



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Final

Board of Directors

Monday, May 15, 2017

9:00 AM

PEC Headquarters Auditorium

Open Session of this Regular Meeting is held in the PEC Auditorium and will be video recorded in accordance with Board Meetings Policy. Members may also watch this meeting by livestream from the PEC website at <http://www.pec.coop/boardvideos>

Call to Order and Roll Call

This meeting was called to order at 9:02 am on May 15, 2017 at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

Present: 7 - Director Cristi Clement, Director Kathy Scanlon, Director Jim Powers, Director James Oakley, Director Paul Graf, Director Amy Akers, and President Emily Pataki

Adoption of Agenda

President Emily Pataki noted that one item on the agenda was posted outside our Board Meeting Policy notice time and stated that this issue could be addressed when the matter was called up for discussion. Director Cristi Clement asked whether the agenda item would be brought up for discussion. President Emily Pataki confirmed that the item would be called up.

The agenda was adopted as posted and without objection.

Consent Items

Without objection the items listed under Approval of the Consent Agenda were approved by general consent.

1. [2017-166](#) **Monday, April 17, 2017 Regular Meeting Minutes**

Attachments: [2017-04-17 Regular Meeting Minutes - final draft](#)

Consent Item approved.

Cooperative Recognitions

2. 2017-199 Moment of Silence in Commemoration of Memorial Day

President Emily Pataki asked for a moment of silence in recognition of Memorial Day to remember those who have served our country, and in recognition of Police Officers Appreciation Week to commemorate those who risk their lives for us. President Emily Pataki also acknowledged Director Kathy Scanlon for her years of service on the PEC Board of Directors and stated that a more formal recognition would occur at the July Board Meeting.

Cooperative Monthly Reports (open session presentations)**3. 2017-167 Cooperative Update - J Hewa**

Attachments: [2017-05-15 Cooperative Update](#)

CEO John Hewa reviewed staff's accomplishments since his arrival at the Cooperative approximately four years ago and the challenges since November 2016. Under legal advice, President Emily Pataki asked CEO Hewa not to continue with his comments and CEO John Hewa concluded.

4. 2017-168 Financial Services Report - T Golden

Attachments: [April 2017 Financial Statements to BOD - 05-15-2017](#)

[April 2017 - Financial Presentation - Board Meeting 05-15-2017](#)

CFO Tracy Golden reviewed the Financial Services Report PowerPoint presentation.

Cooperative Monthly Reports (written report in materials)

At 9:18 am Director Cristi Clement requested a short recess to receive legal counsel. At 9:33 am the meeting reconvened and Director Cristi Clement acknowledged that legal guidance had been shared.

President Emily Pataki asked the Board if anyone had questions for staff regarding the monthly reports included in the package.

5. 2017-169 Communications and Business Services Report

Attachments: [2017-05-15 Communications and Business Services Report](#)

The written materials for Communications and Business Services Report were included in the Board package. President Emily Pataki recognized Communications staff for their work on making the Texas Coop Power magazine a useful tool for the membership.

6. 2017-170 Corporate Services Report

Attachments: [2017-05-15 Corporate Service Report](#)

The written materials for Corporate Services Report were included in the Board package.

7. 2017-171 Engineering and Energy Innovations Report

Attachments: [2017-05-15 Engineering and Energy Innovations Report](#)

The written materials for Engineering and Energy Innovations Report were included in the Board package.

8. 2017-172 Information Technology Report

Attachments: [2017-05-15 Information Technology Report](#)

The written materials for Information Technology Report were included in the Board package.

9. 2017-173 Member Services Report

Attachments: [2017-05-15 Member Services CEO Report-FINAL](#)

The written materials for Member Services Report were included in the Board package.

10. 2017-175 Operations Report

Attachments: [2017-05-15 Operations Update April Data - Final](#)

The written materials for Operations Report were included in the Board package.

