

**BE IT FURTHER RESOLVED**, that to be eligible for appointment Director Nominee Petitions must contain at least \_\_\_\_\_ signatures of Members eligible to vote in Director District 3; and

**BE IT FURTHER RESOLVED**, that Director Nominee Petitions, Applications,

and the process of review be conducted, the extent feasible, pursuant to the Election Policy and Procedures, including contact information for Members who have questions about the nomination process; and

**BE IT FURTHER RESOLVED**, that the Cooperative will, to the extent reasonably feasible, employee communication efforts that inform PEC members of the vacancy, Search Committee, Director Nominee Petitions, application, timing, and process, and contact information for Members who have questions about the election process; and

**BE IT FURTHER RESOLVED**, that the Search Committee present to the Board a list of those persons qualified for appointment to fill each vacancy no later than the Board's \_\_\_\_\_ Regular Meeting; and

**BE IT FURTHER RESOLVED**, that if no Director Nominee Petitions are received, or if no Nominee submitting a petition meets the Director Qualifications, the Search Committee shall attempt to identify at least one (1), and preferably more than one (1), individual who is qualified and willing to fill the vacancy ("Committee Nominee"), and who is not also member of the Search Committee; and

**BE IT FURTHER RESOLVED**, that the Search Committee may elect its own officers (Chair and Secretary), and will have access to information gathered from various sources, including the Nominees themselves, public records, and the Cooperative; and

**BE IT FURTHER RESOLVED**, that the Cooperative will provide legal counsel and staff support; and

**BE IT FURTHER RESOLVED**, that the Search Committee should conduct Meetings as often as the Search Committee determines that they are needed to perform the review of petition applications, and these meetings may be conducted by phone or at a place of the Committee's choosing; and

**BE IT FURTHER RESOLVED**, that Search Committee members are paid \$100 for each telephonic or live meeting lasting more than one hour; the Cooperative will reimburse mileage and reasonable meal expenses incurred by Search Committee members in the course of their service; and provide indemnification and protection from liability for Search Committee Members serving in that capacity as provided for in the PEC Bylaws; and

**BE IT FURTHER RESOLVED**, that at the 2020 Annual Membership Meeting, Members within the vacant Director District will elect a Director to fill the unexpired term of the Director whose departure created the vacancy; and

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

Board Counsel Fischer presented the 3 options and indicated that this seat is up for election at the Annual Membership Meeting. The recommendation is to leave the seat vacant and let the voters fill it in June, 2020. There are people in

District 3 picking up application packets, which are due in 10 days. Board Counsel Fisher recommended to leave the seat vacant and select Option 1 of resolution. A motion was made by Director Oakley, seconded by Director Rister, that this item be approved with Option 1 - that at the 2020 Annual Membership Meeting, Members within the vacant Director District will elect a Director to fill the seat. The motion was carried by a unanimous vote.

**A motion was made by Director Oakley, seconded by Director Rister, that this item be approved. The motion carried by a unanimous vote.**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

9. [2020-022](#) **Resolution - Approval of Transmission Pole Contracts for Burnet to Bertram to Andice - B Gedrich**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approve the transmission pole contract for the 2019 CIP Project T469-T326 Whitestone-Blockhouse-Leander Transmission Line Rebuild and Upgrade; and

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

Vice President of Engineering, Brian Gedrich advised that the description in the resolution is wrong and he will correct the language. Director Pataki interrupted with a procedural matter inquiring whether COO Dauterive received her email message sent within the Granicus portal related to the resolution description having incorrect information. Director Oakley asked if the matter is a typographical error; Director Pataki confirmed that it is. Director Oakley inquired whether there is a way to take action in order to progress with the item, today. Mr. Gedrich confirmed that he would fix the language. GM Romero addressed Director Pataki informing her that the email function within the Granicus platform is not currently active.

**A motion was made by Director Akers, seconded by Director Pataki, that this item be approved. The motion carried by a unanimous vote.**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

10. [2020-034](#) **Resolution - Approval of Transmission Pole Contracts for Leander to Blockhouse to Whitestone - B Gedrich**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approve the transmission pole contract for the 2019 CIP Project T469-T326 Whitestone-Blockhouse-Leander Transmission Line Rebuild and Upgrade; and

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

The Resolution 2020-034 was withdrawn from the agenda.

