

Minutes
Meeting of Trustees of the Arab Electric Cooperative, Inc.
Monday, June 26, 2023, at 6:00 pm
Arab Electric Cooperative, Inc. Auditorium

1. Roll Call—Trustees Present: Janet Bright-District 1; Jordan Stewart-District 2; Dianne Prestridge-District 3; Bill Stricklend-District 4; Tyler Barnes-District 5; Nathan Clark-District 7; and Charles W Whisenant-District 8. Also present were Stacey White-General Manager; Clint Maze-Board Attorney, Cooperative Employees, and other members of the public. Trustees Jeff Warren-District 6 and Ty Smith-District 9 were absent.
2. Invocation (Agenda Item #2)—Clint Maze
3. Pledge of Allegiance (Agenda Item #3)—Bill Stricklend
4. Approval of the Agenda (Agenda Item #4)—The Board attorney requested that the agenda be amended to remove the approval of the minutes from the May 22, 2023 minutes from the regular meeting and the June 14, 2023 special meeting be placed on the next agenda. Additionally, the Board President requested to add to the agenda an Executive Session to discuss the possible sale of real estate owned by the Cooperative and to add an action item to approve the Employee Insurance policy which has been previously discussed. Dianne Prestridge made a motion to amend the agenda, seconded by Jordan Stewart. The motion to amend was approved with 6 ayes and 0 nays. Thereafter, Bill Stricklend made a motion to approve the agenda, as amended, seconded by Nathan Clark. The motion passed with 6 ayes and 0 nays.
5. Management Update (Agenda Item #7)— The General Manager presented the Three-Month Cash/Investment Accounts Balances Report, the Monthly Report to TVA, the Monthly Operational Budget Report and the Monthly Collection and Meter Department Report for June 2023. The reports were emailed out to the Board prior to the meeting and are made a part of the minutes. The net profit for June 2023 was \$825,548.50, which included the restitution payment was received from Jack Willis’s AREA retirement account in the amount of \$632,706.92. The General Manager informed the Board that the security cameras have been order and will be installed in about thirty days from receipt. The payment kiosk will be installed and operational within 2-3 weeks.
6. Personnel Committee¹ Update (Agenda Item #8)—The Personnel Committee had no report.

¹ The Personnel Committee is comprised of Tyler Barnes—Chairman, Janet Bright, Dianne Prestridge, and Jeff Warren. The General Manager—*Ex Officio*, Kellie Garrett, Wayne Mahathey and Mike King are employee representatives on the Personnel Committee.

7. Finance Committee² Update (Agenda Item #9)—The Finance Committee presented the 2023-2024 budget that had been previously emailed. The committee recommended approval of the budget by a motion by Bill Stricklend, seconded by Jordan Stewart. The motion passed with 6 ayes and 0 nays.

8. Right of Way Committee³ Update (Agenda Item #10)—The General Manager reported that the spraying of the right of ways continues and is expected to be concluded by July 1, 2023.

9. Old Business (Agenda Item #11)—Mrs. White informed the Board there was no old business.

10. Action Item: Roof for Headquarters (Agenda Item # 12)—The Board reviewed a proposal from Mckee and Associates Architecture to design a roof replacement for the Cooperative headquarters building. The minimum price for the design work would be \$27,000, without regard to any bid price and whether the Board rejects all bids. If a bid is accepted by the Board and awarded, the fee will be 7.5% of the construction cost. Based on the discussion, Nathan Clark made a motion to approve the proposal from Mckee and Associates Architecture, seconded by Dianne Prestridge. The motion was approved with 6 ayes and 0 nays.

11. Declaration of Surplus Items: (Agenda Item # 13)—The General Manager that were no items to be declared as surplus.

12. Member comments (Agenda Item #14)—There was an opportunity given for member comments and Larry Bodine, Colin Walls and Mark Walls. Mr. Bodine presented to the Board a proposed By Law amendment. Thereafter, there was considerable discussion about the proposed By Law Amendment. During the discussion, the Board took Mr. Bodine’s proposal, discussed it and considered revisions. Following the discussion, Jordan Stewart made a motion to suspend the ruled to make Mr. Bodine’s proposal an action item, seconded by Dianne Prestridge. The motion carried with 6 ayes and 0 nays. Bill Stricklend made a motion to amend the agenda to adopt the proposed By Law amendment, as modified, to the agenda so that it could be placed on the ballot for membership consideration in the 2023 Annual Meeting, seconded by Tyler Barnes. The motion carried with 6 ayes and 0 nays.