11. 2017-176 Power Supply and Energy Services Report

Attachments: [2017-05-15 Power Supply and Energy Services Report I Sterzing v2](#)

The written materials for Power Supply and Energy Services Report were included in the Board package. In response to a director inquiry, VP of Power Supply and Energy Services Ingmar Sterzing reported that a possible Electric Vehicle EV charging rate was in the beginning stage of development.

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

12. 2017-177 Member Comments

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

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

Tom Mitchell - CEO John Hewa's remarks, the State Commission for Judicial Conduct's findings and conclusions, and request for Director Oakley's removal from the Board.

Marian Hoy - request for Director Oakley's removal from the Board, and offer of training.

Amy Mollberg - request for Director Oakley's removal from the Board, CEO John Hewa's remarks, and transparency.

Ronald LeVick - request for Director Oakley's removal from the Board, free speech, the State Commission for Judicial Conduct's findings and conclusions.

Larry Landaker - PEC Truthwatch, free speech, and request for Director Oakley's removal from the Board.

Action Items / Other Items

13. [2017-187](#) **Resolution - Approval of Cooperative Solar Rate Option Tariff Amendment - I Sterzing**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative approve these amendments to the Tariff for Electric Service as attached hereto to become effective as of February 1, 2018.

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer, or his designee, is hereby authorized and directed to do any and all such other things, and take such other actions, as the Chief Executive Officer, or his designee, deems necessary or desirable to effectuate the purposes of this resolution.

Attachments: [2017-05-15 Cooperative Solar Rate Option Tariff Amendment I Sterzing v2](#)
[2017-05-15 Cooperative Solar Tariff Amendment I Sterzing v2](#)

VP of Power Supply and Energy Services Ingmar Sterzing introduced the resolution and reviewed the Cooperative Solar Rate Option Tariff Amendment PowerPoint presentation. In response to director inquiries, Mr. Sterzing reviewed the allocation cap, effective date and application acceptance date. President Emily Pataki stated that the Board would consider this item after contractual questions could be addressed in Executive Session.

14. [2017-146](#) **Resolution - Approval of Pole Inspection, Treatment, and Restoration Contract - B Hicks**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE,** that the Pole Inspection, Treatment, and Restoration projects be performed through a Master Services Agreement with Osmose Utilities Service, Inc.; and

BE IT RESOLVED that the contract for services performed by Osmose Utilities Service, Inc. will not exceed \$20,000,000 or a five-year term; 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.

VP of Engineering and Energy Innovations Brad Hicks reviewed the resolution for the Approval of Pole Inspection, Treatment, and Restoration Contract.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

15. [2017-208](#) **Resolution - Approval of Contract Agreement Renewal for Aason - J Beggs**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that a contract renewal for Aason is approved for three-year term; 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.

VP of Corporate Services Julie Beggs reviewed the resolution for the Approval of Contract Agreement Renewal for Aason and answered questions regarding contract pricing, renewals and extensions. Director Cristi Clement raised a concern with a practice of renewal of agreements after initial terms expire. She expressed that best practice is to competitively procure goods or services after initial term expirations so that best terms can be procured from potential vendors.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

16. [2017-196](#) **Resolution - Approval of Capital Credits Allocation for 2016 - T Golden / E Dauterive**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that net margins shown in the Cooperative's Audited Financial Statements for the year ended December 31, 2016, in the amount of \$56,797,729.88 adjusted for an unbilled revenue amount of \$1,013,817.36 be approved for member allocation. This amount of \$55,783,912.52 shall be allocated on the basis of total gross electric billings for the calendar year 2016 to those patrons having positive billing amounts during the year. The allocation factor calculated for 2016 is .1049043444.

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

Attachments: [Cap Credit Allocation 2016 - BOD Meeting 05-15-2017](#)

CFO Tracy Golden reviewed the proposed resolution for Approval of Capital Credits Allocation for 2016 and answered questions regarding an affirmative statement of risk.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

17. [2017-212](#) **Resolution - Approval of Overhead Distribution Construction - Time Extension - T Golden**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that contract renewals for Urban, Can-fer and MasTec for overhead distribution construction are approved through September 30, 2017; 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.

