

Minutes  
Meeting of Trustees of the Arab Electric Cooperative, Inc.  
Tuesday, June 22, 2021 at 6:00 pm  
Arab Electric Cooperative, Inc. Auditorium

1. Roll Call—Trustees Present: Janet Bright-District 1, Chris Hemphill-District 2 (attended via Zoom), Dianne Prestridge-District 3, Tyler Barnes-District 5<sup>1</sup>; Charlie Griffin-District 6; Nathan Clark-District 7, Charles W Whisenant-District 8 and Ty Smith-District 9. Also present were Stacey White-General Manager; Clint Maze-Board Attorney, Cooperative Employees, and other members of the public. Trustee Bill Stricklend-District 4 was absent.
2. Invocation (Agenda Item #2)—Clint Maze
3. Pledge of Allegiance (Agenda Item #3)—Nathan Clark
4. Approval of the Amended Agenda (Agenda Item #4)—The Board President informed the Board that the agenda needed to be amended to add an action item to form a Right of Way Committee and to create an additional right of way position. Dianne Prestridge made a motion to amend the agenda, seconded by Janet Bright. Motion passed with 6 yeas and 0 nays. Thereafter, Charlie Griffin made the motion to approve the amended agenda, seconded by Nathan Clark. Motion passed with 6 yeas and 0 nays.
5. Approval of the Minutes (Agenda Item #5)— There was a motion to approve the minutes of the May 24, 2021 Regular Meeting of the Trustees made by Janet Bright, seconded by Ty Smith. Motion passed with 6 yeas and 0 nays.
6. CFC Presentation by Burton Benkwith (Agenda Item # 10)—The Board President announced that he was going to move agenda item # 10 up so that Mr. Benkwith could drive back to Anniston if he chose. Mr. Benkwith came forward to present the Cooperative with an commemorative clock for being a 100% CFC borrower. This is bestowed on all Cooperatives who only borrow from CFC. Mr. Benkwith also complimented the Cooperative on its management and the progress that has been made over the last year.
7. Management Update (Agenda Item #6)—The General Manager updated the Board on the daily operations of AECl. Mrs. White presented the Board Monthly Collection and Meter Department Report, the Three-Month Cash/Investment Accounts Balances Report, the Monthly Report to TVA, the FY 2020 Monthly Operational Budget Reports, and the chart of revenues and expenses compared with the previous year to date. The reports are made a part of the minutes.

The General Manager advised the Board that 14,411 AMI meters had been installed, to date. The commercial and residential meters for 400 amp service are expected to arrive on July 1, 2021. The General Manager also reported to the Board the results of the Theft of Services charge what was set for trial in Arab Municipal Court on June 21, 2021. The General Manager had agreed to dismiss the charges based on the age of the defendant and the prospect of recovery in the event that the defendant's attempt to become a member of the Cooperative in the future. As a result of the City Court Case, there will be a policy which requires a co-signer for members who are under the age of nineteen.

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<sup>1</sup> Trustee Tyler Barnes arrived following the approval of the minutes (Agenda Item # 6).

8. Personnel Committee Update (Agenda Item #7)—The Personnel Committee Chairman reported that was no update.
9. Finance Committee Update (Agenda Item #8)—The Finance Committee presented the proposed budget to the Board previously. It is an action item to approve, agenda item # 11.
10. Old Business (Agenda Item #9)—Update on Sweet Home Substation. Mrs. White informed the Board that the Service Electric has worked hard and has caught up on the project. The Board will likely have to make another CFC draw for progress payments on the Sweet Home Substation. The Cooperative is waiting to take delivery of the poles necessary to construct the exit feeders from the Substation. There was nothing to report on the upgrades of Sundown Substation.
11. Action Item: Fiscal Year 2022 Budget: (Agenda Item # 11)—The Board was emailed the budget proposed by the Finance Committee a week prior to the meeting. The Board President invited the Board to ask any questions of about the proposed budget to the Finance Committee and/or the Cooperative Staff. The Board had no questions. Thereafter, Dianne Prestridge made a motion to adopt the proposed budget, seconded by Nathan Clark. Motion passed with 7 yeas
12. Action Item: 401(k) Participation (Agenda Item #12)—The Board discussed, in the May meeting, allowing Cooperative employees to participate in the NRECA 401(k) plan, starting the month following their employment with the Cooperative. In order to participate, the Board has to adopt the NRECA 401(k) Pension Plan Agreement. Janet Bright made a motion to approve the Pension Plan Agreement, seconded by Tyler Barnes. Motion passed with 7 yeas and 0 nays.
13. Declaration of Surplus Items: (Agenda Item # 13)—There were no items to be declared surplus.
14. Action Item: Formation of Right of Way Committee (Amended Agenda Item)—The President introduced this item by talking about the recent power outages. Right of Way clearing always has been and always will be an issue for the Cooperative and a possible cause of outages. The President would like to form a committee to study the right of way maintenance of the entire system and make recommendations to the full Board and the Cooperative Staff as to ways to improve the right of way maintenance. While the Board was discussing the formation of the right of way committee, a question was asked as to the composition of the committee. The President indicated that he planned to appoint Tyler Barnes, Nathan Clark, Ty Smith and Janet Bright to the committee once it was formed. Following the discussion, Dianne Prestridge made a motion to form a standing right of way committee, seconded by Charlie Griffin. Motion passed with 7 yeas and 0 nays.
15. Action Item: Creation of Additional Right of Way Employee (Amended Agenda Item)—There are currently four right of way employees which includes the ROW Supervisor. Cooperative Policy requires that employees operate equipment in pairs. Therefore, an additional employee is needed for so that the Supervisor will be able to stay ahead of the crews, rather than one of the crew. The position will be a \$19 per hour range position. Following the discussion, Janet Bright made a motion to suspend the rules to take action on this request in the same meeting in which it was introduced, seconded by Tyler Barnes. Motion passed with 7 yeas and 0 nays. With the rules suspended, Janet Bright made a motion to create the additional right of way position, seconded by Charlie Griffin. Motion passed with 7 yeas and 0 nays.

16. Member comments (Agenda Item #14)—There was an opportunity given for member comments and none were received.

17. There was an announcement made that the next regular Board Meeting would be July 26, 2021 at 6 o'clock pm in the Cooperative Auditorium.

18. Adjourn—There was a motion by Nathan Clark, seconded by Ty Smith, to adjourn. Motion passed with 7 yeas and 0 nays.