The proposed By Law amendment, as modified by the Board is as follows:

ARTICLE XIII

AMENDMENTS

These bylaws may be altered, amended, or repealed by the members, as follows:

² The Finance Committee is comprised of Bill Stricklend—Chairman, Dianne Prestridge, Nathan Clark, and the General Manager—*Ex Officio*.

³ The Right of Way Committee is comprised of Nathan Clark—Chairman, Janet Bright, Tyler Barnes, Ty Smith, the General Manager—*Ex Officio*, and the Right of Way Supervisor, Brett Barnard—*Ex Officio*.

- a) By making a motion to amend the bylaws at the Annual Meeting of the Membership. Any motion made and duly seconded by a member shall be voted on by the membership at an Annual Meeting as provided in subsection “d” of this Article unless the motion is quashed by a Two-Thirds (2/3rd) vote of the Board of Trustees in a regularly scheduled meeting of the Board of Trustees; and
- b) All proposed bylaw amendments which would change more than one Article must be voted on by the membership separately; and
- c) No proposed bylaw amendment shall be voted on by the membership without the proposed amendment being presented to the membership and discussed in the next Annual Meeting and then placed on a ballot for the following Annual Meeting; and
- d) All proposed bylaw amendments which will be presented to and/or voted upon by the membership shall be published in three (3) separate locations, including the Alabama Living Magazine, The Arab Tribune, the Cooperative website, and/or on the Cooperative social media site(s) prior to the Annual Meeting in which the proposed amendment will be discussed and/or voted upon.

Any proposed bylaw amendment quashed by the Board of Trustees, shall be voted upon by the memberships as provided herein if supported by a petition signed by a Quorum of the membership, as defined in Article II, Section 4, above.

Do you support adopting the two proposed by-law amendments, shown above?

- Yes
- No

After all discussion, Bill Stricklend made a motion to place the proposed By Law amendment on the ballot for the Annual Meeting of the membership for consideration, seconded by Janet Bright. The Board attorney requested a roll call vote. The vote was recorded as follows:

- Janet Bright—yes
- Jordan Stewart—yes
- Dianne Prestridge—yes
- Bill Stricklend—yes
- Tyler Barnes—yes
- Jeff Warren—absent
- Nathan Clark—yes
- Charles Whisenant—yes
- Ty Smith—absent

The motion carried with 7 ayes and 0 nays.

13. Employee Insurance Policy Amendment—The General Manager presented a proposed amendment to the Employee Insurance Policy, specifically as it pertains to and interacts with Personal Leave Policy. Following the presentation of the policy, the Board discussed the proposal.

After discussion, Jordan Stewart made a motion to amend the policy as proposed, seconded by Bill Stricklend. The motion was approved with 6 ayes and 0 nays.

14. Executive Session—There was a call to go into executive session to discuss proposal to sell real property owned by the Cooperative. The Board Attorney certified that the matter to be discussed fit within an exception allowing an executive session under the Open Meetings requirement within the by-laws. Bill Stricklend made a motion to enter executive session, seconded by Dianne Prestridge. Motion was approved with 6 yeas and 0 nays. After a lengthy executive session, Bill Stricklend made a motion to exit executive session, seconded by Dianne Prestridge. Motion carried with 6 yeas and 0 nays.

Following the Executive Session, Jordan Stewart made a motion to suspend the rules and make the authorization to enter negotiations as an action item, seconded by Janet Bright. The motion was approved with 6 ayes and 0 nays. With the rules suspended, Bill Stricklend made a motion to amend the agenda to add the action item to authorize the General Manager, the Board President, and the Board Vice President to enter negotiations for the sale of the subject real property to the agenda, seconded by Janet Bright. The motion was approved with 6 ayes and 0 nays. Finally, Bill Stricklend made a motion to approve the negotiations as discussed, seconded by Janet Bright. The motion was approved with 6 ayes and 0 nays.

15. There was an announcement that the next regularly scheduled meeting of the Board of Trustees would be held on July 24, 2023, at 6:00 pm at the Cooperative Headquarters Auditorium.

16. Adjourn—There was a motion by Bill Stricklend, seconded by Dianne Prestridge, to adjourn. Motion passed with 6 ayes and 0 nays.