11. [2020-077](#) **Resolution - Approval of Certify Software Contract Extension - F Wolff**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE**

**COOPERATIVE**, that the service contract for Certify be amended to extend the contract for an additional 5 years; and

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

Controller Wolff reported that the Certify software contract extension is for five years, and is the online employee expense reporting and employee credit card expense processing for employee use. Overall, it is a low cost software. Mr. Wolff asked the Board for approval and consideration.

**A motion was made by Director Akers, seconded by Director Pataki, that this item be approved. The motion carried by a unanimous vote.**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

12.     [2020-083](#)     **Draft Resolution - Approval of Authorization for Supplemental Indenture to Amend Terms of Master Indenture (Removal of Engineering Report Compliance Requirement) - F Wolff**

**Body:** **WHEREAS**, to effect an amendment under the Indenture; waivers and consents from at least 50% of the aggregate in principal amount of holders of Outstanding Obligations are required; and

**WHEREAS**, to further evidence such waivers and consents, a supplemental indenture by and between the Cooperative and the Trustee shall be executed and delivered;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative requests the removal of the requirement for a Consulting Engineer's Certificate of Section 2.2(a) of the Indenture;

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the execution and delivery by the Cooperative of the Eight Supplemental Indenture of Trust dated as of the date therein ("Supplement") and the performance by the Cooperative of the transactions contemplated thereby are hereby approved and confirmed in all respects; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the form, terms, and provisions of the Supplement between the Cooperative and the Trustee, a substantially final form of which has been presented to the Board of Directors, hereby is approved in all respects.

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer of the Cooperative 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 execute and deliver the Supplement, any other agreements, certificates, consents, affidavits, opinions, and other instruments of any nature necessary or appropriate to give effect to such Supplement, in each case in such form and containing such terms and

conditions as such officer or agent may in her or his reasonable discretion deem necessary, appropriate, or desirable.

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer of the Cooperative or any person designated in writing for such purpose, be and each of them 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 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.

**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 in connection with the subject of the foregoing resolutions be and are hereby ratified, confirmed, and approved.

**Attachments:** [2020-03-13 Ninth Supplemental Indenture \(amendment 2020\) - F Wolff](#)

Controller Wolff presented a draft resolution to clean up the language within the indenture. Controller Wolff reported there is a requirement to get a certificate by an engineer to certify that when we make certain rate changes. Controller Wolff stated that we want to remove that language from the indenture because it is a practice no longer required, and informed the Board that we are doing all of the due diligence internally associated with any rate increase, today. There were no comments or questions on the draft resolution.

**13. [2020-073](#) Draft Resolution - Approval of 2020 Annual Meeting Agenda - S Romero**

**Body:** **BE IT RESOLVED BY THE BOARD** that the Board approves the agenda for the 2020 Annual Meeting as submitted to and discussed by the Board at its regular meeting held on April 17, 2020, with such changes as were discussed and approved by the Board;

**BE IT FURTHER RESOLVED BY THE BOARD** that the Chief Executive Officer, or designee, is hereby authorized to publish the approved agenda to all members, and the President of the Board is authorized and directed to conduct the order of business at the Annual Meeting in accordance with the approved agenda.

**Attachments:** [2020 03 13 Annual Meeting Agenda - June 2020 - Draft v3](#)

Governance Manager Romero presented a draft resolution covering the agenda schedule for the Annual Membership Meeting held on June 19, 2020 at 9:00 a.m. at the PEC headquarters office. GM Romero indicated that the agenda is simplified to take care of all the governance matters that need to be handled during an Annual Membership Meeting. There were no comments or questions on the draft resolution.

**14. [2020-079](#) 2020 Election Timeline Update (written report in materials)**



**Attachments:** [2020 Election Timeline - Board Appvd 2019 12 13 - Update for 2020-03-13](#)

There were no comments or questions concerning the 2020 election timeline.

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

**15.     [2020-066](#)     List of Board Approved Future Meetings**

**Attachments:** [2020 Board Meetings - Board Approved 2019 12 13](#)

President Graf stated that the proposed Board meeting dates were included in the meeting materials.

**16.     [2020-067](#)     Board Planning Calendar (Written Report in Materials)**

**Attachments:** [2020-03-13 Board Planning Calendar](#)

President Graf stated the proposed Board meeting dates were included in the meeting minutes.

**Recess to Executive Session**

President Graf announced the items to be discussed in Executive Session and at 9:38 a.m. stated the Board would go into Executive Session.

