



# Pedernales Electric Cooperative

PO Box 1  
Johnson City, TX 78636

## Meeting Minutes - Draft

### Board of Directors

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Friday, April 23, 2021

9:00 AM

PEC Headquarters Auditorium

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201 S. Ave F, Johnson City, TX 78636

Open Session of this Regular Meeting is held in the PEC Headquarters Auditorium, and will be recorded in accordance with Board Meetings Policy. To address COVID-19 safety and health concerns, PEC continues to operate in-person meetings pursuant to CDC guidelines, including spacing and social distancing. Consequently, dependent on spacing availability and number of persons attending the meeting, members may be asked to participate in-person for limited periods of time. This will allow members who want to attend in-person to do so.

Members are able to watch this meeting by livestream from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

#### Call to Order and Roll Call

**Present:** 7 - Secretary/Treasurer Milton Rister, President Emily Pataki, Director Mark Ekrut, Director Travis Cox, Director James Oakley, Director Paul Graf, and Vice President Amy Akers

#### Adoption of Agenda

#### Consent Items

1. [2021-157](#) **Friday, March 26, 2021 - Regular Meeting Minutes**

Attachments: [2021-03-26 Open Session Meeting Minutes draft v.3.pdf](#)

2. [2021-209](#) **Monday, April 12, 2021 - Emergency Meeting Minutes**

Attachments: [2021-04-12 Open Session Meeting Minutes draft v1.pdf](#)

#### Cooperative Monthly Reports

3. [2021-158](#) **Cooperative Update - J Parsley**

Attachments: [2021-4-23 Cooperative Update-FINAL.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO) said that PEC employees and their dependents who were interested in receiving the COVID-19 vaccine did so at a vaccine clinic hosted by Ascension Seton Highland Lakes. CEO Parsley stated as more employees receive the vaccination, we are beginning discussions on opportunities for teams to return to the office. She said PEC continues to operate in an Emergency Operations Plan (EOP) status, requiring

social distancing and face coverings for employees working in offices, and in the field. She said employees continue to work remotely on rotating schedules, and all office lobbies are open with COVID-19 protocols in place. CEO Parsley provided updates on the Public Utility Commission of Texas (PUCT) and the Electric Reliability Council of Texas (ERCOT). She indicated as of April 12, 2021, PEC reached a milestone of 350,616 meters. Director Oakley and President Pataki commented on the meter growth. CEO Parsley mentioned that Congressman Roger Williams (TX-25) visited PEC headquarters on March 30, 2021 to hear a summary on the winter storm actions and lessons learned, and presented PEC line workers with a Congressional Proclamation. CEO Parsley said PEC recognized line workers for National Lineman Appreciation Day (April 18, 2021), and said the April 2021 issue of Texas Co-op Power magazine celebrates PEC line workers. CEO Parsley mentioned the Communications and Marketing Teams received four Spotlight on Excellence Awards from the National Rural Electric Cooperative Association (NRECA). CEO Parsley played the video advertisement, which won an award. She shared member appreciation messages thanking PEC employees. Director Oakley mentioned it is reassuring to receive thank you notes.

**4. [2021-159](#) Financial Services Monthly Report - R Kruger**

**Attachments:** [2021-04-23 February 2021 Financial Report to the Board](#)  
[2021-04-23 February 2021 Financial Statements - R Kruger](#)

Mr. Randy Kruger, Chief Financial Officer (CFO) presented a financial update. He said the weather deviation from normal, measured in degree days, is a 150 degree day variation in weather for the whole month of February, with most of that occurring during the storm. He said the average total degree days for the month of February is about 380 degree days. CFO Kruger said the volumes were about 143,000 megawatt hours more than we would typically deliver, which is about a 37% variation from normal; during the week of the storm the variation was about 120% from normal. He said, despite the load shed, we still had significant volume variances. He said we also incurred significant storm costs, which stays on our balance sheet and does not run through the income statement. CFO Kruger said the gross margin is a positive variance of nearly \$4 million; as of April 22, 2021 the total liquidity is about \$527 million. He mentioned the long-term debt forecasted amount and budgeted amount is about \$200 million higher than budgeted, primarily due to storm costs, which are embedded in that number. He said we implemented and issued our first commercial paper used to fund the debt cost and will work that debt cost off the balance sheet over the next three years. He said payroll and benefits costs are significantly higher, because it is related to the storm restoration costs, due to overtime and double time as our crews worked to restore power. President Pataki thanked CFO Kruger for the report.

