



Meeting Minutes - Final

Board of Directors

Monday, March 20, 2017

9:00 AM

PEC Headquarters Auditorium

Open Session of this Regular Meeting was held in the PEC Auditorium and was video recorded in accordance with Board Meetings Policy. Members were able to 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 9:07 am on March 20, 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

The agenda was adopted as posted and without objection.

Consent Items

Approval of the Consent Agenda

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

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

1. [2017-054](#) Monday, February 20, 2017 Regular Meeting Minutes

Attachments: [2017-02-20 Minutes Regular Meeting DRAFT v8](#)

Consent Item approved.

Cooperative Monthly Reports

2. [2017-055](#) Cooperative Update - J Hewa

Attachments: [2017-03-20 CEO Cooperative Update PPT Final](#)

CEO John Hewa reviewed the Cooperative Update PowerPoint presentation. Mr. Hewa answered questions regarding the reduction of contractors, a uniform order, a balanced scorecard approach, and the Rural Utilities Service (RUS) loan application and borrowing process. President Emily Pataki asked staff to keep the Board informed of any extra compliance needs in regards to RUS.

3. [2017-056](#) Financial Services Report - T Golden

Attachments: [2017-03-20 January 2017 Financial Statements - Board Meeting](#)
[2017-03-20 January 2017 - Financial Presentation - Board Meeting](#)
[2017-03-20 February 2017 Financial Statements - Board Meeting](#)
[2017-03-20 February 2017 - Financial Presentation - Board Meeting](#)

CFO Tracy Golden reviewed the Financial Services Report PowerPoint presentation. Mr. Golden stated that the Energy Efficiency Conservation Loan Program was currently going through compliance matters with Rural Utilities Service (RUS) and had not been executed yet. The Board and staff discussed the distribution of inactive account balances, the associated notification expense, and the unclaimed property list for the State.

4. [2017-061](#) Member Services Report - E Dauterive

Attachments: [2017-03-17 Member Services CEO Rpt 1-FINAL](#)
[2017-03-17 Member Services PPT Revised](#)

VP of Member Services Eddie Dauterive reviewed the Member Services Report PowerPoint presentation and recognized the Member Services staff for their hard work. The Board and staff discussed the critical care registry proposal and payment partnerships. Mr. Dauterive stated that staff would present a critical care policy for the Board's consideration at the next meeting.

5. [2017-057](#) Communications and Business Services Report (written report in materials)

Attachments: [2017-03-20 Communications and Business Services Report](#)

The written materials for Communications and Business Services Report were included in the Board package.

6. [2017-058](#) Corporate Services Report (written report in materials)

Attachments: [2017-03-20 March Corporate Services Safety Report - REVISED 031017](#)

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

7. [2017-060](#) Information Technology (written report in materials)

Attachments: [2017-03-20 Information Technology Report - v2](#)

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

8. [2017-096](#) Engineering and Energy Innovations Report (written report in materials)

Attachments: [2017-03-20 Engineering and Energy Innovations Report February Data rev2](#)

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

9. [2017-098](#) Operations Report (written report in materials)

Attachments: [2017-03-20 Operations Update February Data - Draft](#)

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

10. [2017-063](#) Power Supply and Energy Services Report (written report in materials)

Attachments: [2017-03-20 Power Supply and Energy Services Report I Sterzing](#)

The written materials for Power Supply and Energy Services Report were included in the Board package.

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

11. [2017-064](#) Member Comments

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

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

Ernest Altgelt - request for legislation report, news article on legislation, the Cooperative's rates, and article on differences between cooperatives and municipalities.

Action Items / Other Items**12. [2017-069](#) Appoint 2017 Cooperative Response Center (CRC) Voting Delegates - E Dauterive**

Body:

RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the following Directors 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 2017 Cooperative Response Center (CRC), or until successors are duly appointed and designated: Paul Graf, Voting Delegate and Cristi Clement, Alternate Delegate.