**Executive Session - Legal Matters**

**17.     [2020-070](#)     Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

**18.     [2020-069](#)     Litigation and Related Legal Matters - D Ballard**

**Executive Session - Contract and Competitive Matters**

[2020-074](#)     Resolution - Approval of Advanced Metering Infrastructure (AMI) Meter Supply Agreement - B Gedrich

[2020-087](#)     Resolution - Approval of Advanced Metering Infrastructure (AMI) Meters Software License Agreement - B Gedrich

[2020-056](#)     Resolution - Approval for Renewal of 2020-20201 Medical Insurance Benefits - W Burns

[2020-091](#)     Resolution - Approval of Authority Regarding Terms and Conditions in Facilities Lease Agreement - R Arllano

**23.     [2020-080](#)     Draft Resolution - Approval of Pole Attachment Fee Structure - R Arellano**

24. [2020-084](#) Draft Resolution - Approval for Authority to Negotiate and Execute Power Purchase Agreement (PPA) - L Cunningham
25. [2020-071](#) Markets Monthly Report - L Cunningham
26. [2020-081](#) Discussion of Business Opportunity
27. [2020-082](#) Annual Review of Strategic Plan

This item was pushed to a future date to be determined.

#### Executive Session - Real Estate Matters

- [2020-075](#) Resolution - Approval of Transmission Project Summary (Eminent Domain), Burnet to Bertram to Andice, and Authorization of the Cooperative to Use Eminent Domain to Acquire Property for Burnet to Bertram to Andice Transmission Project - B. Gedrich
- [2020-076](#) Resolution - Approval to Purchase Andice Substation Property - B Gedrich
30. [2020-090](#) Real Estate Executive Summary Update - E Dauterive / C Moos
31. [2020-088](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive
32. [2020-089](#) Draft Resolution - Approval of 2020 Capital Improvement Plan Budget Amendment for Purchase of Land - R. Arellano

#### Executive Session - Safety and Security Matters

33. [2020-078](#) Cyber Security Update - S Stoppelmoor

#### Executive Session - Personnel Matters

34. [2020-072](#) Personnel Matters

#### Reconvene to Open Session

At 1:34 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.

19. [2020-074](#) Resolution - Approval of Advanced Metering Infrastructure (AMI) Meter Supply Agreement - B Gedrich

**Body:** BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE

**COOPERATIVE**, that the Board authorize the negotiation and execution of the Meter Supply Agreement with Techline for the provision of AMI Aclara meters.

**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 Director Pataki, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

**20.     [2020-087](#)     Resolution - Approval of Advanced Metering Infrastructure (AMI) Meters Software License Agreement - B Gedrich**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Board authorize the negotiation and for execution of the 3 year Aclara Software License Agreement.

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

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

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

**21.     [2020-056](#)     Resolution - Approval for Renewal of 2020-20201 Medical Insurance Benefits - W Burns**

**Body:** **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Board approve renewal of the employee health insurance contract of the Cooperative for an additional period based upon the terms and conditions with insurance provider(s) presented to the Board this day during executive session; and

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

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

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

**22.     [2020-091](#)     Resolution - Approval of Authority Regarding Terms and Conditions in Facilities Lease Agreement - R Arllano**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Board approves authority for staff regarding terms and conditions of this facilities lease agreement as discussed by the Board during Executive Session of this meeting; and that the Chief Executive Officer or designee is authorized to take such actions as needed to implement this resolution.

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

Yes: 5 - Rister, Pataki, Oakley, Akers, and Graf

28.     [2020-075](#)     **Resolution - Approval of Transmission Project Summary (Eminent Domain), Burnet to Bertram to Andice, and Authorization of the Cooperative to Use Eminent Domain to Acquire Property for Burnet to Bertram to Andice Transmission Project - B Gedrich**