CFO Tracy Golden reviewed the resolution for the Approval of Overhead Distribution Construction - Time Extension.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

18. [2017-205](#) **Operations and Capital Improvement Plan Budget Amendments - T Golden**

Attachments: [OPEN SESSION - Budget Amendments PPT - May 8 2017](#)

CFO Tracy Golden reviewed the Operations and Capital Improvement Plan Budget Amendments PowerPoint presentation which provided a consolidated overview of budget amendments. Mr. Golden stated that staff would be presenting the confidential material of these amendments in Executive Session, and President Emily Pataki stated that these amendments would be considered following Executive Session.

19. [2017-178](#) **2017 Election Update - D Ballard**

Attachments: [2017-04-24 2017 Election Timeline Final - with next steps highlighted](#)

General Counsel Don Ballard reviewed the 2017 Election Timeline, highlighting that beginning May 18th members of districts 2 and 3 may cast ballots by mail, online, or in PEC offices until June 9th.

20. [2017-213](#) **Discussion Regarding Public Reprimand Issued by State Commission on Judicial Conduct April 27, 2017 - C Clement and K Scanlon**
President Pataki called the item up for discussion. Director Jim Powers called a point of order on this item as he believed it was not posted on the agenda with proper notice under the Board Meetings Policy and supporting material was received only the night before the meeting. Director Paul Graf concurred. Director Cristi Clement stated that the item was originally requested last Monday and withdrawn after speaking to counsel. Director Cristi Clement stated that approximately 15 minutes prior to the posting deadline she requested that this item be reinstated, but due to technical challenges the item was unable to be posted within the deadline. General Counsel Don Ballard confirmed that the item was received approximately 15 minutes prior to the 72 hour posting deadline or 9:00 am on Friday, but the agenda item was not posted until 10:13 am on Friday. President Emily Pataki stated that there were two points of order objecting to taking up this item and given the Board's requirements that this item would be pulled from today's agenda and could be taken up at a later time. Director Cristi Clement requested that this item be placed on the next meeting agenda.

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

21. [2017-198](#) **Announce 2017 Annual Membership Meeting to be held at 10:30 am in the Don Tew Performing Arts Center, Leander High School, 3301 S. Bagdad, Leander, Texas**

22. [2017-179](#) **List of Proposed Future Meetings**

Attachments: [2017-05-01 Proposed Future Meetings - v1](#)

President Emily Pataki stated that the proposed Board meeting dates were included in the materials and reminded all that the June Regular Board Meeting would be held at the conclusion of the Annual Meeting on June 17, 2017.

23. [2017-180](#) **Board Meeting Planning Calendar (written report in materials)**

Attachments: [2017-05-15 Board Planning Calendar v2](#)

President Emily Pataki stated that the Board Meeting Planning Calendar was included in package materials.

Recess to Executive Session

Director Kathy Scanlon expressed sentiment regarding her tenure on the PEC Board and the hiring of CEO John Hewa. President Emily Pataki announced the items to be discussed in Executive Session. At 10:22 am President Pataki stated that the Board would go into Executive Session.

Executive Session - Legal Matters

24. [2017-181](#) Update on Litigation and Related Legal Matters

25. [2017-182](#) Matters in Which the Board Seeks the Advice of its Attorney as Privileged Communications in the Rendition of Professional Legal Services

26. [2017-183](#) Legislative Matters Update - G Carter-Thomas

Executive Session - Contract and Competitive Matters

27. [2017-136](#) Resolution - Approval of Service Area Exception Consideration with City of Lampasas - J Cox

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative seek a Certificate of Convenience and Necessity (CCN) Service Territory Boundary Exception at the Public Utility Commission based on the request from the City of Lampasas, as discussed 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.

28. [2017-190](#) Resolution - Consideration of Service Area Exception with City of Burnet - J Cox

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative seek a Certificate of Convenience and Necessity (CCN) Service Territory Boundary Exception at the Public Utility Commission based on the request from the City of Burnet, as discussed 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.

