



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Final

Board of Directors

Friday, January 15, 2021

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 Headquarters Auditorium, and will be recorded in accordance with Board Meetings Policy. To address safety and health concerns and in compliance with federal, state, and local guidelines, 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

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. [2021-001](#) **Friday, December 18, 2020 - Regular Meeting Minutes**

Attachments: [2020-12-18 Open Session Meeting Minutes draft v.4.pdf](#)

Cooperative Monthly Reports

2. [2021-002](#) **Cooperative Update - J Parsley**

Attachments: [2020-01-15 Cooperative Update-FINAL.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO) discussed the growth to 349,300 meters in 2020. She indicated SAIDI is the lowest on record at 41.92 minutes. CEO Parsley stated there are lobby closures in Oak Hill, Liberty Hill, Dripping Springs, and Kyle due to increased rates of COVID-19 infections. She said nomination petition applications open on January 18, 2021 for voting

districts 1, 6, and 7. CEO Parsley also mentioned the scholarship program, community grants, and employee and member thank you messages. Director Rister commented on a recent snow storm, which created outages, and he complimented the staff for restoring power so quickly, throughout the service territory. President Pataki also thanked the PEC teams for their service.

3. [2021-003](#) Financial Services Monthly Report - R Kruger

Attachments: [2020-01-15 November 2020 Financial Report to the Board - R Kruger](#)
[2020-01-15 November 2020 Financial Statements - R Kruger](#)

Mr. Randy Kruger, Chief Financial Officer (CFO) stated for the month of November margins were lower than budget due to the exceptionally mild weather month. He said the significant growth is why the Year-to-Date (YTD) margins are ahead of budget. CFO Kruger said November Gross Margin (GM) was \$19 million and Net Margin (NM) was negative \$1.7 million. He said the YTD GM was \$262 million, and the YTD NM was \$33 million. He stated the COVID-19 financial impact overall is about \$4 million, and the direct margin impact is estimated at approximately \$1.5 million.

4. [2021-004](#) Operations Report - E Dauterive

Attachments: [2020-01-15 Operations Report v1.pdf](#)

Mr. Eddie Dauterive, Chief Operations Officer (COO) provided the Operations Report discussing the Year-to-Date number of minor Operational Safety and Health Administration (OSHA) recordable personal accidents is 10, not 14. He discussed the five-year trends for miles of line, line extensions completed, and additional meters installed. Director Oakley asked if COO Dauterive has seen any impacts for electric vehicle charging stations or in applications. Mr. Dauterive stated there is a growing trend on the development of solar and an increase on electric vehicle plugs, which the engineering department is bearing in mind going forward. He referred to Mr. David Thompson, Vice President of Markets for his opinion on the matter. Mr. Thompson said we are observing solar development closely with comment from the regulatory and legislative spaces, and also welcomes member feedback. Mr. Thompson mentioned that he has friends who are building homes, and currently do not drive electric vehicles. He said the respective home builders recommend installing two electric vehicle charging plugs for future resale of the home. Director Akers mentioned when cities are developing commercial gas stations, there is a large trend for developers putting in 10 or more gas pumps, to install electric charging stations. COO Dauterive said SAIDI reliability is exceptional. He said in the 2020 JD Power Survey, the member relations agents scored very well in courtesy of the representative, knowledge of representative, and the representative's concern for needs. COO Dauterive said all of the engineering projects are on schedule. He provided a system maintenance summary. Director Graf thanked Mr. Dauterive for the presentation and asked whether there are a lot of direct buried cables, or whether all of it is conduit. COO Dauterive said the majority of it is conduit. President Pataki thanked Mr. Dauterive for the detailed report.

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

5. [2021-005](#) Member Comments

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

[1. 010621 - Edwin Scharlau - former member-capital credits.pdf](#)

[2. 010921 - Kathi Thomas - Broadband Service.pdf](#)

[3. 011221 - Debra Lynn Nelson - Broadband.pdf](#)

[4. 011321 - John Green - RFP Fleet Maintenance Concerns.pdf](#)

[5. 011321 - Harry Sawyer - Rate Changespdf.pdf](#)

President Pataki stated that member comments were submitted ahead of time, which the Board received and read. All of the members have received a response from the Cooperative.