**Body:** **WHEREAS**, the Board of Directors of PEC, pursuant to Texas Utilities Code, Section 161.125 and other applicable law and Chapter 21 of the Texas Property Code, hereby finds that the Burnet to Bertram to Andice Project is for public use and in the public interest to acquire the interests in the Property through eminent domain proceedings;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that acquisition of the Property for installation, construction, operation and maintenance of a transmission line rebuild and upgrade and all necessary appurtenant facilities is for public use and in the public interest to ensure system reliability for its members and the electric grid for the State of Texas; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer of the Cooperative or any person designated by her for such purpose, be and each of them 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 engage any title company, third-party surveyor, engineer, environmental engineers and appraisers, as needed, to perform professional services in connection with the Burnet to Bertram to Andice Project, or any other service provider in connection with the Burnet to Bertram to Andice Project; to negotiate, settle and agree on a purchase price for said Property or to determine the amount of damages and compensation to be paid to the owners of the Property as necessary, and to make official, written, bona fide offers to the owners for the appraised value of said Property, in each case in such form and containing such terms and conditions as such officer or agent may in his or her reasonable discretion deem necessary, appropriate, or desirable; and damages and compensation to be paid to the owners of the Property as necessary, and to make official, written, bona fide offers to the owners for the appraised value of said Property, in each case in such form and containing such terms and conditions as such officer or agent may in his or her reasonable discretion deem necessary, appropriate, or desirable; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that if it is determined that an agreement as to the value of said Property, damages and/or compensation to be paid cannot be reached, then the General Counsel of the Cooperative or any attorney designated by him for such purpose, be and each of them hereby is authorized to file or cause to be filed, against the owners, lien holders and other holders of an interest in the Property, proceedings using the Cooperative's power of eminent domain to acquire interests in and to the Property, in order to allow the Cooperative and/or its assigns to complete said Burnet to Bertram to Andice Project, and to perform and undertake all other proceedings necessary to complete the

acquisition of the Property; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that above recitals are true and correct and it is the intent of the Board of Directors of the Cooperative that this resolution authorizes all processes and procedures for the acquisition or the condemnation of all Property required to complete the Burnet to Bertram to Andice Project; and if it is later determined that there are any errors in the property descriptions contained herein or if later surveys contain more accurate revised descriptions, the Cooperative's attorney is authorized to have such errors corrected or revisions made without the necessity of obtaining a new resolution from the Board of Directors authorizing the use of its power of eminent domain of the corrected or revised Property; and

**BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Chief Executive Officer of the Cooperative, the General Counsel or any persons designated by either of them for such purpose, be and each of them 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 do any and all acts deemed by such officer in such officer's reasonable judgment to be necessary or appropriate in the best interests of the Cooperative to give effect to the foregoing resolution; 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 Oakley, seconded by Director Rister, that this item be approved. The motion carried by the following vote:**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

**29.      [2020-076](#)      Resolution - Approval to Purchase Andice Substation Property - B Gedrich**

**Body: NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative approve the purchase of real property, subject to receipt of a satisfactory environmental assessment and satisfaction of any other terms as discussed by the Board during Executive Session of this meeting, with certain details of any such purchase to be publicly available upon public filing of instruments memorializing the transfer; and

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

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

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

[2020-150](#)**Resolution - Approval of Purchase of Land and Improvements in Williamson County - R Arellano**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Board approves the purchase of real property and improvements, and satisfaction of any other terms as discussed by the Board during Executive Session of this meeting, with certain details of any such purchase to be publicly available upon public filing of instruments memorializing the transfer; 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 Director Oakley, seconded by Director Pataki, that this item be amended. The motion carried by the following vote:**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

[2020-151](#)**Draft Resolution - Approval of 2020 Capital Improvement Plan Budget Amendment for Purchase of Land - R. Arellano**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Board approves the addition of up to \$3,710,000 and applicable closing costs to the Cooperative's 2020 Capital Improvement Plan Budget; 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 Director Oakley, seconded by Director Akers, that this item be approved. The motion carried by the following vote:**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

[2020-141](#)**Resolution - Approval of Sale of Land and Release from Lien for Property in Williamson County - R Arellano**

**Body:** **WHEREAS**, the Cooperative's Board of Directors has reviewed the Term Sheet for the sale of the Land and Improvements with respect to the Leander Property in Williamson County as provided in Executive Session; and

**WHEREAS**, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are 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 market value for the Land and the Improvements; and

**WHEREAS**, the Land and Improvements 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 Improvements; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative hereby sell the Land for the amount as discussed this day 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 and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer or any person designated in writing by her 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, bill of sale, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his 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 Director Oakley, seconded by Director Akers, that this item be approved. The motion carried by the following vote:**

**Yes:** 5 - Rister, Pataki, Oakley, Akers, and Graf

## **Adjournment**

There being no further business to come before the Board of the Directors, the meeting was adjourned at 1:37 p.m.

Approved:

\_\_\_\_\_  
Milton Rister, Secretary

\_\_\_\_\_  
Paul Graf, President