Attachments: [2017-02-24 Cooperative Response Center 2017 Voting Delegate Registration Form](#)
 [2017-03-20 CRC Voting Delegate Form Signed](#)

VP of Member Services Eddie Dauterive reviewed the current Cooperative Response Center (CRC) voting delegate appointments as Paul Graf-Voting Delegate and Cristi Clement-Alternate Delegate. Mr. Dauterive reported that this year's meeting would be held in San Antonio, that voting could be done by mail in May and that staff would report the list of Board candidates once they were received in the next 30 days. President Emily Pataki stated that if there were no objections, the current voting delegates of Paul Graf and Cristi Clement would remain.

Without objection this item was approved by general consent.

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

13. [2017-065](#) Approval of Economic Development Rate for New Commercial and Industrial Electric Load (Pass Through) - N Mack

Body: **RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative approve these amendments to the Tariff and Business Rules for Electric Service as attached hereto to become effective as of April 1, 2017.

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

Attachments: [2017-03-20 Economic Development Rate for New Commercial and Industrial Electric Load \(Pass Through\) Presentation N Mack](#)
[2017-03-20 Economic Development Rate for New Commercial and Industrial Electric Load \(Pass Through\) Language N Mack](#)

Rates and Pricing Manager Natalia Mack stated the the proposed economic development rate discount was a result of LCRA's new economic development discount and would be passed through to the Cooperatives' qualifying members. Ms. Mack answered questions regarding the agreement terms.

A motion was made by Director Oakley, 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

14. [2017-066](#) Approval of Small and Large Power Interconnection Tariff Amendment for Systems Greater than 50kW - I Sterzing

Body: **NOW, THEREORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the Cooperative approve these amendments to the Tariff and Business Rules for Electric Service as attached hereto to become effective as of July 1, 2017.

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

Attachments: [2017-03-20 Small and Large Power Interconnection Tariff Amendment for Systems Greater Than 50kW Presentation V1](#)
[2017-03-20 Small and Large Power DG Interconnection Tariff Amendment I Sterzing](#)

VP of Power Supply and Energy Services Ingmar Sterzing reviewed the Small and Large Interconnection Tariff Amendment for Systems Greater than 50kW PowerPoint presentation. Mr. Sterzing answered questions regarding incentives and interest of current members.

A motion was made by Director Scanlon, 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

15. [2017-068](#) Cost of Service Initiative Scope and Planning - N Mack

Attachments: [2017-03-20 Cost of Service Initiative Scope and Planning N Mack](#)

Rates and Pricing Manager Natalia Mack reviewed the Cost of Service Initiative Scope and Planning PowerPoint presentation. In response to questions, staff reported that the Time of Use Rate launch date was April 1, and the Burns & McDonnell rates were confidential but budgeted at \$150,000 to \$160,000.

16. [2017-075](#) 2017 Election and Election Communications Update - D Ballard / A Clemesen-Roberts

Attachments: [2017-03-20 2017 Election Timeline Final - with next steps highlighted](#)

General Counsel Don Ballard reviewed the upcoming items on the 2017 Elections Timeline. VP of Communications and Business Services Alyssa Clemesen-Roberts reviewed the plans to communicate all election updates to the entire membership, as well as plans to target voting Districts 2 & 3 through social media promotions and the May Texas Coop Power dust cover. Ms. Clemesen-Roberts added that the entire membership would receive communications again in June.

17. [2017-070](#) Report on 2017 NRECA Annual Meeting - E Pataki

President Emily Pataki reported that she along with Director Cristi Clement, CEO John Hewa and some of the Executive Team members attended the NRECA Annual Meeting in San Diego. President Pataki reviewed some of the resolutions, meeting discussions, and highlights from a director education course on risk management. President Pataki stated that the Board would be discussing risk management in more detail during Executive Session. President Pataki asked the Board to consider a single director to be a point person on the resolutions and possibly attend the NRECA Regional Meeting for the purpose of having a more substantial role at the national level. CEO John Hewa stated that staff could assist the Board by providing a life cycle of the resolution process and how PEC could be involved. Director Cristi Clement stated that she attended a new director education course on the development of power supply.