Action Items / Other Items**6. [2021-006](#) Resolution - Approval of Contract Extension for National Information Solutions Cooperative (NISC) - A Mavropoulis**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS** that the Board approves a five (5) year extension to the NISC iVUE software maintenance, AMS, and Merchant Services agreements; and

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

Ms. Amanda Mavropoulis, Director, Enterprise Portfolio Management 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

7. [2021-007](#) Resolution - Approval and Review of Employee Compensation Policy - D Ballard/W 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 Employee Compensation 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: [2021-01-15 Employee Compensation Policy Redline Draft](#)
[2021-01-15 Employee Compensation Policy Clean Draft](#)

Mr. Wes Burns, Vice President of Human Resources presented the resolution and asked the Board for approval.

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

8. [2021-008](#) Resolution - Approval and Review of Holiday Policy - W 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 Holiday 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: [2021-01-15 Holiday Policy Redline Draft](#)
[2021-01-15 Holiday Policy Clean Draft](#)

Mr. Wes Burns, Vice President of Human Resources presented the resolution and asked the Board for approval.

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

9. [2021-009](#) Resolution - Approval of 2021 Key Performance Indicators Plan Methodology - E Dauterive

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS that the 2021 Key Performance Indicator Plan Methodology presented to the Board this day is approved; and

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

Attachments: [2021-01-15 2021 Key Performance Indicators Plan v2](#)
[2021 KPI Plan Revisions Presentation](#)

Mr. Eddie Dauterive, Chief Operations Officer (COO) presented the resolution and asked the Board for approval.

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

10. [2021-010](#) Resolution - Approval of 2020 Capital Improvement Plan Budget Amendment for Purchase of Land and Improvements - Esperanza, Ridgmar, and Spanish Oak Substations - B Gedrich

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Board approve an amendment to the Cooperative's 2020 Capital Improvement Plan Budget as described herein for substation property and improvements for the Esperanza, Ridgmar and Spanish Oak substations; 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.

Mr. Brian Gedrich, Vice President of Engineering presented the resolution and asked the Board for approval.

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

[2021-011](#)

Resolution - Approval of Contract Agreement for Fleet Maintenance and Repair - R Arellano

This item was taken into executive session for additional conversation due to confidential and competitive inquiries.

12.

[2021-015](#)

Resolution - Approval of TEC 2021 Annual Membership Dues - J Parsley

Body: **RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that Texas Electric Cooperatives (TEC) membership and associated membership dues, including ERCOT and Legal, for 2021 in the amount of \$174,425.67 are approved, and the Chief Executive Officer of the Cooperative, or designee, is authorized to pay those dues pursuant to the invoices duly presented to the Cooperative.

Attachments: [TEC Membership Dues Invoice for 2021.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO) asked for approval of the 2021 TEC annual membership dues of \$174,425.67, which is a \$7,000 increase based on the size of the Cooperative membership. She said the patronage capital cost of materials covers the cost of the dues. Director Oakley mentioned the material acquisitions are competitive. CEO Parsley indicated PEC has entered into a robust RFP process to ensure it is competitive and appropriate.

A motion was made by Director Graf, 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

13.

[2021-014](#)

Resolution - Approval of 2021 NRECA Annual Membership Dues - J Parsley

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the Membership dues to the National Rural Electric Cooperative Association for 2021 in the amount of \$186,295.00 are approved; and the Chief Executive Officer of the Cooperative, or designee, is authorized to pay those dues pursuant to the invoice duly presented to the Cooperative.

Attachments: [NRECA Distribution Membership Dues Invoice.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO) said the National Rural Electric Cooperative Association (NRECA) is a national trade association. She stated the annual dues are \$186,295, which is an increase of \$4,000. COO Parsley said PEC receives patronage capital, but it does not cover the cost of our annual dues. She commented that the organization is beneficial with advocacy

at the national level, and they provide helpful information and training for the Cooperative. Director Oakley inquired whether CEO Parsley believes the NRECA respects the size of PEC. Ms. Parsley stated she does believe that the leadership at NRECA respects and appreciates PEC.

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

This resolution #2021-014 was rescinded later in the meeting with resolution #2021-094.

