



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Draft

Board of Directors

Friday, March 28, 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 watch this meeting by live stream 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 March 28, 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

1. [2025-065](#) **Friday, February 21, 2025 - Regular Meeting Minutes**

Attachments: [2025-02-21 OS Meeting Minutes.pdf](#)

Without objection the items listed under Consent Items were approved by general consent.

Cooperative Monthly Report

2. [2025-066](#) **Cooperative Update - J Parsley/J Greene/N Fulmer/R Kruger/J Urban**

Attachments: [March Cooperative Update_v4 w CFO and COO-T.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Jonathan Greene, Chief Operations Officer - Transmission, 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. [2025-067](#) Member Comments**

Attachments: [Decorum Policy.pdf](#)

There were no members present.

Action Items / Other Items**4. [2025-068](#) 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 revisions to the Board of Directors Compensation Policy are approved with such changes, if any, adopted by the Board during Open Session; 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 2025-068](#)
 [Board of Directors Compensation Policy - Clean 2025-068](#)
 [Director Compensation 2025-068](#)

Ms. Andrea Stover, General 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 carried by the following vote:

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

5. [2025-070](#) Resolution - Approval of Determination and Approval of Necessity and Public Use for Transmission Easement Acquisition for the Blanco - Devils Hill Line Upgrade (Engineering Project T318); and Authorization of the Cooperative to Use Eminent Domain to Acquire Property for the Blanco - Devils Hill Line Upgrade - J Greene

Body: **WHEREAS** the Board of Directors of PEC, pursuant to the Texas Constitution and Texas Utilities Code, Section 161.125 and other applicable law, and Chapter 21 of the Texas Property Code, hereby finds that the Blanco Devils Hill Project is needed to serve its Members and support the Texas grid and therefore it is in the public interest to acquire the necessary property interests through eminent domain proceedings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Executive Officer of the Cooperative or a designated person, is authorized 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 other designated person is authorized to undertake all necessary actions required to exercise the Cooperative's power of eminent domain to acquire necessary property interests, in order to allow the Cooperative to complete the Blanco Devils Hill Project; 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.

Attachments: [Final Resolution Blanco Devils Hill 2025-070 Final](#)

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

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, Oakley, Graf, and Akers

6. [2025-072](#) Draft 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, including the qualified candidates for Board of Director 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 and accompanying materials.

Attachments: [Certification of 2025 Election Ballot 2025-072](#)

Mr. Michael Butler, Senior Counsel, discussed the draft resolution and stated that a final resolution will be presented to the Board for approval in April.

7. [2025-073](#) Draft 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 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.pdf](#)
[PPT-Draft 2025 Annual Membership Meeting Agenda.pdf](#)

Ms. Andrea Stover, General Counsel, and Ms. Caroline Tinsley Porter, Director, External Relations, discussed the draft resolution and stated that a final resolution will be presented to the Board for approval in April.

8. [2025-074](#) **2025 Election Timeline Monthly Update - A Stover (Written Report in Materials)**

Attachments: [2025 Election Timeline Final Board Approved 122024 2025-074.pdf](#)
[2025 Election Timeline Update 2025-074](#)

Ms. Andrea Stover, General Counsel, said the Qualifications and Election Committee will meet next week to review the candidate applicants.

9. [2025-079](#) **Member Events - C Tinsley**

Attachments: [2025-079 Member Events](#)

Ms. Caroline Tinsley Porter, Director, External Relations, discussed the 2025 Member Events.

Proposed Future Items / Meetings (subject to final posting)

10. [2025-075](#) **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.

11. [2025-076](#) **Board Planning Calendar (Written Report in Materials)**

Attachments: [Annual Board Planning Calendar.pdf](#)
[3-Month Outlook.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 9:42 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

12. [2025-077](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services
13. [2025-078](#) 2025 Texas Legislative Matters - J Urban
14. [2025-080](#) Litigation and Related Legal Matters - A Stover
- [2025-081](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover
16. [2025-114](#) Discussion of the Development of the 2026-2030 Strategic Plan - E Dauterive

Executive Session - Contract and Competitive Matters

- [2025-082](#) Resolution - Approval to Amend 2024 Operating Expense Budget for Category Level Variances - K Jones
- [2025-094](#) Resolution - Approval to Amend 2024 Capital Improvement Plan (CIP) for Individually Approved Distribution Project - Johnson City Voltage Conversion - K Jones
19. [2025-083](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
20. [2025-084](#) Markets Report - R Strobel/R Kruger

Executive Session - Real Estate Matters

- [2025-085](#) Resolution - Authorization of the Cooperative to Use Eminent Domain to Acquire Property for the Andice Substation Expansion - C Powell
22. [2025-086](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell

Executive Session - Safety and Security Matters

23. [2025-087](#) Safety and Security Matters

Executive Session - Personnel Matters

24. [2025-093](#) Defined Benefit Plan Funding Discussion - A Stover
25. [2025-088](#) Personnel Matters

Reconvene to Open Session

At 1:37 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.

15. [2025-081](#) **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 file litigation in Travis County with respect to sales taxes to be collected and remitted by the Cooperative to the Texas Comptroller on the terms discussed in Executive Session, and
- BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to settle any such sales tax litigation in Travis County that involves the Cooperative on the terms discussed in Executive Session, and
- BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Executive Officer, or designees, are hereby authorized to make such determinations as necessary with respect to the litigation and any settlement, 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 Oakley, that this item be approved. The motion carried by the following vote:**
- Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers
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17. [2025-082](#) **Resolution - Approval to Amend 2024 Operating Expense Budget for Category Level Variances - K Jones**
- Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE,** that the 2024 Amended Operating Expense Budget as presented this day is approved; and
- NOW THEREFORE BE IT RESOLVED** that the Chief Executive Officer, or designee, is authorized to take such actions as needed to implement this resolution.
- 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, Oakley, Graf, and Akers

18. [2025-094](#) **Resolution - Approval to Amend 2024 Capital Improvement Plan (CIP) for Individually Approved Distribution Project - Johnson City Voltage Conversion - K Jones**

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative 2024 Amended Capital Improvement Plan ("CIP") Budget as presented this day is approved; and

NOW THEREFORE BE IT RESOLVED 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 Oakley, seconded by Vice President Cox, that this item be approved. The motion carried by the following vote:

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

21. [2025-085](#) **Resolution - Authorization of the Cooperative to Use Eminent Domain to Acquire Property for the Andice 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 other applicable law, and Chapter 21 of the Texas Property Code, hereby finds that the Andice Substation Expansion is needed to serve its Members and support the Texas electric grid and therefore it is 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 the Chief Executive Officer of the Cooperative or a designated person, is authorized 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 other designated person, is authorized to undertake all necessary actions required to exercise the Cooperative's power of eminent domain to acquire necessary property interests, in order to allow the Cooperative to complete the Andice Substation Expansion; 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 Graf, 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

Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 1:40 p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President