Proposed Future Items / Meetings (subject to final posting)**18. [2017-077](#) List of Proposed Future Meetings**

Attachments: [2017-03-01 Proposed Future Meetings - v1](#)

President Emily Pataki reviewed the proposed Board Meeting dates as included in the materials.

19. [2017-078](#) Board Meeting Planning Calendar (written report in materials)

Attachments: [2017-03-01 Board Planning Calendar](#)

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

Recess to Executive Session

President Pataki provided an overview of the types of items to be discussed in Executive Session. At 10:29 am President Pataki stated that the Board would go into Executive Session.

Executive Session - Legal Matters

- 20. [2017-080](#) Update on Litigation and Related Legal Matters**
- 21. [2017-081](#) Matters in Which the Board Seeks the Advice of its Attorney as Privileged Communications in the Rendition of Professional Legal Services**
- 22. [2017-085](#) Fraud Risk Assessment - T Golden / R Ballard**
- 23. [2017-097](#) Draft Resolution - Draft Risk Management Planning and Initiative**
- 24. [2017-104](#) Legislative Matters Update**

Executive Session - Contract and Competitive Matters**25. [2017-084](#) Amendment to Success Factors Contract - J Beggs**

Body: BE IT RESOLVED by the board of directors of the cooperative that the contract for Success Factors be amended to extend the contract; 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.

26. [2017-083](#) Power Supply and Energy Management Policy and Supply Options - I Sterzing

27. [2017-093](#) Overhead Contracts Approval - B Hicks

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Overhead 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 individual contract will not exceed \$67,000,000;

James Power Line Construction, LLC
Linetec Services, LLC
T&D Solutions, LLC

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. [2017-090](#) Resolution - Approval of RUS Construction Work Plan - B Hicks

Body: **WHEREAS**, The 2017-2018 PEC Construction Work Plan creates a comprehensive plan for the construction of transmission, substation, and distribution facilities during the next two years; and

WHEREAS, PEC is currently working towards becoming approved to receive RUS financing; and

WHEREAS, for PEC to become RUS compliant, a Construction Work Plan is required; and

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that approval be granted of the attached PEC 2017-2018 PEC Construction Work Plan.

Attachments: [2017-04-17 PEC 2017 - 2018 Construction Work Plan Version 2 - FINAL](#)

29. [2017-092](#) Consideration of Service Area Exception - 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 Southwest Texas Electric Cooperative 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.

30. [2017-086](#) Draft 2017-2018 Business Plan - P Muhoro

Executive Session - Real Estate Matters

31. [2017-087](#) Facilities and Real Estate Update and Review - J Beggs
32. [2017-099](#) Approval of Sale and Release of Real Property and Improvements in Blanco County, Texas - J Beggs

Body:

WHEREAS, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are no longer necessary or advantageous in the business of the Cooperative and that the sale price represents the fair market value for the Land and Improvements; and

WHEREAS, the Land and Improvements constitute less than substantially all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land and Improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative hereby sell the Land and Improvements for the amount as discussed this day in Executive Session, with details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED, that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

BE IT FURTHER RESOLVED, that the Chief Executive Officer or any person designated in writing by him for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, bill of sale, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

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

33. [2017-100](#) **Approval of Sale and Release of Real Property and Improvements in Travis County, Texas - J Beggs**

Body:

WHEREAS, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are no longer necessary or advantageous in the business of the Cooperative and that the sale price represents the fair market value for the Land and Improvements; and

WHEREAS, the Land and Improvements constitute less than substantially all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land and Improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative hereby sell the Land and Improvements for the amount as discussed this day in Executive Session, with details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED, that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

BE IT FURTHER RESOLVED, that the Chief Executive Officer or any person designated in writing by him for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, bill of sale, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

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

Executive Session - Safety and Security Matters

34. [2017-076](#) **Safety and Security Matters**

Executive Session - Personnel Matters

35. [2017-094](#) Authorization for Medical Benefit Renewal - J Beggs

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that employee health and dental insurance policies of the Cooperative be executed and approved with the insurance provider and upon the terms and conditions presented to the Board for review during executive session; and

