



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Final

Board of Directors

Friday, February 21, 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 view 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 9:03 a.m., on February 21, 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. [2025-032](#) **Friday, January 17, 2025 - Regular Meeting Minutes**

Attachments: [2025-01-17 OS Meeting Minutes.pdf](#)

Cooperative Monthly Report

2. [2025-033](#) **Cooperative Update - J Parsley/E Dauterive/N Fulmer/R Kruger/J Urban**

Attachments: [2025-033 February Cooperative Update FINAL v2.pdf](#)

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

Member Comments (3-minute limitation or as otherwise directed by Board)**3. [2025-034](#) Member Comments**

Attachments: [Decorum Policy.pdf](#)

There were no members present.

Action Items / Other Items**4. [2025-035](#) Resolution - Review and Approval of Capital Credits Policy - K Jones**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that pursuant to its regular review of Board policies, the Board has reviewed and adopts the revised Capital Credits Policy with such changes, if any, as were approved by the Board; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designees, are hereby authorized to take all such action as may be necessary to implement this resolution.

Attachments: [Capital Credits Policy Redline 2025-035.pdf](#)
 [Capital Credits Policy Clean 2025-035.pdf](#)
 [Capital Credits Policy Presentation 2025-035.pdf](#)

Ms. Kat Jones, Controller, presented the resolution and asked the Board for approval.

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

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

5. [2025-036](#) Resolution - Review and Approval of the Decorum Policy - A Stover

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that pursuant to its regular review of Board policies, the Board has reviewed and adopts the updated Decorum Policy with such changes, if any, as were approved by the Board; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designee, is authorized to take any actions as may be necessary to implement this resolution.

Attachments: [Decorum Policy - Redline - 2025-036 - Final \(Comparison to Original\)](#)
 [Decorum Policy - Clean - 2025-036](#)
 [Decorum Policy 2025-036](#)

Ms. Andrea Stover, General Counsel, 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 failed by the following vote:

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

6. [2025-038](#) Resolution - Approval of Appointments to 2025 Qualifications and Elections Committee - M Butler

Body: **WHEREAS** the Bylaws of the Cooperative require the Board to appoint a Qualifications and Elections Committee (the "Committee") to review and determine the qualifications of applicants who wish to be candidates for election to the Board ("Candidates"), and in accordance with the Cooperative's Election Policy and Procedures.

NOW, THEREFORE, BE IT RESOLVED that the following individuals are appointed to serve on the Qualifications and Elections Committee for the 2025 Election:

1. Denis Poulos (District 1)
2. Cliff Hahn (District 2)
3. Mike Carroll (District 3)
4. Chris Smith (District 4)
5. Craig Magerkurth (District 5)
6. Deena Clausen (District 6)
7. Chris Oliveira (District 7); and

BE IT FURTHER RESOLVED that the following individuals are appointed as alternates to serve on the Qualifications and Elections Committee for the 2025 Election should an appointed member be unable to serve:

1. Kevin Nolting (District 3); and

BE IT FURTHER RESOLVED that the Committee will elect its own officers (Chair and Secretary), and will have access to information gathered from various sources, including the Candidates 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 Committee should conduct meetings as often as the Committee determines that they are needed to perform the review of Candidates applications, and these meetings may be conducted by phone or at a place of the Committee's choosing; and

BE IT FURTHER RESOLVED that Committee members are paid \$150 for each telephonic or live meeting lasting more than one hour; the Cooperative will reimburse mileage and reasonable meal expenses incurred by Committee members in the course of their service; and provide indemnification and protection from liability for Committee members serving in that capacity as provided for in the PEC Bylaws; and

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

resolution.

Attachments: [2025 QEC Appointment v2 2025-038](#)

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

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

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

7. [2025-039](#) **Resolution - Approval of Construction Contract T358 Cedar Valley-Friendship 138 kV Line - J Greene**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE,** that the Cooperative approve an agreement for the construction of the T358 transmission line as described in Executive Session; 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: [T358 Cedar Valley Friendship Project Summary 2025-039 Final](#)

Mr. Jonathan Greene, Chief Operations Officer - Transmission, presented the resolution and asked the Board for approval.