**5. [2021-160](#) Operations Report - E Dauterive**

**Attachments:** [2021-04-23 Operations Report](#)

Mr. Eddie Dauterive, Chief Operations Officer (COO) discussed the Operations Report for the month of February. He mentioned vehicle accidents, and said we

have reinforced defensive driving and vehicle backing protocols earlier in the year. COO Dauterive said there was a rebound of line extensions, and meter growth only slowed during the winter storm, but has rebounded. He said SAIDI is below 60 minutes. He mentioned that last month there was discussion of what the impact of SAIDI would be if we had not encountered the winter storm; he said SAIDI would be at 46 minutes. Director Oakley commented that the vehicle accidents data were non-road accidents. COO Dauterive stated that we are reviewing alternative reporting measures that are based on financial impacts. President Pataki thanked COO Dauterive for his report.

**Member Comments - 3-minute limitation, or as otherwise directed by Board. Additionally, members may provide comments by sending their input to [PECBoard@peci.com](mailto:PECBoard@peci.com).**

**6. [2021-161](#) Member Comments**

**Attachments:** [Decorum Policy 10 2020.pdf](#)

President Pataki indicated that the Board received and read all member comments submitted in advance by email and mentioned the matters were addressed.

**Entry Date / Name / Topic / Status**

4/1/21, 10:54AM / Dewaine Hill / Member Relations response to Director Rister concerning a meter exchange and billing adjustment for Mr. Hill. / Completed 4/1/21. Member Relations responded via email to Mr. Hill and to Director Rister.

4/6/21, 2:22PM / Travis Cox / Notification of a downed power line. / Completed 4/6/21. Member Relations responded via email to Director Cox.

4/6/21, 4:33PM / Paul Weber / Member Relations response to Director Graf concerning Mr. Weber's complaint about construction debris left by a contractor near the member's location. / Completed 4/6/21. Member Relations responded via email to Mr. Weber and to Director Graf.

4/13/21, 3:54PM / Dan Strack / Question regarding a 15-year 100 MW wind power purchase agreement. / Completed 4/14/21. The Vice President of Markets responded via email.

4/22/21, 1:25PM / John Hall / Fees and rates for members with solar. / As of 4/22/21, the Vice President of Markets is coordinating a date and time to have a Webex with Mr. Hall.

4/23/2021, 12:23AM / Paul Watson, Climate Impact Capital / Comment on rooftop solar solution. / Completed 4/28/21. The Vice President of Markets responded via email.

Mr. Dave Hindman was present and remarked on rate increases. President Pataki thanked Mr. Hindman.