29. [2017-191](#) **Resolution - Approval of Underground Distribution Construction Contracts - B Hicks**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Underground Capital Improvement Plan projects for 2017 through 2022 be performed through a Master Services Agreement among the contractors as discussed in Executive Session; and

BE IT FURTHER RESOLVED that the services will be performed by the following contractors and each contract will not exceed \$15,000,000 or five years;

James Power Line Construction, LLC
T&D Solutions, LLC
Kasparian Underground, LLC
Dig Tech Inc.

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

30. [2017-188](#) **Resolution - Approval Power Purchase Agreement - I Sterzing**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative authorize the Chief Executive Officer, or his designee, to negotiate and enter into a power purchase agreement to acquire electric capacity, energy and other related products from renewable wind generation for up to 50 MW for a term not to exceed one (1) year to become effective as early as July 1, 2017; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer, or his designee, is hereby authorized and directed to do any and all such other things, and take such other actions, as the Chief Executive Officer, or his designee, deems necessary or desirable to effectuate the purposes of this resolution.

31. [2017-194](#) **Resolution - Approval of 2017-2018 Business Plan - P Muhoro and H Baca**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the 2017- 2018 Business Plan presented to the Board this day is hereby approved and adopted; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or his designees, are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the 2017 - 2018 Business Plan and otherwise effectuate the purposes of this resolution.

Attachments: [PEC_2017 BusPlan_external_05092017](#)

Operational and Capital Improvement Plan Budget Amendments

32. [2017-193](#) **Resolution - Approval of Capital Improvement Plan Budget Amendment for Bergheim T1 Circuit Switcher Project - P Lochte**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Bergheim T1 Circuit Switcher be upgraded; and

BE IT FURTHER RESOLVED that the 2017 PEC Budget and the PEC RUS Work Plan are approved to include capital expenditures to upgrade the Bergheim T1 Circuit Switcher; 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.

33. [2017-202](#) **Resolution - Approval of Budget Amendment for Trimble NIS (maps) Project - L Parnell**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Trimble NIS upgrade and amounts discussed by the Board this day, be added to the Cooperative's 2017 Operational Budget; and

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

34. [2017-201](#) **Resolution - Approval of Capital Improvement Plan Budget Amendment for Lease Improvement in Southern Travis County - J Beggs**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that a budget of \$880,000 is allocated toward the construction and finish-out of the lease space located at 5401 La Crosse Avenue, Building C, Austin, TX 78739; 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.

35. [2017-206](#) **Resolution - Approval of Capital Improvement Plan Budget Amendment for Fleet - J Donley**

Body: **WHEREAS**, the 2017 Fleet Capital Improvement Plan Budget was approved at \$6,707,100 and requires an additional \$4,310,342; and

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the 2017 Fleet Capital Improvement Plan Budget be amended to add \$4,310,342 for a total amended 2017 Fleet Capital Improvement Budget of \$11,017,442; 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.

Executive Session - Real Estate Matters

36. [2017-184](#) Facilities and Real Estate Update and Review - J Beggs

Executive Session - Safety and Security Matters

37. [2017-185](#) Safety and Security Matters

Executive Session - Personnel Matters

38. [2017-186](#) Personnel Matters Update

Reconvene to Open Session at 3:12 pm

Items from Executive Session

[2017-187](#) Resolution - Approval of Cooperative Solar Rate Option Tariff
Amendment - I Sterzing

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative approve these amendments to the Tariff for Electric Service as attached hereto to become effective as of February 1, 2018.

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer, or his designee, is hereby authorized and directed to do any and all such other things, and take such other actions, as the Chief Executive Officer, or his designee, deems necessary or desirable to effectuate the purposes of this resolution.