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

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

8. [2025-048](#) **Draft Resolution - Review and Approval of the Board of Directors Compensation Policy - A Stover**

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the Board has reviewed and adopts the Board of Directors Compensation Policy, with such changes, if any, as were approved by the Board; and

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

Attachments: [Board of Directors Compensation Policy - Redline Draft - 2025-048](#)

[Board of Directors Compensation Policy - Clean Draft - 2025-048](#)

[Board of Directors Compensation 2025-048](#)

Ms. Andrea Stover, General Counsel, discussed the draft resolution and stated that a final resolution will be presented to the Board for approval in March.

9. [2025-040](#) **2025 Election Timeline Monthly Update - A Stover (Written Report in Materials)**

Attachments: [2025 Election Timeline Final Board Approved 122024 2025-040.pdf](#)

Ms. Andrea Stover, General Counsel, indicated that there were no changes to the 2025 Election Timeline.

10. [2025-041](#) Key Performance Indicator (KPI) of 2024 Period 2 Results - E Dauterive

Attachments: [KPI 2024 P2 Performance 2025-041 Final](#)

Mr. Eddie Dauterive, Chief Strategy Officer, presented the Key Performance Indicator (KPI) 2024 Period 2 Results.

Proposed Future Items / Meetings (subject to final posting)

11. [2025-042](#) 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. [2025-043](#) 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 9:50 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

13. [2025-044](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services

14. [2025-045](#) 2025 Texas Legislative Matters - J Urban

15. [2025-046](#) Litigation and Related Legal Matters - A Stover

[2025-047](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover

17. [2025-064](#) Discussion of the Development of the 2026-2030 Strategic Plan - E Dauterive

Executive Session - Contract and Competitive Matters

18. [2025-049](#) Draft Resolution - Approval of Construction Contract for Cedar Valley T1 and T2 Upgrade and CV-FS Remote Ends - J Greene
19. [2025-051](#) Draft Resolution - Approval of Determination and Approval of Necessity and Public Use for Transmission Easement Amendments for the Blanco - Devils Hill 138kV Line (Engineering Project T318); and Authorization of the Cooperative to Use Eminent Domain to Acquire Property for the Blanco - Devils Hill 138kV Line Easement Amendments - J Greene
20. [2025-037](#) Draft Resolution - Approval of Construction Contract for Graphite Mine T1 Upgrade - J Greene
21. [2025-053](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
22. [2025-054](#) Markets Report - R Strobel/R Kruger

Executive Session - Real Estate Matters

23. [2025-055](#) Draft Resolution - Authorization of the Cooperative to Use Eminent Domain to Acquire Property in Williamson County - C Powell
24. [2025-056](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell

Executive Session - Safety and Security Matters

25. [2025-057](#) Safety and Security Matters
26. [2025-058](#) Cyber Security Semiannual Update - S Stoppelmoor

Executive Session - Personnel Matters

27. [2025-059](#) Personnel Matters

Reconvene to Open Session

At 2:02 p.m., the Board reconvened to the Open Session meeting. Mr. Mark Ekrut, Director, District 3, and Mr. Paul Graf, Director, District 6, were not present.

Present: 5 - Director Milton Rister, President Emily Pataki, Vice President Travis Cox, Director James Oakley, and Director Amy Akers

Absent: 2 - Secretary/Treasurer Mark Ekrut, and Director Paul Graf

Items from Executive Session

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

16. [2025-047](#) **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 certain litigation that involves 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 negotiate any other terms 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 Oakley, seconded by Director Rister, that this item be approved. The motion carried by the following vote:

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

Absent: 2 - Ekrut, and Graf

Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 2:04 p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President