



Meeting Minutes - Draft

Board of Directors

Friday, September 18, 2020

9:00 AM

PEC Headquarters Auditorium

201 S. Ave F, Johnson City, TX 78636

Open Session of this Regular Meeting is held in the PEC Auditorium and will be recorded in accordance with Board Meetings Policy. On March 16, 2020, PEC offices were closed to member and public interactions to address safety and health concerns and in compliance with federal, state, and local guidelines. Consequently, this Regular Meeting is not open to member attendance.

Members may provide comments by sending the input to PECBoard@peci.com. All Board meeting comments will be provided to all Board directors and listed in the minutes of the Meeting. Board meeting dates, agendas, and supporting materials are available online at <https://pec.legistar.com/>.

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

This meeting was called to order at 9:07 a.m. on September 23, 2020 at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. President Pataki made brief comments concerning the COVID-19 situation and welcomed the Board of Directors. All Board members were present.

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

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. [2020-224](#) Friday, August 21, 2020 - Regular Meeting Minutes

Attachments: [2020-08-21 OS Meeting Minutes draft v.3](#)

Cooperative Monthly Reports

2. [2020-252](#) Cooperative Update - J Parsley

Attachments: [2 - 2020-09-18 Cooperative Update FINAL](#)

Chief Executive Officer (CEO) Julie Parsley presented the Cooperative Update. She indicated the COVID-19 relief fund for members received more than \$80,000 in donations, of which \$11,000 was from employees. CEO Parsley mentioned the Masks for Members program stating that members and employees donated more than 2,350 masks. She discussed the 2020 system growth, the new member welcome website, the EmPOWER U Program, and Community Grants. She said that PEC is the community sponsor of local news station, KVUE's Friday Football Fever featuring a "Power Player of the Week," which focuses on students who shine on the field and in their communities. She shared that Austin Chamber of Commerce named PEC as a finalist in its Greater Austin Business Awards in the Community Relations category. CEO Parsley also mentioned the member and employee thank you messages.

3. [2020-253](#) **Financial Services Monthly Report - R Kruger**

Attachments: [2020-09-18 July 2020 Financial Report to the Board - R Kruger](#)
[2020-09-18 July 2020 Financial Statements - R Kruger](#)

Chief Financial Officer (CFO), Randy Kruger provided a financial update at a glance for the month of July 2020. CFO Kruger stated PEC had significant growth in accounts during the month of July. He said with respect to the financial impact of COVID-19, the numbers have not changed materially since last month.

4. [2020-288](#) **Operations Report - E Dauterive**

Attachments: [2020-09-18 Operations Report](#)

Chief Operations Officer (COO) Eddie Dauterive provided an Operations Report discussing safety matters, account growth, SAIDI reliability, collections activities, engineering projects, and vegetation management. Director Oakley inquired whether the defensive driving program could provide an insurance discount. COO Dauterive indicated he would look into the matter. Director Rister thanked the PEC employees who helped members during the recent power outages due to the recent rain storms.

5. [2020-317](#) **Information Technology Quarterly Report - L Parnell**

Attachments: [2020-09-18 Information Technology Quarterly Report](#)

Chief Information Officer (CIO) Lawanda Parnell presented the Information Technology Quarterly Report. CIO Parnell discussed efficient technology hubs, which are frequently requested items requested by employees now available in the district offices. She discussed key applications upgrades deployed, the help desk ticket origin of request, IT development request tracking, and the project upgrades and initiatives throughout the districts.

Member Comments - Members may provide comments by sending input to PECBoard@peci.com.

6. [2020-289](#) **Member Comments**

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

President Pataki indicated member comments were submitted ahead of time, and stated the Board received and read the comments. Director Oakley mentioned that the total member comments received by the Board and in Member Relations is 183.

