

Minutes  
Meeting of Trustees of the Arab Electric Cooperative, Inc.  
Monday, August 23, 2021 at 6:00 pm  
Arab Electric Cooperative, Inc. Auditorium

1. Roll Call—Trustees Present: Janet Bright-District 1, Chris Hemphill-District 2, Dianne Prestridge-District 3, Bill Stricklend-District 4, Tyler Barnes-District 5; 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 Charlie Griffin-District 6 was absent
2. Invocation (Agenda Item #2)—Clint Maze
3. Pledge of Allegiance (Agenda Item #3)—Bill Stricklend
4. Approval of the Amended Agenda (Agenda Item #4)—The President informed the Board that an Executive Session was needed to discuss the general name and character of an employee and asked that Agenda be amended to include an Executive Session before the General Manager Update. Nathan Clark made a motion to amend the agenda, seconded by Tyler Barnes. The Motion passed with 7 yeas and 0 nays. Chris Hemphill made the motion to approve the amended agenda, seconded by Janet Bright. Motion passed with 7 yeas and 0 nays.
5. Approval of the Minutes (Agenda Item #5)— The Minutes of the August 10, 2021 Special Meeting of the Trustees were presented. There was a modification needed and Bill Stricklend made a motion to approve the minutes as modified, seconded by Chris Hemphill. Motion passed with 7 yeas and 0 nays.
6. Approval of the Minutes (Agenda Item #6)— There was a motion to approve the minutes of the July 26, 2021 Regular Meeting of the Trustees made by Bill Stricklend, seconded by Dianne Prestridge. Motion passed with 7 yeas and 0 nays.
7. Chris Hemphill made a motion to go into executive session to discuss the general name and character of an employee, seconded by Dianne Prestridge. The motion passed with 7 yeas and 0 nays. The Board then adjourned into the Cooperative Board Room. After a brief executive execution session, Bill Stricklend made a motion to exit executive session, seconded by Chris Hemphill. The Motion passed with 7 yeas and 0 nays.
8. Management Update (Agenda Item #7)—The General Manager updated the Board on the daily operations of AECL. The General Manager informed the Board that the Retiree Insurance Policy must be revised to comply with Blue Cross/Blue Shield guidelines. The policy as passed provided that any covered spouse or dependents of a covered retiree could continue to participate in the Cooperative’s insurance program, with the spouse of retiree paying 100% of the additional premium for a period up to twenty-four (24) months following the death of the retiree, or until the spouse becomes Medicare eligible, whichever occurs first. However, under the Blue Cross/Blue Shield guidelines, the spouse and/or dependents are ineligible to continue to participate in the Cooperative insurance program, but must be moved to COBRA coverage. The General Manager further advised the Board that this policy had to be revised in order to complete the audit. Thereafter, Bill Stricklend made a motion to amend the agenda to add the further revision of the Retire Insurance Policy to the agenda, seconded by Tyler Barnes. The Motion passed with 7 yeas and 0 nays. Bill Stricklend then made a motion to revise the Retiree Insurance Policy to fully comply

with the Blue Cross/Blue Shields guidelines, and to specially amend the policy to state that any spouse and/or dependents who are covered by the Cooperative insurance must be moved to COBRA coverage, seconded by Janet Bright. The Motion passed with 7 yeas and 0 nays.

The General Manager continued with her update. 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 last month of the FY 2020 Monthly Operational Budget Report, 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 concluded her report by advising the Board that, to date, \$2.9 million had been spent on AMI and \$2.2 million had been spent on the substation.

9. Personnel Committee Update (Agenda Item #8)—The Personnel Committee Chairman reported that they were working on a nepotism policy that will be presented to the Board for future consideration. In essence, the policy will prevent any Cooperative employee from being supervised by a family member and will prevent family members of Trustees from being hired by the Cooperative. There was no action taken on this policy.

10. Finance Committee Update (Agenda Item #9)—The Finance Committee Chairman reported the committee was working on a long range financial plan that would be presented to the Board within 90 days.

11. Right of Way Committee Update (Agenda Item #10)—The Right of Way Committee Chairman reported that the committee held met on August 20, 2021 and that it was going to conduct test on spraying herbicides on the rights of way. The committee recommends a two week test period with the contractor charging \$125 / hour with the Cooperative paying for the chemicals. Committee Chairman Nathan Clark made a motion to approve the spraying test for two weeks, seconded by Bill Strickland. The Motion passed with 7 yeas and 0 nays. The Chairman indicated that the Committee was going recommend soliciting bids for right of way clearing for the Board's future consideration.

12. Old Business (Agenda Item #11)—Update on Brashiers Chapel Substation. Mrs. White informed the Board that the project remains on schedule. The Cooperative has taken delivery of poles and line for the exit feeders, which will be under construction within the next two weeks and will take about two months to complete. There is no update on the upgrades to the Sundown Substation.

13. Discussion Item: Cooperative Home Services Program (Agenda Item # 12)—This is insurance program which the Board can offer to its members for repair and replacement of household items covered by the insurance. The coverage will be offered at no cost to the Cooperative and will only cost the members who choose to participate in the coverage. Any member who elects for the coverage will pay through their electric bill. No action was taken on this, but the program will be available for action in a future Board meeting.

14. Discussion Item: COVID Leave Policy (Agenda Item # 13)—The President wants the Board to Consider a COVID leave policy which will provide additional paid leave for Cooperative Employees who test positive for COVID, after being fully vaccinated. The Board Attorney will draft a proposed policy and forward it to the full Board for future consideration.

15. Declaration of Surplus Items: (Agenda Item # 14)—None.

16. Member comments (Agenda Item #13)—There was an opportunity given for member comments and none were received.

17. There was an announcement made that the Annual Membership Meeting would be held on August 28, 2021 at 9:00 am at the Arab High School Auditorium, with a required Board Meeting to follow at the High School Library.

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