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Action Items / Other Items

7. [2021-154](#) **Presentation of 2020 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)**
- Director Graf introduced Ms. Kacey Gast. Ms. Gast discussed the 2020 Financial Audit results and said that PEC received a clean opinion. Director Ekrut inquired how many entities the company audits. Ms. Gast stated they audit about 80 electric entities. Director Oakley said it was a very professional presentation. Director Rister asked Ms. Gast to repeat that there were no findings. Ms. Gast confirmed there were no findings. President Pataki thanked Ms. Gast. The Board decided to move forward and vote on resolution 2021-153 Resolution - Acceptance of 2020 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) in Open Session. Director Oakley made a motion to approve the resolution. Director Graf seconded the motion.
19. [2021-153](#) **Resolution - Acceptance of 2020 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)**
- Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Board of Directors hereby receives, accepts and approves the draft Independent Auditor's Report and Financial Statements for the fiscal year ending December 31, 2020, as the Independent Auditor's Report and Financial Statements ("Financial Statements"); and
- BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Chief Financial Officer, or designee, is authorized to publish the Financial Statements as the official Financial Statements of the Cooperative for fiscal year ending December 31, 2020.
- Attachments:** [Signature Report 2021-151 - AC Recommendation.pdf](#)
- This item was approved during the open session part of the meeting.
- A motion was made by Director Oakley, seconded by Director Graf, that this item be approved. The motion carried by the following vote:**
- Yes:** 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers
8. [2021-191](#) **Qualifications and Elections Committee (QEC) Recommendation of Qualified Candidates - QEC Representative**
- Attachments:** [QEC 2021 Recommendation – SIGNED AND FINAL](#)
- Ms. Peggy Jones, Qualifications and Elections Committee (QEC) representative presented, the QEC's recommendation, as attached, for the QEC's recommendation for the slate of Board Director Candidates to approve the slate of qualified candidates. President Pataki thanked Ms. Jones.
9. [2021-181](#) **Resolution - Approval of Director Candidates for 2021 Pedernales Electric Cooperative Board of Director's Election Ballot - D Ballard**
- Body:** **WHEREAS**, the Pedernales Electric Cooperative's (the "Cooperative") Qualifications and Elections Committee met and verified the qualifications of

Director Nominees on March 31, 2021 and presented those certified Nominees to the Board of Directors of the Cooperative on this day;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the following individuals are Qualified Candidates and are approved for inclusion on the 2021 election ballot in the order previously determined by random drawing of the Nominees:

**District 1:**

Anthony Hurley  
Milton Rister

**District 6:**

Doug Faseler  
Dave Hindman  
Paul Graf

**District 7:**

Amy Lee SJ Akers  
Andrew Wilson

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

Mr. Don Ballard, General Counsel asked the Board to accept the recommendation from the Qualifications and Elections Committee (QEC) and for the Board to approve the qualified candidates for the slate and the ballot.

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

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

**10. [2021-165](#) Resolution - Approval and Certification of 2021 Election Ballot - D Ballard**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the 2021 Election Ballots are approved and certified as presented this day, including the Qualified Candidates for Director Election in their respective Director Districts; and

**BE IT FURTHER RESOLVED** that the Board approves the following Non-Director Election item to be included on the 2021 Election Ballots:

**Member's Option to voluntarily participate in the Power of Change program**

*Please mark the box if you wish to participate:*

*Yes, I want to enroll in the PEC Power of Change and round up my electric bill for all accounts to the nearest whole dollar to support local nonprofit organizations and the educational support program. Participation is voluntary, and I can withdraw at any time. Learn more at [www.pec.coop/powerofchange](http://www.pec.coop/powerofchange).*

**BE IT FURTHER RESOLVED** that the General Counsel is directed to take all necessary actions to implement this resolution and prepare the 2021 Election Ballots with the Election Services Provider.

**Attachments:** [2021 Annual Director Election - Ballot Order](#)

Mr. Don Ballard, General Counsel said before the election, we ask for approval from the Board for the ballot, which contains all of the qualified candidates the Board approved. He said we will add an item attached to the ballot for members with an opportunity to opt-in to the Power of Change program. Mr. Ballard said the language is in the resolution and asked the Board's approval of the ballots. Director Oakley asked if there is a description of what the Power of Change program is. Mr. Ballard said as part of the candidate bio booklet, there is a page outlining the Power of Change program.

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

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

**11. [2021-166](#) Resolution - Approval of 2021 Annual Meeting Agenda - S Romero**

**Body:** **BE IT RESOLVED BY THE BOARD** that the Board approves the agenda for the 2021 Annual Meeting as submitted to and discussed by the Board at its regular meeting for April 2021, 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:** [2021 Annual Meeting Agenda - Draft v5](#)

Ms. Sylvia Romero, Governance Manager discussed the resolution and indicated the resolution is unchanged from the draft that the Board reviewed in March.

