



**Meeting Minutes - Final**

**Board of Directors**

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Friday, March 15, 2019

9:00 AM

PEC Liberty Hill Office  
10625 West Hwy 29, Liberty Hill, TX.

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Open Session of this Regular Meeting was held in the PEC Liberty Hill Office and was video recorded in accordance with Board Meetings Policy.

**Call to Order and Roll Call**

This meeting was called to order at 9:06 am on March 15, 2019 at the PEC Liberty Hill Office, 10625 West Hwy 29, Liberty Hill, Texas. President Paul Graf shared facts regarding Liberty Hill, recognized a feature story on PEC lineworker Kaitlyn Vaillancourt, and thanked staff for the meeting preparations.

**Present:** 7 - Director Milton Rister, Director Randy Klaus, Director Emily Pataki, Director Jim Powers, 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. [2019-068](#) **Friday, February 1, 2019 - Special Meeting Minutes**

**Attachments:** [2019-02-01 Special Minutes - draft2](#)

Consent item approved.

2. [2019-078](#) **Friday, February 22, 2019 - Regular Meeting Minutes**

**Attachments:** [2019-02-22 Regular Minutes - draft5](#)

Consent item approved.

**Cooperative Monthly Reports**

**3. [2019-079](#) Cooperative Update - J Parsley**

**Attachments:** [2019-03-15 Cooperative Update-FINAL](#)

CEO Julie Parsley reviewed the Cooperative Update PowerPoint presentation. Regional Operations Manager Troy Whitehead presented the Liberty Hill District statistical information.

**4. [2019-080](#) Financial Services Report 2019 Year to Date - J Davis**

**Attachments:** [2019-03-15 - January & February 2019 Financial Statements to the Board](#)  
[2019-03-15 - January & February 2019 Financial Report to the Board](#)

CFO John Davis reviewed the Financial Services Report PowerPoint presentation. Staff answered questions regarding the promotion of renewable energy rider rate options for members, the increase in system losses, and the variation in system use.

**5. [2019-081](#) Operations Report (written report in materials)**

**Attachments:** [2019-3-15 Operations Report FINAL](#)

COO Eddie Dauterive recognized the employee's care of facilities and equipment, and highlighted the system growth as shown in the Operations Report included in the materials. Mr. Dauterive stated staff was working on the safety program and would report on the future direction of this program in May.

**Member Comments (3 minute limitation or as otherwise directed by Board)****6. [2019-082](#) Member Comments**

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

There were no members wanting to address the Board.

**Action Items / Other Items**

7. [2019-096](#) **Draft Resolution - Approval of 2019 Cooperative Response Center (CRC) Voting Delegates - T Nance**

**Body:**

**RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE,** that the following persons are hereby appointed and designated as authorized representatives of the Cooperative to serve as a voting delegate and alternate delegate to act at meetings of the 2019 Cooperative Response Center (CRC), or until successors are duly appointed and designated: voting delegate \_\_\_\_\_ and alternate delegate \_\_\_\_\_.

**Attachments:** [2019-03-15 Cooperative Response Center 2019 Voting Delegates Registration Form](#)

VP of Member Relations Tim Nance reviewed the draft resolution for approval of 2019 Cooperative Response Center Voting delegates. This item would be considered at the next meeting.

8. [2019-099](#) **Draft Resolution - Approval of 2019 Annual Meeting Agenda - S Romero**

**Body:** **BE IT RESOLVED BY THE BOARD** that the Board approves the agenda for the 2019 Annual Meeting as submitted to and discussed by the Board at its regular meeting for April 2019, 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:** [2019-03-15 Annual Meeting Agenda - DRAFT v2](#)  
[2018-04-16 Board Approved - Annual Meeting Agenda - FINAL](#)

Governance and Policy Manager Sylvia Romero reviewed the draft resolution for approval of the 2019 Annual Meeting agenda. This item would be considered at the next meeting.

9. [2019-060](#) **Community Relations Update - C Tinsley Porter**

**Attachments:** [2019-03-15 Community Relations Update](#)

Community Relations Coordinator Caroline Tinsley Porter reviewed the Community Relations Update PowerPoint presentation.

10. [2019-083](#) **2019 Election Timeline Update (written report in materials)**

**Attachments:** [2019 Election Timeline - Board Approved - Highlighted March Package 2019-03-05](#)

President Paul Graf stated that the 2019 Election Timeline Update was included in the meeting materials.