14. [2021-016](#)

Draft Resolution - Approval of 2021 NRECA Annual Meeting Voting Delegates, 2021 CFC District Voting Delegates, and 2021 NRTC Voting Delegates - E Pataki

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the following persons are appointed as voting delegate and alternate delegate to act as designated and authorized representatives of the Cooperative at the 2021 Online NRECA PowerXchange (Annual Meeting), until successors are duly appointed and designated:

_____, Voting Delegate; and
_____, Alternate Delegate; and

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the following persons are appointed as voting delegate and alternate delegate to act as designated and authorized representatives of the Cooperative at the 2021 NRTC Annual Meeting, until successors are duly appointed and designated: _____, Voting Delegate; and _____, Alternate Delegate; and

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the following persons are hereby appointed as voting delegate and alternate delegate to act as designated and authorized representatives of the Cooperative at the 2021 District 10 Meeting of CFC, until successors are duly appointed and designated:

_____, Voting Delegate; and
_____, Alternate Delegate; and

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

President Pataki discussed the draft resolution indicating the respective votes for the 2021 NRECA Annual Meeting, the 2021 CFC District meeting, and the 2021 NRTC Annual Meeting are all happening at the same virtual conference, and asked the Board to consider serving as a voting delegate and/or alternate delegate.

15. [2021-018](#)

Draft Resolution - Approval for Directing the General Counsel to Prepare 2021 Proposed Non-Director Election Ballot Item(s) - D Ballard

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE

COOPERATIVE that the General Counsel, or designee, of the Cooperative is directed to prepare proposed ballot wording for consideration by the Board of Directors on the following Non-Director Election matter(s) (as defined in the Cooperative's Election Procedures):

A.)

_____;

B.)

_____;

C.)

_____;

and

BE IT FURTHER RESOLVED that, in accordance with Section 6.1 of the Election Procedures, the ballot wording will be presented in a way to maximize Members' understanding of the Non-Director Election matter, including any Board recommendation or position concerning the matter; and

BE IT FURTHER RESOLVED that the Board votes to [support/oppose] the proposed Non-Director Election matter, and the General Counsel is directed to draft proposed ballot language that reflects the Board's position; and

BE IT FURTHER RESOLVED that this proposed Non-Director Election matter shall not be included on the ballot unless and until a majority of the Directors votes to affirmatively place the matter on the ballot and approves the ballot wording.

General Counsel Don Ballard discussed the draft resolution and asked the Board to advise whether there are matters to put before the membership to be added to the ballot. Mr. Ballard also mentioned the Power of Change opt-in option can be provided with the ballot when approved by the Board in April. The Board had no matters to add to the ballot at this time.

16. [2021-019](#)

Draft Resolution - Approval of Appointments to 2021 Qualifications and Elections Committee - S Romero

Body: **WHEREAS**, the Bylaws of the Cooperative require the Board to appoint a Qualifications and Elections Committee ("the Committee") to review and determine the qualifications of applicants who wish to be candidates for election to the Board, and in accordance with the Cooperative's Election Policy and Procedures;

NOW, THEREFORE, BE IT RESOLVED, that the following individuals are appointed to serve on the Qualifications and Elections Committee for the 2021 Election:

1. _____
2. _____
3. _____
4. _____

5. _____
6. _____
7. _____; and

BE IT FURTHER RESOLVED, that the following individuals are appointed as alternates to serve on the Qualifications and Elections Committee for the 2021 Election should an appointed member be unable to serve:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____; and

BE IT FURTHER RESOLVED, that the Committee will elect its own officers (Chair and Secretary), and will have access to information gathered from various sources, including the Candidates themselves, public records, and the Cooperative; and

BE IT FURTHER RESOLVED, that the Cooperative will provide legal counsel and staff support; and

BE IT FURTHER RESOLVED, that the Committee should conduct Meetings as often as the Committee determines that they are needed to perform the review of Candidate applications, and these meetings may be conducted by phone or at a place of the Committee's choosing; and

BE IT FURTHER RESOLVED, that Committee members are paid \$100 for each telephonic or live meeting lasting more than one hour; the Cooperative will reimburse mileage and reasonable meal expenses incurred by Committee members in the course of their service; and provide indemnification and protection from liability for Committee Members serving in that capacity as provided for in the PEC Bylaws; and

BE IT FURTHER RESOLVED, that the General Counsel, or designee, is authorized and directed to take all actions necessary to implement this resolution.