Entry Date - Name - Topic - Status

1. - 9/1/2020 5:43PM - Sheri Overton - Broadband - Response sent on 9/02/2020.
- 2 - 9/1/2020 6:10PM - Joe & Lynn Williams - Broadband - Response sent on 9/02/2020.
- 3 - 9/1/2020 7:04PM - Roey Munoz - Broadband - Response sent on 9/02/2020.
- 4 - 9/1/2020 8:35PM - Mary Ann Overby - Broadband - Response sent on 9/02/2020.
- 5 - 9/1/2020 9:09PM - Sarah Jackson - Broadband - Response sent on 9/02/2020.
- 6 - 9/1/2020 9:14PM - Winifred Simon - Broadband - Response sent on 9/02/2020.
- 7 - 9/1/2020 10:13PM - Andrea Fehrle - Broadband - Response sent on 9/02/2020.
- 8 - 9/1/2020 10:47PM - Melinda Hager Tashnek - Broadband - Response sent on 9/02/2020.
- 9 - 9/2/2020 12:17AM - Sarah Bond - Broadband - Response sent on 9/02/2020.
- 10 - 9/2/2020 7:45AM - Douglas & Gail Howerton - Broadband - Response sent on 9/02/2020.
- 11 - 9/2/2020 7:56AM - Beth Ramey - Broadband - Response sent on 9/02/2020.
- 12 - 9/2/2020 9:03AM - Susan Metcalfe - Broadband - Response sent on 9/02/2020.
- 13 - 9/2/2020 9:11AM - Melodi Weinberg - Broadband - Response sent on 9/02/2020.
- 14 - 9/2/2020 9:55AM - Donovan Hatcher - Broadband - Response sent on 9/02/2020.
- 15 - 9/2/2020 10:19AM - Margie Lemons - Broadband - Response sent on 9/02/2020.
- 16 - 9/2/2020 10:50AM - Jonathan Hall - Broadband - Response sent on 9/02/2020.
- 17 - 9/2/2020 10:53AM - Arthur Valentine - Broadband - Response sent on 9/02/2020.
- 18 - 9/2/2020 10:57AM - Joseph Jaworski - Broadband - Response sent on 9/02/2020.
- 19 - 9/2/2020 11:07AM - Linda Wilkin - Broadband - Response sent on 9/02/2020.
- 20 - 9/2/2020 11:18AM - Eric Werner - Broadband - Response sent on 9/02/2020.
- 21 - 9/2/2020 11:24AM - Michael Richter - Broadband - Response sent on 9/02/2020.
- 22 - 9/2/2020 11:26AM - Michael Lewis - Broadband - Response sent on 9/02/2020.
- 23 - 9/2/2020 11:45AM - Jonathan DiLeo - Broadband - Response sent on 9/02/2020.