Attachments: [2017-05-15 Cooperative Solar Rate Option Tariff Amendment I Sterzing v2](#)
[2017-05-15 Cooperative Solar Tariff Amendment I Sterzing v2](#)

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-136 **Resolution - Approval of Service Area Exception Consideration with City of Lampasas - J Cox**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative seek a Certificate of Convenience and Necessity (CCN) Service Territory Boundary Exception at the Public Utility Commission based on the request from the City of Lampasas, as discussed 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.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-190 **Resolution - Consideration of Service Area Exception with City of Burnet - J Cox**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative seek a Certificate of Convenience and Necessity (CCN) Service Territory Boundary Exception at the Public Utility Commission based on the request from the City of Burnet, as discussed 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.

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

Yes: 6 - Clement, Scanlon, Powers, Graf, Akers, and Pataki

Abstain: 1 - Oakley

2017-191 **Resolution - Approval of Underground Distribution Construction Contracts - B Hicks**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Underground Capital Improvement Plan projects for 2017 through 2022 be performed through a Master Services Agreement among the contractors as discussed in Executive Session; and

BE IT FURTHER RESOLVED that the services will be performed by the following contractors and each contract will not exceed \$15,000,000 or five years;

James Power Line Construction, LLC
T&D Solutions, LLC
Kasparian Underground, LLC
Dig Tech Inc.

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 Graf, that this item be adopted. The motion carried by the following vote:

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-188 **Resolution - Approval Power Purchase Agreement - I Sterzing**

Body:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC. that the Cooperative authorize the Chief Executive Officer, or his designee, to negotiate and enter into a power purchase agreement to acquire electric capacity, energy and other related products from renewable wind generation for up to 50 MW for a term not to exceed one (1) year to become effective as early as July 1, 2017; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer, or his designee, is hereby authorized and directed to do any and all such other things, and take such other actions, as the Chief Executive Officer, or his designee, deems necessary or desirable to effectuate the purposes of this resolution.

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-194 **Resolution - Approval of 2017-2018 Business Plan - P Muhoro and H Baca**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the 2017- 2018 Business Plan presented to the Board this day is hereby approved and adopted; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or his designees, are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the 2017 - 2018 Business Plan and otherwise effectuate the purposes of this resolution.

Attachments: [PEC_2017_BusPlan_external_05092017](#)

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-193 **Resolution - Approval of Capital Improvement Plan Budget Amendment for Bergheim T1 Circuit Switcher Project - P Lochte**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Bergheim T1 Circuit Switcher be upgraded; and

BE IT FURTHER RESOLVED that the 2017 PEC Budget and the PEC RUS Work Plan are approved to include capital expenditures to upgrade the Bergheim T1 Circuit Switcher; 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 Graf, seconded by Director Powers, that this item be adopted. The motion carried by the following vote:

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-202 **Resolution - Approval of Budget Amendment for Trimble NIS (maps) Project - L Parnell**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Trimble NIS upgrade and amounts discussed by the Board this day, be added to the Cooperative's 2017 Operational Budget; and

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

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

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-201 **Resolution - Approval of Capital Improvement Plan Budget Amendment for Lease Improvement in Southern Travis County - J Beggs**

Body:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that a budget of \$880,000 is allocated toward the construction and finish-out of the lease space located at 5401 La Crosse Avenue, Building C, Austin, TX 78739; 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 Clement, seconded by Director Powers, that this item be adopted. The motion carried by the following vote:

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

2017-206 **Resolution - Approval of Capital Improvement Plan Budget Amendment for Fleet - J Donley**

Body: WHEREAS, the 2017 Fleet Capital Improvement Plan Budget was approved at \$6,707,100 and requires an additional \$4,310,342; and

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the 2017 Fleet Capital Improvement Plan Budget be amended to add \$4,310,342 for a total amended 2017 Fleet Capital Improvement Budget of \$11,017,442; 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 Clement, seconded by Director Oakley, that this item be adopted. The motion carried by the following vote:

Yes: 7 - Clement, Scanlon, Powers, Oakley, Graf, Akers, and Pataki

Adjournment

There being no further business to come before the Board of Directors, the meeting was adjourned at 3:19 pm.

APPROVED:

Amy Akers, Secretary

Emily Pataki, President