Governance Manager, Sylvia Romero presented the draft resolution, and mentioned the duties of the Qualifications and Elections Committee (QEC). She said Board members may submit candidate nominations directly to her in advance of the February Board meeting. Ms. Romero said a reminder will be sent to the Board later in the month.

17. [2021-057](#) **Draft Resolution - Approval to Amend Tariff and Business Rules - Facilities Rental Rider - D Southwell/D Thompson**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the amendments to the Tariff and Business Rules 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: [2021-01-15 Tariff and Business Rules - Facilities Rental \(Clean\).pdf](#)
[2021-01-15 Tariff and Business Rules - Facilities Rental \(Redline\).pdf](#)
[2021-01-15 Approval to Amend Tariff and Business Rules - Facilities Rental Rider - D Southwell D Thompson.pdf](#)

Ms. Dawn Southwell, Director, Commercial & Industrial Accounts provided a presentation and summary of the draft resolution and stated next month she will present a final resolution for approval by the Board.

18. [2021-021](#) **Draft Resolution - Approval to Amend Tariff and Business Rules - Fee Schedule - N Mack/D Thompson**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the amendments to the Tariff and Business Rules 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: [2021-01-15 Approval to Amend Tariff and Business Rules - Fee Schedule - N Mack D Thompson](#)
[2021-01-15 -Tariff and Business Rules - Fee Schedule \(Clean\)](#)
[2021-01-15 Tariff and Business Rules - Fee Schedule \(Redline\)](#)

Ms. Natalia Mack, Rates Manager provided a presentation and summary of the draft resolution and indicated next month she will present a final resolution for approval by the Board. Director Oakley asked Mr. David Thompson, Vice President of Markets to clarify the establishment fee for truck roll scenario. Mr. Thompson stated that a portion of the establishment fee is the truck-roll, and with the advanced meter implementation, in the future, we anticipate the fee will be lower. Director Graf requested Ms. Mack to display the presentation information on the advanced meter opt-out fee. Director Oakley inquired what happens if a member does not want an advanced meter installed. Ms. Mack explained if a member opts-out of advanced metering, PEC has to roll a truck to read the meter. Depending on the distance of where the member lives, a lot of time and overhead cost is incurred to read the meter. Director Oakley inquired about the meter exchange and the \$30.00 meter-read fee. Mr. Thompson explained there is a monthly fee for the first period to ensure normal service and that the member is paying, then, it moves to a quarterly fee. Mr. Thompson said PEC maps all of the member locations for efficiency managing all of the meter reads in one day, which is why a truck roll costs much more than \$30.00.

19. [2021-022](#) **Draft Resolution - Approval to Amend Tariff and Business Rules - Industrial Power Rate - N Mack/D Thompson**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the amendments to the Tariff and Business Rules 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: [2021-01-15 Tariff and Business Rules - Industrial \(Clean\)](#)
[2021-01-15 Tariff and Business Rules - Industrial \(Redline\)](#)
[Approval to Amend Tariff and Business Rules - Industrial Power Service - N Mack D Thompson](#)

Ms. Natalia Mack, Rates Manager provided a presentation and discussed the changes of the draft resolution. Director Akers inquired if the change affects only one member. Ms. Mack confirmed it is. Director Graf inquired at what rate category a new member would be placed. Mack stated a new member would in either the large power or the transmission level category.