9/02/2020.
24 - 9/2/2020 11:51AM - Eric Debner - Broadband - Response sent on 9/02/2020.
25 - 9/2/2020 12:08PM - Roger Strother - Broadband - Response sent on 9/02/2020.
26 - 9/2/2020 12:18PM - Linda Thomas - Broadband - Response sent on 9/02/2020
27 - 9/2/2020 12:20PM - Sherry McGoffin - Broadband - Response sent on 9/02/2020.
28 - 9/2/2020 12:24PM - Ruth Bolson - Broadband - Response sent on 9/02/2020.
29 - 9/2/2020 12:36PM - Justine Smith - Broadband - Response sent on 9/02/2020.
30 - 9/2/2020 12:39PM - Romy Stevens - Broadband - Response sent on 9/02/2020.
31 - 9/2/2020 1:30PM - Bobbie Allen - Broadband - Response sent on 9/02/2020.
32 - 9/2/2020 1:35PM - Mick Vann - Broadband - Response sent on 9/02/2020.
33 - 9/2/2020 2:15PM - Stephanie Colelli - Broadband - Response sent on 9/02/2020.
34 - 9/2/2020 2:43PM - Becker, Cindy - Broadband - Response sent on 9/02/2020.
35 - 9/2/2020 2:45PM - Ohm, Alvin A. - Broadband - Response sent on 9/02/2020.
36 - 9/2/2020 2:49PM - Lisa Stevenson - Broadband - Response sent on 9/02/2020.
37 - 9/2/2020 2:52PM - Iris Campbell - Broadband - Response sent on 9/02/2020.
38 - 9/2/2020 2:57PM - Monica Newton - Broadband - Response sent on 9/02/2020.
39 - 9/2/2020 2:58PM - Janice McConnell - Broadband - Response sent on 9/02/2020.
40 - 9/2/2020 3:03PM - Jamie Pettit - Broadband - Response sent on 9/02/2020.
41 - 9/2/2020 3:22PM - Ronda Eckstein - Broadband - Response sent on 9/02/2020.
42 - 9/2/2020 3:29PM - Lori Olson - Broadband - Response sent on 9/02/2020.
43 - 9/2/2020 3:36PM - Lara Stonesifer - Broadband - Response sent on 9/02/2020.
44 - 9/2/2020 5:13PM - James Young - Broadband - Response sent on 9/02/2020.
45 - 9/2/2020 5:15PM - Linda Knowles - Broadband - Response sent on 9/03/2020.
46 - 9/2/2020 5:45PM - Rachel Wright - Broadband - Response sent on 9/03/2020.
47 - 9/2/2020 6:14PM - Susie and Don Cook - Broadband - Response sent on 9/03/2020.
48 - 9/2/2020 7:09PM - Scott Mozisek - Broadband - Response sent on 9/03/2020.
49 - 9/2/2020 7:33PM - Kristina Sandifer - Broadband - Response sent on 9/03/2020.

- 50 - 9/2/2020 7:55PM - Patricia Krov - Broadband - Response sent on 9/03/2020.
- 51 - 9/2/2020 8:25PM - Taylor Blomstrom - Broadband - Response sent on 9/03/2020.
- 52 - 9/2/2020 8:34PM - Joel Juarez - Broadband - Response sent on 9/03/2020.
- 53 - 9/2/2020 8:53PM - Suzanne Teshera - Broadband - Response sent on 9/03/2020.
- 54 - 9/2/2020 9:59PM - Denise Moon - Broadband - Response sent on 9/03/2020.
- 55 - 9/3/2020 7:55AM - Steve Overby - Broadband - Response sent on 9/03/2020.
- 56 - 9/3/2020 9:22AM - Jeanne Ann Thompson - Broadband - Response sent on 9/03/2020.
- 57 - 9/3/2020 9:52AM - Reggie Wilson - Broadband - Response sent on 9/04/2020.
- 58 - 9/3/2020 10:24AM - Bryan McKinney - Broadband - Response sent on 9/04/2020.
- 59 - 9/3/2020 11:43AM - Carrie Campbell - Broadband - Response sent on 9/04/2020.
- 60 - 9/3/2020 11:57AM - Leah Richter - Broadband - Response sent on 9/04/2020.
- 61 - 9/3/2020 1:43PM - Candy Spitzer - Broadband - Response sent on 9/04/2020.
- 62 - 9/3/2020 1:49PM - Dornak, Nick - Broadband - Response sent on 9/04/2020.
- 63 - 9/3/2020 3:01PM - Karen Heinrich - Broadband - Response sent on 9/04/2020.
- 64 - 9/3/2020 3:39PM - Karen Noecker - Broadband - Response sent on 9/04/2020.
- 65 - 9/3/2020 4:28PM - Albert Sander - Broadband - Response sent on 9/04/2020.
- 66 - 9/3/2020 5:43PM - Judy Nelson - Broadband - Response sent on 9/04/2020.
- 67 - 9/4/2020 9:42AM - Charles and Judy Wilder - Broadband - Response sent on 9/04/2020.
- 68 - 9/4/2020 10:12AM - Don Campbell - Broadband - Response sent on 9/04/2020.
- 69 - 9/4/2020 4:34PM - CENT - Broadband - Response sent on 9/08/2020.
- 70 - 9/5/2020 2:15PM - Dana Martin - Broadband - Response sent on 9/08/2020.
- 71 - 9/5/2020 2:25PM - Kathleen Vernon - Broadband - Response sent on 9/08/2020.
- 72 - 9/7/2020 3:48PM - Amelia Verdin - Broadband - Response sent on 9/08/2020.
- 73 - 9/8/2020 9:14AM - Ron Merrill - Broadband - Response sent on 9/08/2020.
- 74 - 9/8/2020 9:26AM - Evan Williams - Broadband - Response sent on 9/08/2020.
- 75 - 9/8/2020 12:33PM - Rikky (Richel) Rivers - Broadband - Response sent on 9/10/2020.
- 76 - 9/8/2020 3:09PM - Jeannine Merrill - Broadband - Response sent on

