

Minutes
Meeting of Trustees of the Arab Electric Cooperative, Inc.
Monday, January 25, 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, Charlie Griffin-District 6, Nathan Clark-District 7, Charles W Whisenant-District 8 and Ty Smith-District 9.ⁱ Also present were Stacey White-General Manager; Clint Maze-Board Attorney, Cooperative Employees, and other members of the public. Trustee Absent: Tyler Barnes-District 5.
2. Invocation (Agenda Item #2)—Clint Maze
3. Pledge of Allegiance (Agenda Item #3)—Bill Stricklend
4. Approval of the Agenda (Agenda Item #4)—Bill Stricklend made the motion to approve the agenda, seconded by Chris Hemphill. Motion passed with 7 yeas and 0 nays.
5. Approval of the Minutes (Agenda Item #5)— There was a motion to approve the minutes of the December 21, 2020 Regular Meeting of the Trustees made by Dianne Prestridge, seconded by Nathan Clark. 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 January 12, 2021 Special Meeting of the Trustees made by Bill Stricklend, seconded by Janet Bright. Motion passed with 7 yeas and 0 nays.
7. Management Update (Agenda Item #7)—Stacey White introduced Seth Selby, the newest employee of the Cooperative. Thereafter, the General Manager updated the Board on the daily operations of AECEI. Mrs. White presented the Board Monthly Collection and Meter Department Report, the Three-Month Cash/Investment Accounts Balances Report, the Monthly Report to TVA and the FY 2020 Monthly Operational Budget Reports. Finally, Mr. Selby introduced a new chart which compares the revenue and expenses. The reports are made a part of the minutes. The General Manager reported that the Cooperative has not applied for the second round of the Payroll Protection Program.
8. Bill Stricklend expressed a desire for the Cooperative apply for the second round of PPP, if it qualifies. Dianne Prestridge made a motion to suspend the rules and to amend the agenda to authorize the General Manager apply for the second round of PPP funds, seconded by Bill Stricklend. The Motion passed with 7 yeas and 0 nays. The Amended Action Item will be New Agenda Item # 14).
9. Personnel Committee Update (Agenda Item #8)—The Personnel Committee met to discuss and make recommendations on a.) Accountant Position Description, b.) Workplace Bullying Policy, c.) Separation of Employment Policy, d.) Employee Performance Review Form, e.) Board of Trustees Insurance Policy, f.) Adjustment of Pay for Linemen, and g.) Cost of Living Adjustment for all hourly and management employees with the exception of the linemen and the General Manager. Any recommendation of a standing Committee may be acted upon without a second or without prior discussion under the Board Rules. Chris Hemphill, the Chairman of the Personnel

Committee presented the discussions and recommendations of the Personnel Committee, as follows”

- a. The Accountant Position Description (Agenda Item #10), attached hereto, was presented to the Board. After a brief discussion, Bill Stricklend made a motion to approve the recommended Accountant Position Description as recommended by the Personnel Committee, seconded by Dianne Prestridge. The motion passed with 7 yeas and 0 nays.
- b. The Workplace Bullying Policy was presented to the Board and recommended for acceptance. After a brief discussion Janet Bright made a motion to approve the recommended Workplace Bullying Policy as recommended by the Personnel Committee, seconded by Bill Stricklend. The motion passed with 7 yeas and 0 nays.
- c. At the recommendation of the Personnel Committee, the Separation of Employment Policy was tabled.
- d. At the recommendation of the Personnel Committee, the approval of the Employee Performance Review Form was tabled.
- e. The Board of Trustees Insurance Policy was emailed to the Board prior to the meeting. It is a separate Action Item, at Agenda Item 12.
- f. The Personnel Committee presented that the median pay for linemen as reported by the Alabama Rural Electrification Association is \$36.33 / hour. The current pay rate for AEC linemen is \$32 / hour. The Personnel Committee recommended that AEC linemen pay be raised to \$36.33 / hour. After a brief discussion, Bill Stricklend made a motion to increase the linemen rate of pay to \$36.33 / hour, seconded by Chris Hemphill. Motion passed with 7 yeas and 0 nays.
- g. The Personnel Committee recommended that all AEC employees, except the linemen (who were addressed separately) and the General Manager, whose pay was addressed in the January 12, 2021 Special Meeting of the Trustees) be increased by three percent (3%) as a cost-of-living adjustment. After a brief discussion, Bill Stricklend made a motion to approve the 3% increase for all employees except the linemen and the General Manager, seconded by Chris Hemphill. Motion passed with 7 yeas and 0 nays.

10. Old Business (Agenda Item #9)— Mrs. White informed the Board that dirt work for the Sweet Home Substation continues and that the material for the construction of the substation has been ordered. The drawings for the site are being finalized. Everything is progressing on schedule.

11. Discussion Item: Fee/Policy for cut seals (Agenda Item # 11)—The General Manager presented to the Board need to set a fee charged to members for when a meter seal is cut by someone other than a Cooperative Employee. The current fee for a cut seal is \$50. However, when the AMI meters are installed, the cost and risk of loss from a cut seal will increase and the current fee will be inadequate to cover the cost of recalibration and risk of loss. After a brief discussion, Dianne Prestridge made a motion to suspend the rules and make this discussion item an action item,

seconded by Chris Hemphill. Motion passed with 7 yeas and 0 nays. Thereafter, Charlie Griffin made a motion to amend the Agenda to set a policy and fee for cut seals once the AMI meters are installed, seconded by Nathan Clark. Motion passed with 7 yeas and 0 nays.

With the rules suspended, Dianne Prestridge made a motion to set the cut seal fee at \$250 per cut seal, once the AMI meters are installed, seconded by Janet Bright. Motion passed with 7 yeas and 0 nays.

12. Action Item: Board of Trustees Insurance Policy (Agenda Item 12)—This policy has been previously discussed. Charlie Griffin made a motion to table this item until a time when all Trustees are present, seconded by Nathan Clark. The motion passed with 7 yeas and 0 nays.

13. Action Item: CFC Resolution for Emergency Line of Credit—The Resolution of approving the \$2,000,000 emergency line of credit was previously approved. CFC requires that the Board affirm that the Resolution be reaffirmed within 30 days of being submitted. There was a motion to reaffirm the Resolution approving the emergency line of credit was made by Bill Stricklend, seconded by Dianne Prestridge. The motion passed with 7 yeas and 0 nays.

14. Action Item: Payroll Protection Program Application—With the rules suspended, Bill Stricklend made a motion to authorize the General Manager to pursue the second round of PPP, seconded by Dianne Prestridge. The motion passed with 7 yeas and 0 nays.

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

16. There was an announcement made that the next regular Board Meeting would be February 22, 2021 at 6 o'clock pm in the Cooperative Auditorium.

17. Adjourn—There was a motion by Bill Stricklend, seconded by Chris Hemphill, to adjourn. Motion passed with 7 yeas and 0 nays.

ⁱ Trustee Ty Smith attended via Zoom.