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

36. [2017-088](#) Personnel Matters Update**37. [2017-006](#) Resolution - Approval of 2016 Employee Compensation Study - J Beggs**

Body: **WHEREAS**, the AON Hewitt Group performed a comprehensive Compensation Study that reviewed job descriptions at the Cooperative, benchmarked the compensation of a majority of those jobs against comparable jobs at other companies, and proposed a revised Wage Scale to accompany the job descriptions; and

WHEREAS, the Board of Directors of the Cooperative (the "Board") has reviewed the proposed new Wage Scale, and desires to approve and adopt the Wage Scale which is designed to ultimately target the Cooperative's base salary for all job classifications at the 75th percentile of the marketplace; and

NOW, THEREFORE BE IT RESOLVED, by the Board that the Compensation Study and Wage Scale presented to the Board this day is adopted and approved as discussed by the Board for all Cooperative employees; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer, or designee, is authorized to take all such actions necessary to implement this resolution including, but not limited to, making adjustments for individual employee's base pay so that each employee is at least at the minimum of the employee's new grade for their position in the Wage Scale.

38. [2017-089](#) Annual Chief Executive Officer (CEO) Performance Evaluation - J Hewa

Reconvene to Open Session at 5:03 pm

Items from Executive Session

[2017-094](#)**Authorization for Medical Benefit Renewal - J Beggs**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that employee health and dental insurance policies of the Cooperative be executed and approved with the insurance provider and upon the terms and conditions presented to the Board for review during executive session; and

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

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

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

[2017-099](#)**Approval of Sale and Release of Real Property and Improvements in Blanco County, Texas - J Beggs****Body:**

WHEREAS, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are no longer necessary or advantageous in the business of the Cooperative and that the sale price represents the fair market value for the Land and Improvements; and

WHEREAS, the Land and Improvements constitute less than substantially all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land and Improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative hereby sell the Land and Improvements for the amount as discussed this day in Executive Session, with details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED, that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

BE IT FURTHER RESOLVED, that the Chief Executive Officer or any person designated in writing by him for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, bill of sale, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

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

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

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

[2017-100](#)**Approval of Sale and Release of Real Property and Improvements in Travis County, Texas - J Beggs****Body:**

WHEREAS, the Cooperative's Board of Directors hereby concludes that the Land and Improvements are no longer necessary or advantageous in the business of the Cooperative and that the sale price represents the fair market value for the Land and Improvements; and

WHEREAS, the Land and Improvements constitute less than substantially all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Land and Improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative hereby sell the Land and Improvements for the amount as discussed this day in Executive Session, with details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED, that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

BE IT FURTHER RESOLVED, that the Chief Executive Officer or any person designated in writing by him for such purpose, be, and each hereby is, authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, bill of sale, and other instruments of any nature necessary or appropriate to give effect to such sale of Land and Improvements and release of the Land and Improvements from the Lien, in such form and containing such terms and conditions as such officer or agent may in his sole discretion deem necessary, appropriate, or desirable; and

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

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

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

2017-092 **Consideration of Service Area Exception - 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 Southwest Texas Electric Cooperative 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 Oakley, seconded by Director Clement, that this item be approved. The motion carried by the following vote:

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

2017-093 **Overhead Contracts Approval - B Hicks**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Overhead 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 individual contract will not exceed \$67,000,000;

James Power Line Construction, LLC
Linetec Services, LLC
T&D Solutions, LLC

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 Oakley, that this item be approved. The motion carried by the following vote:

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

2017-084 **Amendment to Success Factors Contract - J Beggs**

Body: **BE IT RESOLVED by the board of directors of the cooperative** that the contract for Success Factors be amended to extend the contract; 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 Scanlon, seconded by Director Powers, that this item be approved. 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 5:06 pm.

APPROVED:

Amy Akers, Secretary

Emily Pataki, President