9/10/2020.

77 - 9/9/2020 10:08AM - Steve Parshall - Broadband - Response sent on 9/10/2020.

78 - 9/9/2020 7:03PM - Rogers, Anne - Broadband - Response sent on 9/10/2020.

79 - 9/10/2020 5:01PM - Neil Glaser - Broadband - Response sent on 9/10/2020.

80 - 9/12/2020 8:40AM - Kathi Thomas - Broadband - Response sent on 9/10/2020.

81 - 9/15/2020 11:04AM - Kathi Thomas - Broadband.

Not included: 102 additional Broadband comments received via the Member Relations email inbox.

Action Items / Other Items

7. [2020-290](#) **Resolution - Approval of Amendments to Tariff and Business Rules - Section 700 Appendices (Forms) - N Mack | D Thompson**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the Tariff and Business Rules Section 700 Appendices (Forms) as attached hereto, with such changes, if any, as were approved by the Board, to become effective upon Board approval, unless otherwise specified in the Tariff and Business Rules; 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: [2020-09-18 - Tariff Amendments for Section 700 Appendices \(Forms\) - N Mack D Thompson](#)
[2020-09-18 Tariff and Business Rules Forms - Clean v2](#)
[2020-09-18 Tariff and Business Rules Forms - Redline v2](#)

Natalia Mack, Rates Manager discussed the resolution and asked for Board approval.

A motion was made by Vice President Akers, 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. [2020-301](#) **Resolution - Approval of Contract Agreement Extension with VMWare - L Parnell**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the Board approve a five (5) year extension to the VMWare Enterprise License Agreement; 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.

CIO Parnell presented the resolution and asked the Board for approval.

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

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

9. [2020-300](#) **Resolution - Approval of Contract for 2021 Election Services Provider - S Romero**

Body:

BE IT RESOLVED BY THE BOARD OF DIRECTORS that the General Counsel, or designee, is authorized to negotiate and execute an additional one-year contract renewal with Survey & Ballot Systems for Election Services Provider on behalf of the Cooperative.

Governance Manager, Sylvia Romero presented the resolution and asked the Board for approval. Director Akers inquired about the financial impact of the resolution. Ms. Romero explained that the districts are staggered and sometimes there are two or three districts that come up for election. She said the highest cost is postage, which includes the annual meeting notice. She stated in 2020, there was an additional district up for election to fill a vacancy. Director Oakley inquired about members choosing to not receive a paper ballot as a cost savings. General Counsel Don Ballard said state law requires the annual meeting notice be sent by mail. He stated that we combine the annual meeting notice with the ballot as well. We will look into statutory changes that may be helpful.

A motion was made by Director Oakley, seconded by Secretary/Treasurer Rister, that this item be approved. The motion carried by the following vote:

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

10. [2020-291](#) **Resolution - Approval of Amendments to PEC Bylaws - R Fischer**

Body: **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approve these amendments to the Bylaws in the form attached with any modifications as were discussed and made this day 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: [2020-09-18 Bylaws Amendment - Proposed Eligibility Change - Redline v1](#)
[2020-09-18 Bylaws Amendment - Proposed Eligibility Change - Clean v1](#)

Board Counsel Ross Fischer presented the resolution, and asked the Board for approval. Director Akers summarized the changes.