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

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

**12. [2021-162](#) Resolution - Approval to Amend Tariff and Business Rules - Interconnected Generation - N Mack/D Thompson**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that no changes be made at this time to the interconnect rates, and further direct staff to hold at least three virtual town hall meetings with members for member input from now until the July Board meeting, and to further research other possible changes to ensure an equitable and sustainable rate, and that a final proposal be presented at the July 2021 Board meeting to be effective January 1, 2022 upon approval, 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:** [2021-04-23 Approval to Amend Tariff and Business Rules - Interconnect Rate - N Mack D Thompson](#)  
[2021-04-23 COSS Interconnect Rate 1898&Co. - Information purposes](#)  
[2021-04-23 Interconnect Rate Changes Billing Details Information purposes](#)  
[2021-03-26 Tariff and Business Rules - Interconnect Rate Revision \(Clean\)](#)  
[2021-03-26 Tariff and Business Rules - Interconnect Rate Revision \(Redline\)](#)

President Pataki said that there were questions from members on the topic, and asked Ms. Natalia Mack, Rates Manager to lay-out the timeline explaining how we got here from the previous vote, not long ago. Ms. Mack said in November and December of 2020, a resolution was provided including changes to this rate, and approved at the beginning of 2021. Ms. Mack said it allowed time to ensure the changes are in the Tariff and members had access to the changes. She continued, stating that, last month she provided a draft resolution, modifying enhancements to some of the rate components. As a result, she is asking for Board approval of the resolution for these changes that will be effective January 2022. President Pataki asked Ms. Mack to provide illumination as to why the amendments were made. Ms. Mack said the rate policy has design rate objectives that must be met: rates are equitable; rates send accurate price signals; ensuring adequate cost recovery; rates are stable. She said, under these objectives, we do a Cost of Service Study every three years. Since 2016, when we designed the net metering rate, we have performed two Cost of Service Studies. Both of the Cost of Service Studies identified three issues with the existing Distributive Generation (DG) net metering rate. Issue #1 - it is not recovering the full cost to serve; Issue #2 - it is not equitable, as members who do not have DG are covering some of the under-recovery cost; Issue #3 - it does not provide adequate price signals. When we determined to correct this rate and to modify it, we created a rate design that will ensure we meet all the objectives of the rate policy. Ms. Mack stated members mentioned the peak demand charge window was too short and could penalize for load spikes. She said instead of 15-minutes, it is modified to an hourly demand measured during peak, and super-peak time periods, which aligns with other charges. She said additional documentation concerning the Cost of Service Study results are provided on our website, in addition to an excel worksheet for usage demand. A calculator will allow members to upload 12 months of usage. She said we will hold a WebEx member forum later in May providing members the opportunity to ask questions. She said because this rate is intended to recover costs that are under-recovered, there may be a slight rate increase. Director Ekrut inquired if the cost is significant enough that it could change a member's decision to implement solar. She said on average, the estimated impact is 10%, but, it is before a member responds to price signals. She said members have consistently asked that we compensate them the true value of their surplus energy.

The Board had a lengthy discussion on the interconnect rates, the application fees, Director Akers stated the importance of all members sharing equally in the

benefits, as well as, the costs of the Co-op. She asked several questions pertaining to residential solar costs, usage, peak demand charges, and over/under-collecting costs. Ms. Mack and Mr. Thompson provided answers to Director Akers' questions. Director Akers concern is the assumption that solar members know/understand their systems, and there is limited member outreach on the new proposal. She said for these reasons she moved to make no changes at this time to the interconnection rate, delay the already approved changes for another six months, to July of 2022, and further direct staff to hold at least three virtual town halls with members from now until this year's July Board meeting. She also asked for further research other possible changes, or improvements that will make the final interconnect rate sustainable long-term, and that it is fully communicated for member input, and that we bring this back for a final proposal after the July's Board meeting. Director Oakley seconded motion for discussion. He inquired if the motion passes, what impacts are forecasted. Director Akers indicated part of her motion is to delay the changes further until July of 2022.

