

Minutes
Meeting of Trustees of the Arab Electric Cooperative, Inc.
Monday, March 22, 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; Charlie Griffin-District 6 (arrived during the General Manager’s update), Nathan Clark-District 7 (present via Zoom), Charles W Whisenant-District 8 and Ty Smith-District 9 (present via Zoom). Also present were Stacey White-General Manager; Clint Maze-Board Attorney, Cooperative Employees, and other members of the public.
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 February 22, 2021 Regular Meeting of the Trustees and the March 12, 2021 Special Meeting of the Trustees made by Bill Stricklend, seconded by Dianne Prestridge. Motion passed with 7 yeas and 0 nays.
6. Management Update (Agenda Item #7)—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 new chart which compares the revenue and expenses. The reports are made a part of the minutes.

The General Manager advised the Board that 299 AMI meters had been installed already and that the initial training for AMI implementation had been completed. The Total spent so far related to AMI is \$60,764.33

7. Personnel Committee Update (Agenda Item #7)—The Personnel Committee Chairman presented the Paid Time Off/Vacation-Sick Leave Policy, which had been emailed to the full Board for its consideration. The stated goal was to avoid hurting any current employee who have accumulated and built-up PTO/Vacation Time. This policy created a two-tiered system. One for current employees who have accrued more than 320 hours, and then one for all other employees. For all employees, effective April 1, 2021, no employee will be allowed to accrue more than 320 hours of PTO/Vacation Time. At the end of each calendar year, all employees will be paid for all of their PTO/Vacation Time which exceeds 320 hours.

For the employees who have more than 320 hours accrued prior to April 1, there accrued PTO/Vacation time will be divided into two “pots.” The first “pot” will have 320 hours deposited and this will be where all future PTO/Vacation time will continue to accrue and limited to a maximum of 320 hours. At the end of each calendar year, these employees will be paid for all of their PTO/Vacation Time which exceeds 320 hours. In the second “pot”, all of the employee’s PTO/Vacation which exceeds 320 will be deposited and the employee will not be required to sell this time back to the Cooperative. The employee will draw their PTO/Vacation from this “pot” until

it is all used and, once fully depleted, then the employee will only have the one “pot” just as all other employees. To offset the issue of employees accumulating hours due to needing to be for a medical condition or treatment, the Personnel Committee is recommending that the Cooperative add short term disability at an annual cost of \$5,165 to the Cooperative. Bill Stricklend made a motion to approve the policy, seconded by Charlie Griffin. Motion passed with 8 yeas and 0 nays.

The second policy taken up by the Personnel Committee pertains to the health insurance coverage for employees who retire with thirty (30) years of service. This policy provides that employee who retires from the Cooperative with thirty (30) or more years of service, and who have participated in the Cooperative’s health insurance plan for ten (10) years prior to retirement, will be allowed to remain on the Cooperative’s health insurance plan after retirement with the employee continuing to pay the same percentage of the cost of said coverage until the employee becomes Medicare eligible. Any covered spouse of the employee can also participate with the employee and/or the employee paying 100% of the additional premium, until twenty-four (24) months following the death of the retiree, or until the spouse becomes Medicare eligible, whichever occurs first. Janet Bright made a motion to approve the policy, seconded by Chris Hemphill. Motion passed with 8 yeas and 0 nays.

8. Old Business—Update on Sweet Home Substation (Agenda Item #8)— Mrs. White informed the Board. The schedule is holding but is weather dependent. The dirt work pace has been accelerated. All components have been ordered and no delays are expected at this time. As of March 19, 2021, the Cooperative has spent \$367,449.94 on the Sweet Home Substation.

The land needed for the Sundown Substation that is currently owned by the Arab Industrial Development Board has been approved by the IDB to be conveyed to the Cooperative at no cost. The Cooperative continues to negotiate with Brazelton Properties, LLC for the piece needed to expand south.

Later in the meeting, the General Manager informed the Board that Mr. Beam had donated the fencing around the property that the Cooperative purchased from him to the Cooperative. The Cooperative will be removing the fencing, weather permitting, within the next few week.

9. Action Item: Donation to Marshall County Economic Development Council (Agenda Item # 9)—Last year, the Cooperative made a contribution to the MCEDC the sum of \$15,000, with TVA reimbursing the Cooperative for one-half (1/2) of the contribution. Dianne Prestridge made a motion to approve the MCEDC contribution, seconded by Chris Hemphill. Motion passed with 8 yeas and 0 nays.

10. Discussion Item: Entertainment for the Annual Meeting (Agenda Item # 10)—After general discussion, the Board expressed no desire to have entertainment at the annual meeting.

11. Action Item: Health Insurance for Former Board Members: (Agenda Item # 11)—There has been discussion in previous meetings to adopt a policy to allow former Board members to continue participating in the Cooperative’s health insurance program. This policy will allow former board members, who participated in the health insurance program while serving on the Board, to continue to participate with the former board member paying all cost of the premium. Board member participation is subject to the open enrollment guidelines of the plan. The former trustee will be allowed to participate until he or she is Medicare eligible, until the former trustee allows the coverage lapse through non-payment, or until the former board is eligible for other coverage.

Charlie Griffin made a motion to amend the current policy, seconded by Tyler Barnes. The President called for a roll call vote:

Janet Bright—abstain
Chris Hemphill—nay
Dianne Prestridge—yea
Bill Stricklend—nay
Tyler Barnes—yea
Charlie Griffin—yea
Nathan Clark—yea
Ty Smith—yea

Motion passed with 5 yeas and 2 nays and one abstention.

12. Action Item: Gov Deals-surplus vehicles / materials (Agenda Item # 12)—The board requested that a declaration of surplus as an action item each agenda. Item to be sold are to be listed on GovDeals.com. Bill Stricklend made a motion to add declaration of surplus as an action item on each agenda item, seconded by Dianne Prestridge. Motion passed with 8 yeas and 0 nays.

13. Member comments (Original Agenda Item #14)¹—There was an opportunity given for member comments and none were received.

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

15. Adjourn—There was a motion by Chris Hemphill, seconded by Bill Stricklend, to adjourn. Motion passed with 8 yeas and 0 nays.

¹ There was an agenda item # 13, that was blank.