A motion was made by Vice President Akers, seconded by Secretary/Treasurer Rister, that this item be approved. The motion carried by the following vote:

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

11. [2020-330](#) **Draft Resolution - Approval of 2020 Operational Expense Budget Amendment for Systems Vegetation Maintenance - R Arellano**

Attachments: [11 - 2020-09-18 Vegetation Mgmt - v2](#)

Richard Arellano, Vice President of Support Services presented the Vegetation

Management Program. President Pataki inquired about a proactive approach. Mr. Arellano discussed the cost drivers of the program and utilizing technology.

12. [2020-308](#)

Draft Resolution - Election Policy and Procedures Amendments - D Ballard

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that pursuant to the Election Policy and Procedures and its regular review of Board policies, the Board has reviewed and adopts the Election Policy and Procedures presented to and discussed by the Board this day, with any amendments, as were discussed and approved by the Board; and

BE IT FURTHER RESOLVED that the General Counsel, or designee, is authorized to take all such action as may be necessary to implement this resolution.

Attachments: [2020-09-18 Election Policy and Procedures - SAR Edits - Redline v2](#)
[2020-09-18 Election Policy and Procedures - SAR Edits - Clean v2](#)

General Counsel Don Ballard provided a summary of the draft amendments and indicated the resolution will be brought before the Board for approval next month. Director Rister asked whether candidates are required to go to PEC Headquarters to complete the candidate video. Mr. Ballard confirmed for quality and consistency of the videos, PEC manages the candidate videos at PEC Headquarters.

13. [2020-340](#)

Draft Resolution - Approval to Rescind and Incorporate External and Internal Communications Policy and Code of Ethics - D Ballard

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that by adopting a revised Directors' Code of Conduct, presented to and discussed by the Board this day, that incorporates the former Code of Ethics and the External and Internal Policy, the Board approves incorporating the Code of Ethics and the External and Internal Policy into the Directors' Code of Conduct; and

BE IT RESOLVED, that the Board rescinds the External and Internal Communications Policy and Code of Ethics; and

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

Attachments: [2020-09-18 Code of Ethics](#)
[2020-09-18 External and Internal Communications Policy](#)

General Counsel Don Ballard discussed rescinding the External and Internal Communications Policy, and the Code of Ethics Policy, which will be incorporated into the Directors' Code of Conduct Policy. Mr. Ballard stated the resolution will be brought before the Board for approval next month.

14. [2020-333](#)

Draft Resolution - Directors' Code of Conduct Policy - D Ballard

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 Directors' Code of Conduct, 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: [2020-09-18 Directors' Code of Conduct 08-27-2020 - ETeam Review - Draft v3 - Redline](#)
[2020-09-18 Directors' Code of Conduct 08-27-2020 - ETeam Review - Draft v3 - Clean](#)

General Counsel Don Ballard summarized the draft and said the resolution will be brought before the Board for approval next month.

15. [2020-331](#) Draft Resolution - Conflict of Interest Policy - D Ballard

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 Conflict of Interest 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: [2020-09-18 Conflict of Interest Policy 08-27-2020 - ETeam Review - Draft v3 - Redline](#)
[2020-09-18 Conflict of Interest Policy 08-27-2020 - ETeam Review - Draft v3 - Clean](#)

General Counsel Don Ballard summarized the draft changes, definitions, and level of responsibility and said the resolution will be brought before the Board for approval next month.

16. [2020-332](#) Draft Resolution - Decorum Policy - D Ballard

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 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: [2020-09-18 Decorum Policy Final \(Red-Line\) Draft](#)
[2020-09-18 Decorum Policy - 8-23-2020 ETeam Review - Draft - Clean](#)

General Counsel Don Ballard summarized the draft and stated that the resolution will be brought before the Board for approval next month.