20. [2021-023](#) **Draft Resolution - Approval to Amend Tariff and Business Rules - Large Power Rate - N Mack/D Thompson**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative approves the amendments to the Tariff and Business Rules as attached 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: [2021-01-15 Tariff and Business Rules - Large Power \(Clean\)](#)
[2021-01-15 Approval to Amend Tariff and Business Rules - Large Power Rate - N Mack D Thompson](#)
[2021-01-15 Tariff and Business Rules - Large Power \(Redline\)](#)

Ms. Natalia Mack, Rates Manager provided a presentation and discussed the changes of the draft resolution. Director Ekrut inquired if a member may choose to be in the large power category, or whether it is based on consumption. Ms. Mack replied it is based on the member's demand. Director Ekrut asked if there is a monthly average, or if it is seasonal, and inquired whether once a member is in the large power category that they remain in that category. Ms. Mack said it depends on the member's annual average; if it is greater than 50kW, they fall in the large power category. Director Graf asked if the team has run scenarios for customers to see how they may react to the change. Ms. Mack stated yes, and part of the roll-out includes a calculator allowing members to manage their cost and potential impact on the 4 Coincident Peak times. Director Graf asked if she anticipates the members will have to make significant changes in operations to keep their energy rates low. Ms. Mack replied that it depends on the nature of their business. President Pataki stated it is a good choice to have a lengthy educational time-period to help the members with their questions to be prepared. Ms. Mack confirmed she will return next month with a final resolution

to present to the Board for approval.

21. [2021-012](#) 2021 Election Timeline Update - S Romero (Written Report in Materials)

Attachments: [2021 Election - Important Dates and Info.pdf](#)
[2021 Election Timeline-FINAL AND BOD APPROVED12-18-20 - 2021-01 BOD MTG.PDF](#)

President Emily Pataki stated that the 2021 Election Timeline is included in the meeting materials.

22. [2021-047](#) Cooperative Procurement Review and Update - E Dauterive/N Fulmer

Attachments: [2021-01-15 Procurement Board Update v5.pdf](#)

Mr. Eddie Dauterive, Chief Operations Officer (COO) introduced Mr. Nathan Fulmer, Director of Procurement and Contract Administration. Mr. Fulmer presented a procurement overview on the transformation goals and execution, and the supply chain update. Director Ekrut said he was very impressed and inquired if there is capability of the departments tracking where a product is and when it will be delivered? Mr. Fulmer confirmed employees are able to see RFP orders through the procurement system or through the IVUE ERP system. Director Rister complimented Mr. Fulmer on developing and improving the systems, and said the training and certification for the staff members is important. Mr. Fulmer thanked COO Dauterive, the support of the executive team, and the district employees for embracing the change. He said ultimately, it was the work of the staff putting in the hours over the past year. President Pataki said she was very impressed to see Mr. Fulmer and his team put together a mission statement, a vision statement, and goals for the transformation execution, indicating it was a big undertaking, congratulating Mr. Fulmer. She said it was really remarkable taking a digital platform and using it to bring people together, building relationships.

Proposed Future Items / Meetings (subject to final posting)

President Pataki mentioned the scheduled Board meetings, and said the Board has a special meeting on Strategic Planning scheduled January 22, 2021.

23. [2021-024](#) List of Board Approved Future Meetings

Attachments: [Approved 2021 Board Meeting Calendar 121820.pdf](#)

24. [2021-025](#) Board Planning Calendar (Written Report in Materials)

Attachments: [2021-01-15 Board Planning Calendar v.1.pdf](#)

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

Recess to Executive Session

President Emily Pataki announced the items to be discussed in Executive Session and at 10:34 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

- 25. [2021-026](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services
- 26. [2021-027](#) Litigation and Related Legal Matters - D Ballard
- 27. [2021-028](#) Resolution - Approval of Authorization for Settlement of Litigation Matter(s) - D Ballard
- 28. [2021-029](#) Resolution - Approval of Delegation of Authority to Chief Executive Officer to Implement Measures in Response to COVID-19 - J Parsley
- 29. [2021-046](#) Draft Resolution - Approval of Activities Regarding Broadband Business Opportunities
- 30. [2021-030](#) Enterprise Risk Management (ERM) Update - B Headrick
- 31. [2021-031](#) Ethics and Compliance Quarterly Report - J Burns/Mark Beyer
- 32. [2021-054](#) Discussion of PEC's Municipal Franchise Agreements - D Ballard

Executive Session - Contract and Competitive Matters

- 33. [2021-032](#) Resolution - Authorization of Filing Application with Public Utility Commission for Service Boundary Change or Exception to PEC Certificate of Convenience and Necessity - E Dauterive
- [2021-048](#) Resolution - Approval of Defeasance of the Cooperative's Series 2002 Bonds - R Kruger
- 35. [2021-033](#) Markets Monthly Report - D Thompson
- 36. [2021-052](#) Annual Review of Strategic Plan - E Pataki