President Pataki said she prefers to stay on track and not to push back the time table of implementation. Directors Rister and Oakley expressed concerns that one group of members is subsidizing other members. Director Cox said he agreed with Director Akers to delay. Director Ekrut said he also agreed to delay. Director Oakley asked Ms. Julie Parsley, Chief Executive Officer (CEO) for her opinion. CEO Parsley said it is the Board's decision and the rates are intended purposely to be neutral because they are changing the rates from subsidization to cost recovery. She said if delaying is what the Board wants to do, we can work with that. Ms. Parsley said the team has reached out to members, and we have a separate web page for tariff changes. Director Akers said the purpose is to provide additional member input and engagement, and, ideally a final proposal would be brought back in July, that would be effective January 1, 2022. President Pataki asked if the Board could hold this topic and to take a break, while Director Akers writes the amended resolution to consider. President Pataki said, without objection, the Board will postpone this matter until later in the agenda. President Pataki thanked the staff and team for the information.

Upon returning from a short recess at 10:41 a.m., President Pataki said Director Akers would read the revision to the motion previously presented for Item 12 - 2021-162 Resolution to Amend Tariff and Business Rules - Interconnected Generation. Director Akers read the motion as: Motion to make no changes at this time to the interconnect rates, and to further delay the already approved changes to the interconnect rate another six months to July 2022, and further to direct staff to hold at least three virtual town hall meetings with members for member input from now until the July Board meeting, and to further research other possible changes to ensure an equitable and sustainable rate, and that we bring back a final proposal at this July's Board meeting to be effective January 1, 2022 upon approval. Director Oakley seconded the motion. President Pataki suggested that it would be cleaner to say, we will direct staff to have the town hall meetings and set a time certain that we will come back to vote on this new change. Director Akers stated she could accept that amendment. Director Oakley seconded the amendment.

Director Akers then, re-read the amended motion as:



Motion to make no changes at this time to the interconnect rates, and further to direct staff to hold at least three virtual town hall meetings with members for member input from now until the July 2021 Board meeting, and to further research other possible changes to ensure an equitable and sustainable rate, and that we bring back a final proposal at this July's Board meeting to be effective January 1, 2022 upon approval.

President Pataki commended Director Akers stating it is well worth it to get it right for the members. Director Rister stated he supports Director Akers motion, and added that he does not want one group subsidizing another group, and it does not hurt to wait three months. Director Graf said he liked the idea of getting more member input. President Pataki said the website will be updated to correct the information to make sure the information is accurate. Mr. David Thompson, Vice President of Markets confirmed the information will be changed.

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

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

**13. [2021-163](#) Resolution - Approval of 2021 Cooperative Response Center (CRC)  
Voting Delegates - T Nance**

**Body:**

**RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE,** that the following persons are appointed and designated as authorized representatives of the Cooperative to serve as a voting delegate and alternate delegate to act at meetings of the 2021 Cooperative Response Center (CRC), or until successors are duly appointed and designated: voting delegate Amy SJ Akers, and alternate voting delegate Eddie Dauterive.

**Attachments:** [CRC Request for Voting Delegate 2021-01-29](#)  
[2021 CRC Voting Delegate Form 2021-03-26 signed.pdf](#)

Mr. Tim Nance, Vice President of Member Relations presented the resolution and asked the Board for approval. The Board agreed that Director Amy Akers will serve as the voting delegate and Mr. Eddie Dauterive, Chief Operations Officer will serve as the alternate voting delegate.

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

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

**14. [2021-167](#) 2021 Election Timeline Update - S Romero (Written Report in Materials)**

**Attachments:** [2021 Election - Important Dates and Info.pdf](#)  
[2021 Election Timeline-REVISED 03-26-2021-FINAL - 2021-04 BOD MTG](#)

President Pataki stated the 2021 Election Timeline is provided as information.

**Proposed Future Items / Meetings (subject to final posting)****15.     [2021-168](#)     List of Board Approved Future Meetings**

**Attachments:**   [Approved 2021 Board Meeting Calendar.pdf](#)

President Pataki said the list of Proposed Future Items is provided as information, and there are no changes to the future meetings.

**16.     [2021-169](#)     Board Planning Calendar (Written Report in Materials)**

**Attachments:**   [3-Month Outlook Planning Calendar.pdf](#)  
                      [PEC Annual Planning Calendar.pdf](#)

President Pataki said the Board Planning Calendar is provided for informational purposes. The Board took a break from 10:29 a.m. to 10:41 a.m.