17. [2020-334](#) Draft Resolution - Ethics and Compliance Reporting Policy - J Burns

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 Ethics

and Compliance Reporting 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: [2020-09-18 Ethics and Compliance Reporting Policy 8-23-2020 \(redline\) Draft](#)
[2020-09-18 Ethics and Compliance Reporting Policy \(clean\) Draft](#)

Ethics and Compliance Officer, Janet Burns presented a summary of the draft and stated the resolution will be brought before the board for approval next month.

18. [2020-306](#) **Draft Resolution - Approval to Establish 2021 Annual Meeting Date and Location - M Viesca**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the 2021 Annual Membership Meeting of the Pedernales Electric Cooperative, Inc. ("PEC") be held within the PEC service territory at the Cooperative's E. Babe Smith Headquarters in Johnson City, Texas, on Friday, June 18, 2021; and

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

Executive Vice President (EVP) Mike Viesca recommended the 2021 Annual Membership Meeting be held as a business meeting, prior to the Regular Board of Directors Meeting on Friday, June 18, 2021 at PEC Headquarters. Mr. Viesca stated the plan is to have separate events among the members in the districts for participation and engagement with the Board. Director Ekrut agreed with the recommendation. Mr. Viesca stated that he would bring the resolution before the board for approval in October.

[2020-318](#) **Resolution - Approval of Directive for Delegates Regarding Upcoming NRECA Regional Meeting - M Viesca**

Attachments: [National Resolutions Committee Report and 2020 Compendium of Proposed Resolutions](#)

Mr. Viesca presented this item to the Board. The item was moved for discussion in Executive Session, and voted upon in Items from Executive Session.

Proposed Future Items / Meetings (subject to final posting)

20. [2020-329](#) **Resolution - Approval of Proposed Future Meetings**

Attachments: [Proposed 2020 Board Meeting Calendar 091820](#)

President Pataki affirmed the meetings discussed last month to include the regular board meetings later in the year. General Counsel Don Ballard indicated that the resolution would be amended to include the October 23, 2020 workshop and asked the Board to consent to the amended resolution. President Pataki

confirmed the amended resolution includes the dates of the regular board meetings later in the year, and also the October 23, 2020 Workshop Session.

A motion was made by Secretary/Treasurer Rister, seconded by Vice President Akers, that this item be approved. The motion carried by the following vote:

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

21. [2020-293](#) Board Planning Calendar (Written Report in Materials)

Attachments: [2020-09-18 Board Planning Calendar v2](#)

President Pataki said the board planning calendar is a list of items planned for discussion at Board meetings throughout the year.

Recess to Executive Session

President Emily Pataki announced the items to be discussed in Executive Session and at 10:24 a.m. stated the Board would go into Executive Session.

Executive Session - Legal Matters

22. [2020-294](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services

Executive Session - Personnel Matters

23. [2020-295](#) Personnel Matters

Executive Session - Legal Matters

24. [2020-296](#) Litigation and Related Legal Matters - D Ballard

[2020-319](#) Resolution - Approval of Authorization for Settlement of Litigation Matter(s) - D Ballard

[2020-297](#) Resolution - Approval of Delegation of Authority to Chief Executive Officer to Implement Measures in Response to COVID-19 - J Parsley

27. [2020-326](#) Directors' Conflict of Interest Training and Directors' Code of Conduct Training - R Fischer

Executive Session - Contract and Competitive Matters

[2020-298](#) Resolution - Approval of Filing of Interim Transmission Cost of Service with Public Utility Commission of Texas - B Headrick / A Hagen

[2020-302](#) Resolution - Approval of Fleet Vehicles and Computer Equipment and Software Leasing Agreement - R Kruger

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- [2020-303](#) Resolution - Approval of 2021 Power Supply Plan and 2021 Power Supply Plan Delegation of Authority - D Thompson/L Cunningham
- [2020-342](#) Resolution - Approval of Activities to Consider Broadband Business Opportunities - M Rister
32. [2020-341](#) Discussion of Business Opportunity
33. [2020-328](#) Draft Resolution - Approval of Contract Agreement Extension with Citrix - L Parnell
34. [2020-339](#) Draft Resolution - Approval of Contract Modification for Guadalupe Valley Communications Systems (GVCS) for Communication Services - L Parnell
35. [2020-321](#) Draft Resolution - Approval of Authorization for Financing Programs - R Kruger
36. [2020-304](#) Markets Monthly Report - D Thompson