Executive Session - Real Estate Matters

- 37. [2021-034](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - R Arellano
- 38. [2021-035](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - R Arellano
- 39. [2021-036](#) Real Estate Update - R Arellano

Executive Session - Safety and Security Matters

40. [2021-037](#) Safety and Security Matters

41. [2021-050](#) Cyber Security Review and Update - B Gedrich/S Stoppelmoor

Executive Session - Personnel Matters

42. [2021-038](#) Personnel Matters

43. [2021-049](#) Review and Approval of Draft 2021 CEO Goals - J Parsley

Reconvene to Open Session

At 4:02 p.m., the Board reconvened to the open session meeting.

Items from Executive Session

11. [2021-011](#) Resolution - Approval of Fleet Maintenance and Repair Contract - R Arellano

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS that the Board approve a five (5) year Contract/Agreement with Vector Fleet Management for fleet maintenance and repair services not to exceed \$15,000,000.

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 Secretary/Treasurer Rister, 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

34. [2021-048](#) Resolution - Approval of Defeasance of the Cooperative's Series 2002 Bonds - R Kruger

Body: WHEREAS, the Cooperative evaluates the financial health of the organization and interest rates and its costs of capital on an ongoing basis; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, in the best interests of the Cooperative, that the Cooperative authorizes the defeasance of all or any portion of the Series 2002 Bonds; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Authorized Officers are hereby authorized to engage The Bank of New York Mellon and/or one or more affiliates ("BNY") to serve as escrow agent for such defeasance and to engage an independent certified accounting firm for escrow verification purposes and to engage any other firms or entities as may be necessary or desirable in connection with such defeasance;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE

COOPERATIVE, that the Authorized Officers are hereby authorized to solicit bids for and to purchase (or direct the escrow agent to purchase) such securities as may be required for deposit into an escrow account held by BNY for the defeasance of the Series 2002 Bonds;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the form, terms, and provisions of one or more escrow agreements, directions, notices and other agreements providing for (or necessary in connection with) the defeasance of the Series 2002 Bonds, are hereby approved in all respects, and any one or more Authorized Officers of the Cooperative are hereby authorized to negotiate the final terms of such agreements, directions, and notices, and to execute and deliver such agreements, directions and notices on behalf of the Cooperative; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Chief Executive Officer and the Chief Financial Officer of the Cooperative or any person designated in writing for such purpose by either of such officers (the "Authorized Officers"), are each hereby authorized (whether acting together or alone) as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to negotiate, execute and deliver or acknowledge the aforementioned documents and any other agreements that may be required with a trustee, escrow agent, or depository institution, and any other agreements, certificates, consents, affidavits, opinions, and other instruments of any nature necessary or appropriate to give effect to such documents or agreements or the defeasance described in this resolution, in each case in such form and containing such terms and conditions as such officer or agent may in her or his reasonable discretion deem necessary, appropriate, or desirable; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Authorized Officers (whether acting together or alone) shall be authorized from time to time to negotiate, execute and deliver extensions and/or amendments to any of the aforementioned documents, in each case as such officer or agent may in her or his reasonable discretion deem necessary, appropriate, or desirable; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Authorized Officers are each hereby authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to do any and all acts deemed by such officer in such officer's judgment to be necessary or appropriate in the best interests of the Cooperative to give effect to the foregoing resolutions; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that all actions taken prior to the effective date hereof by the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing resolutions (including but not limited to the delivery of the Consent Solicitation Statement to Holders of the Series 2002 Bonds required in connection with the proposed defeasance) and are hereby ratified, confirmed, and approved.

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

2021-094

**Resolution - Rescind Approval of 2021 NRECA Annual Membership Dues
- J Parsley**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS**, the Board rescinds the action taken earlier today on Legislative File #2021-014, Approval of 2021 NRECA Annual Membership Dues; 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.

A motion was made by Director Oakley, seconded by Secretary/Treasurer Rister, that this item to rescind prior approval 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 4:06 p.m.

Approved:

Milton Rister, Secretary

Emily Pataki, President