**Recess to Executive Session**

President Emily Pataki announced the items to be discussed in Executive Session and at 10:48 a.m. stated the Board would go into Executive Session.

**Executive Session - Legal Matters****17.     [2021-170](#)     Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services****18.     [2021-171](#)     Litigation and Related Legal Matters - D Ballard****[2021-153](#)     Resolution - Acceptance of 2020 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)**

**Attachments:**   [Signature Report 2021-151 - AC Recommendation.pdf](#)

**[2021-208](#)     Resolution - Acceptance of the Selection of Independent Auditor and Tax Services**

**Attachments:**   [Signature Report 2021-152 - Auditor Recommendation.pdf](#)

**21.     [2021-172](#)     Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - D Ballard****22.     [2021-173](#)     Resolution - Approval of Delegation of Authority to Chief Executive Officer to Implement Measures in Response to COVID-19 - J Parsley****23.     [2021-193](#)     Review of Operations, Financials, and Market Conditions on Extreme Cold Weather Event February 2021 - D Ballard**

- 24. [2021-180](#) Discussion of PEC's Municipal Franchise Agreements - D Ballard
- 25. [2021-174](#) Legislative Update - M Viesca/S Johnson
- 26. [2021-189](#) Enterprise Risk Management (ERM) Quarterly Update - B Headrick
- 27. [2021-190](#) Ethics and Compliance Quarterly Update - M Beyer

**Executive Session - Contract and Competitive Matters**

- 28. [2021-182](#) Draft Resolution - Determination and Approval of Necessity and Public Use for Acquisition of Supplemental Easement Rights for the Marshall Ford to Flat Rock to Paleface Transmission Line Rebuild and Upgrade; and Authorization of the Cooperative to Use Eminent Domain to Acquire Supplemental Easement Rights for the Marshall Ford to Flat Rock to Paleface Transmission Line Rebuild and Upgrade - B Gedrich
- 29. [2021-195](#) Report on Property and Liability Insurance Policies - B Headrick
- 30. [2021-175](#) Markets Monthly Report - D Thompson
- 31. [2021-176](#) Control Centers and Facilities Update - J Parsley / C Moos

**Executive Session - Real Estate Matters**

- [2021-177](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive / C Moos
- 33. [2021-178](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - E Dauterive / C Moos

**Executive Session - Safety and Security Matters**

- 34. [2021-179](#) Safety and Security Matters
- 35. [2021-183](#) Cyber Security Update

**Executive Session - Personnel Matters**

- 36. [2021-185](#) Personnel Matters
- 37. [2021-194](#) CEO Action Plan Quarterly Update - J Parsley

**Reconvene to Open Session**

At 2:10 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.

**20.     [2021-208](#)     Resolution - Acceptance of the Selection of Independent Auditor and Tax Services**

**Body:** NOW, THEREFORE, BE IT RESOLVED BY THE PEC BOARD OF DIRECTORS ("Board"), that the Board of Directors hereby accepts and approves the selection and retain Bolinger, Segars, Gilbert & Moss, L.L.P. as the Cooperative's independent auditor and tax professional for the fiscal year 2021 audit;

**BE IT FURTHER RESOLVED** that the audit partner of the current audit firm selected serve for up to a five (5) year term, and

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

**Attachments:** [Signature Report 2021-152 - Auditor Recommendation.pdf](#)

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

**Yes:** 6 - Rister, Pataki, Ekrut, Oakley, Graf, and Akers

**Absent:** 1 - Cox

**32.     [2021-177](#)     Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - E Dauterive / C Moos**

**2021-244     Resolution - Approval of Purchase of Land in Kimble County - E Dauterive**

**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 satisfaction of any 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 Vice President Akers, seconded by Director Oakley, that this item be approved. The motion carried by the following vote:**

**Yes:** 6 - Rister, Pataki, Ekrut, Oakley, Graf, and Akers

**Absent:** 1 - Cox

### Adjournment

There being no further business to come before the Board of the Directors, the meeting was adjourned at 2:11 p.m.

Approved:

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

\_\_\_\_\_  
Emily Pataki, President