Executive Session - Real Estate Matters

37. [2020-312](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - R Arellano
38. [2020-313](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - R Arellano
39. [2020-314](#) Real Estate Update - R Arellano

Executive Session - Safety and Security Matters

40. [2020-316](#) Safety and Security Matters
41. [2020-327](#) Update on Security Assessment - C Moos

Reconvene to Open Session

At 3:19 p.m., the Board reconvened to the open session meeting.

Items from Executive Session

19. [2020-318](#) Resolution - Approval of Directive for Delegates Regarding Upcoming NRECA Regional Meeting - M Viesca
- Body:** RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that PEC's voting delegate and alternate voting delegate follow the Board's directive regarding the proposed NRECA resolutions as discussed by the Board this day; and
- BE IT FURTHER RESOLVED** that the Chief Executive Officer, or designee, is

authorized to take all such actions necessary to implement this resolution

Attachments: [National Resolutions Committee Report and 2020 Compendium of Proposed Resolutions](#)

Executive Vice President (EVP) Mike Viesca discussed the resolution for the NRECA Regional Meeting. Director Akers mentioned that the NRECA changed the group of consent items to approve adoption, and to not approve adoption. She provided a summary of the changes. The Board agreed to discuss the matter in Executive Session and would bring the matter up for vote in Items after Executive Session legal advice.

A motion was made by Director 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

25. [2020-319](#) **Resolution - Approval of Authorization for Settlement of Litigation Matter(s)**

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 Chief Executive Officer, 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 Ekrut, that this item be approved. The motion carried by the following vote:

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

26. [2020-297](#) **Resolution - Approval of Delegation of Authority to Chief Executive Officer to Implement Measures in Response to COVID-19 - J Parsley**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative delegates authority to the CEO to resume energy efficiency programs and reallocate such described unclaimed property funds, subject to consideration of the financial health of the Cooperative; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that all actions taken prior to the effective date of this resolution are confirmed and approved; and

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

A motion was made by Secretary/Treasurer Rister, 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

- 28. [2020-298](#) **Resolution - Approval of Filing of Interim Transmission Cost of Service with Public Utility Commission of Texas - B Headrick / A Hagen****
- Body:** **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative file an interim transmission cost of service rate filing pursuant to Rule 25.192(h) at the Public Utility Commission of Texas as discussed in Executive Session; and
- BE IT FURTHER RESOLVED**, that the Chief Executive Officer or designee is hereby authorized to take such actions as needed to implement this resolution.
- A motion was made by Director Graf, seconded by Secretary/Treasurer Rister, that this item be approved. The motion carried by the following vote:**

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

- 29. [2020-302](#) **Resolution - Approval of Fleet Vehicles, Computer Equipment and Software Leasing Agreement - R Kruger****
- Body:** **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**: that the Cooperative obtain the lease financing facility from FAEF t, subject to approval of the final terms of such document by one or more Authorized Officers;
- BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Cooperative enter into the Master Lease Agreement and Equipment Schedule(s) as appropriate to evidence and secure the obligations of the Cooperative with respect to the facility subject to the approval of the final terms of such documents by one or more Authorized Officers;
- BE IT FURTHER RESOLVED**, that the amount outstanding at any time under the Leasing Documents shall not exceed \$10,000,000;
- BE IT FURTHER RESOLVED**, that the approval of the final terms of the Master Lease Agreement, the Equipment Schedules, and the certificates, orders and other documents to be delivered in connection therewith (collectively, the "Leasing Documents") by any Authorized Officer shall be evidenced by the execution and delivery thereof by any such Authorized Officer;
- BE IT FURTHER RESOLVED**, that the President and Vice President of the Board and the Chief Executive Officer and Chief Financial Officer of the Cooperative as applicable (each an "Authorized Officer") are hereby each authorized (acting together or alone) in the name of and on behalf of the Cooperative to execute and deliver the Leasing Documents, and the Secretary of the Board is hereby authorized to attest and to affix the Cooperative's seal thereto, if required;
- BE IT FURTHER RESOLVED**, that any of the Authorized Officers are hereby expressly authorized, empowered and directed from time to time to do and perform all acts and things and to execute, acknowledge and deliver, in the