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**Proposed Future Items / Meetings (subject to final posting)**
**11. [2019-100](#) Resolution - Approval to Reschedule Future 2019 Regular Board Meetings - D Ballard**

**Body:** **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the 2019 Regular Board Meetings of the Pedernales Electric Cooperative, Inc. (PEC) Board of Directors are rescheduled as shown in the schedule below; and

<b>Current Dates</b>	<b>Proposed Dates</b>	<b>Location</b>
Monday, April 15	Friday, April 12	Cedar Park Office
Monday, May 20	Friday, May 17	Johnson City HQ Auditorium
Monday, June 17	Saturday, June 22	Horseshoe Bay Resort
Monday, July 15	Friday, July 19	Johnson City HQ Auditorium
Monday, August 19	Friday, August 16	Johnson City HQ Auditorium
Monday, September 16	Friday, September 13	Coke Stevenson Center, Junction
Monday, October 21	Friday, October 25	Bertram Office
Monday, November 18	Friday, November 22	Johnson City HQ Auditorium
Monday, December 16	Friday, December 13	Johnson City HQ Auditorium

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

**Attachments:** [2019 Board Meetings - Fridays](#)

General Counsel Don Ballard reviewed the resolution to reschedule remaining 2019 Board Meeting dates.

**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 - Rister, Klaus, Pataki, Powers, Oakley, Akers, and Graf

**12. [2019-084](#) List of Proposed Future Meetings**

**Attachments:** [2019-03-01 Proposed Future Meetings - v1](#)

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

**13. [2019-085](#) Board Planning Calendar (written report in materials)**

**Attachments:** [2019-03-18 Board Planning Calendar v2](#)

President Paul Graf stated that the proposed Board Meeting Planning Calendar was included in the meeting materials.

**Recess to Executive Session**

President Paul Graf announced the items to be discussed in Executive Session and at 9:47 am stated the Board would go into Executive Session.

**Executive Session - Legal Matters**

- 14. [2019-086](#)      **Litigation and Related Legal Matters**
- 15. [2019-087](#)      **Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**
- 16. [2019-076](#)      **Legislative Update - G Carter-Thomas**

**Executive Session - Contract and Competitive Matters**

- 17. [2019-089](#)      **Resolution - Approval for Authority for Power Purchase Agreement (PPA) for IPPG - D Thompson - Confidential Terms**

**Body:** **THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative authorizes the Chief Executive Officer, or designee, be, and hereby is, authorized as a duly authorized officer or agent of the Cooperative, to negotiate execute and deliver, such agreements, confirmations or certificates necessary or appropriate to acquire electric capacity, energy and other related products as discussed by the Board during Executive Session of this meeting, and subject to the conditions as discussed by the Board during Executive Session of this meeting, and to deliver such notices as may be required by any wholesale power agreement of the Cooperative; and

**BE IT FURTHER RESOLVED**, that the Secretary of the Board is, authorized as a duly authorized officer of the Cooperative, for and in the name and on behalf of the Cooperative, to execute, acknowledge as appropriate, and deliver any officer's certificates in such officer's reasonable discretion as necessary, appropriate, or desirable.

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer, or their 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 their designee, deems necessary or desirable to effectuate the purposes of this resolution.

- 18. [2019-098](#)      **Draft Resolution - Approval of Transfer Equipment with LCRA - B Gedrich**

19. [2019-043](#) Draft Resolution - Approval of Pole Attachment Rates and Fees - R Arellano

20. [2019-090](#) Markets Monthly Report - D Thompson

Executive Session - Real Estate Matters

21. [2019-091](#) Facilities and Real Estate Update - C Moos

Executive Session - Safety and Security Matters

22. [2019-092](#) Safety and Security Matters

23. [2019-097](#) Cyber Security Update - T Shaheed

Executive Session - Personnel Matters

24. [2019-093](#) Personnel Matters Update

Reconvene to Open Session at 2:14 pm

Items from Executive Session

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**BE IT FURTHER RESOLVED**, that the Secretary of the Board is, authorized as a duly authorized officer of the Cooperative, for and in the name and on behalf of the Cooperative, to execute, acknowledge as appropriate, and deliver any officer's certificates in such officer's reasonable discretion as necessary, appropriate, or desirable.

**BE IT FURTHER RESOLVED**, that the Chief Executive Officer, or their 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 their designee, deems necessary or desirable to effectuate the purposes of this resolution.

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

**Yes:** 6 - Rister, Klaus, Pataki, Powers, Oakley, and Graf

**Absent:** 1 - Akers

**Adjournment**

There being no further business to come before the Board of the Directors, the meeting was adjourned at 2:16 pm.

Approved:

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Emily Pataki, Secretary

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Paul Graf, President