name and on behalf of the Cooperative all such documents, certificates, financing statements, instruments, and notices concerning the financing (including, without limitation, those required or permitted to be given in connection with the Leasing Documents) and other documents, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of these Resolutions and of the Leasing Documents, and to perform the obligations of the Cooperative under all instruments executed in connection with the Leasing Documents, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such document;

BE IT FURTHER RESOLVED, that any of the Authorized Officers are hereby expressly authorized and empowered from time to time to approve, execute and deliver on behalf of the Cooperative any amendments to the Leasing Documents as such officer may determine to be necessary or desirable to, and in the best interests of, the Cooperative, such determination to be conclusively evidenced by the execution of any such amendment;

BE IT FURTHER RESOLVED, that the execution by any of the Authorized Officers of any document authorized by the foregoing Resolutions or any document executed in the accomplishment of any action or actions so authorized, is (or shall become upon delivery) the enforceable and binding act and obligation of the Cooperative, without the necessity of the signature or attestation of any other officer of the Cooperative or the affixing of the corporate seal; and

BE IT FURTHER RESOLVED, that all actions undertaken prior to the adoption of these Resolutions by any of the officers or representatives of the Cooperative in its name in connection with the foregoing matters are hereby ratified, confirmed and adopted by the Board.

These Resolutions shall be effective on and from the date of their adoption, passage, and approval.

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

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

30. [2020-303](#) **Resolution - Approval of 2021 Power Supply Plan and 2021 Power Supply Plan Delegation of Authority - D Thompson**

Body: NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC. that the Cooperative authorizes the Chief Executive Officer, or designee, to deliver such notices as may be required by any wholesale power agreement, and to negotiate, execute, and deliver such agreements, notices, confirmations or certificates necessary or appropriate to acquire the electric capacity, energy or other products related thereto, or sell or transfer credits, as described in the 2021 Power Supply Plan as discussed by the Board during Executive Session of this meeting, subject to the terms and conditions of the 2021 Power Supply Plan Delegation of Authority as discussed by the Board during Executive Session; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer, or 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 designee, deems necessary 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: 7 - Rister, Pataki, Ekrut, Cox, Oakley, Graf, and Akers

31. [2020-342](#) Resolution - Approval of Activities to Consider Broadband Business Opportunities - M Rister

Body:

WHEREAS, the Board of Directors of PEC, regularly reviews strategies and data regarding members' access to broadband connectivity;

WHEREAS, the Board of Directors focuses on planning that is both fiscally and operationally responsible for the Cooperative and membership;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative authorizes the following activities with respect to exploring broadband in its service territory: the review of business plans for the provision of broadband services, the preparation and analysis of opportunities for funding of such plans, and the preparation and review of corporate, legal, and regulatory constraints in regard to provision of broadband services; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative analyze, and report to the Board, any legal, corporate, financial, or regulatory impacts to business plans for the provision of broadband services at a Board workshop to occur in October 2020; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Executive Officer of the Cooperative, or designee, is authorized, to engage any legal, financial, or regulatory consultant, as needed, to perform professional services in connection with the creation and analysis of business plans for the provision of broadband services; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that any activities not specified herein are to be discontinued and terminated along with any other analysis or plan not currently authorized or resolved as adequate by the Board; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, 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 Secretary/Treasurer Rister, 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

Adjournment

There being no further business to come before the Board of the Directors, the meeting was adjourned at 3:26 p.m.

Approved:

Milton Rister, Secretary

Emily Pataki, President