

Minutes
Meeting of Trustees of the Arab Electric Cooperative, Inc.
Monday, April 27, 2026, at 6:00 pm
Arab Electric Cooperative, Inc. Boardroom

1. Roll Call—Trustees Present: Janet Bright-District 1, Dewayne Shedd-District 2, Dianne Prestridge-District 3; Bill Stricklend-District 4; Tyler Barnes-District 5¹; Jeff Warren-District 6²; Nathan Clark-District 7; Charles W. Whisenant-District 8; and Ty Smith-District 9. Also present were Stacey White-General Manager, Seth Selby-Assistant 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)—Due to illness, the Board President, Charles W. Whisenant, was present by telephone conference, and he relinquished presiding over the meeting to Dianne Prestridge, the Board Vice President. The Board Vice President called for a motion to approve the agenda as presented. Bill Stricklend made the motion to approve the agenda, duly seconded by Nathan Clark. The motion was approved with 6 ayes and 0 nays.
5. Approval of March 23, 2026, minutes as emailed (Agenda Item # 5): Upon review of March 23, 2026 minutes, Dewayne Shedd made a motion to approve, seconded by Janet Bright. The motion passed 7 ayes and 0 nays.
6. Management Update (Agenda Item #6)—The General Manager began her update by presenting the monthly Cooperative operating budget report for March 2026. For March 2026, the gross revenues were \$3,522,593.72, and expenses were \$3,472,324.35, for a net monthly profit of \$50,269.37. When presenting the monthly budget, the General Manager noted that the invoice for the backyard machine had been paid totaling \$71,400.00, which was the only extraordinary budget item. The General Manager also presented the Monthly Collection and Meter Department Report, the Three-Month Cash/Investment Balances Report, and the Monthly Report to TVA, all for March of 2026. The reports are made a part of the minutes.

The March 2026 TVA invoice was for \$2,686,608.36, and the early payment credit, based on a 3.69% interest rate, resulted in a monthly TVA credit of \$6,534.38. The TVA Monthly Report net income calculated using the operating income, less operating expenses, was \$207,049.12 for March 2026.

There were 161 disconnects for March, and of those 136 were reconnected. There were no diversions reported for March. The Cooperative received \$3,811.74, collected in both active and previously written off accounts, and there was \$5,338.35 submitted to the collection agency in past due balances, for March 2026. There are now 165 accounts that are enrolled for prepayment.

Additionally, the General Manager reported to the Board:

¹ Tyler Barnes arrived at the meeting after the approval of the minutes.

² Jeff Warren arrived at the meeting after the approval of the agenda.

- There are 19 that are registered for the Watts Up camp for 5th graders to be held this summer, which is up from 10 that participated in the initial camp in 2025.
- Premier Power is halfway through its work in the Georgia Mountain Substation and is expected to finish its work by May 2, 2026.
- The General Manager will present 2 scholarships at the Arab High School Awards Day on April 29, 2026, and 1 scholarship at the Brindlee Mountain High School at the end of the school year.
- The Joppa Volunteer Fire Department Chief has again reached out to the Cooperative Management regarding the collection of the fire district fees. Once the Joppa VFD provides the Cooperative with a service map, the collection of the fees will be presented to the Board.
- The Auditorium renovation is progressing, and everyone is hoping that the project will be complete by the end of May 2026. The management team is very pleased with the contractor who is performing the work. Due to the HVAC issue at the Arab High School Auditorium, it may be necessary to hold the annual membership meeting at the Cooperative Auditorium.

7. Sundown Substation Update (Agenda Item #7)—The needed FA switchers are still in the custody of US Customs with an uncertain release date due to the “accident” at the Customs facility, which will result in the Sundown Substation being online in May, rather than the planned April online date. The General Manager will keep the Board apprised of any developments.

8. Arab Primary Substation Update (Agenda Item #8)—The Assistant Manager reported that the steel package has been delayed in production and the Cooperative has been advised that delivery is expected in August. This will result in the construction of the upgrades beginning in August or September 2026, depending on the delivery date.

9. Committee Updates (Agenda Item #9)—

Personnel Committee Update—The committee chair advised that there was nothing to report.

Finance Committee Update—The chairman of the Finance Committee advised the CFC load that was extended for one year is due for renewal. The Chairman was happy to report that the rates had decreased and that the Finance Committee was recommending renewing the loan for an additional twelve months at 4.765% interest. Charles Whisenant made a motion to accept the recommendation of the finance committee, seconded by Jeff Warren. The motion passed with 8 ayes and 0 nays.

The Cooperative Management and/or the Executive Committee is authorized to execute all documents necessary to renew the loan.

Right of Way Committee Update— The Assistant General Manager advised that the bids for the Georgia Mountain right of way trimming were due in next week and that the Board would be considering awarding the bid in the May 2026 meeting.

10. Old Business—The General Manager stated that there was no Old Business (Agenda Item #10)—

11. Discussion Item: Expansion of the Laydown Yard (Agenda Item #11)—The General Manager addressed the need to expand the laydown yard, which is on the South side of the Headquarters property. The layout has been discussed with the Cooperative supervisors, and the scope of work was presented to Tyler Wallace Excavation, LLC and Reed Materials, LLC. The Cooperative will be able to re-use some of its existing fencing and an electronic gate. Based on the scope of work, Tyler Wallace Excavation, LLC returned a quote of \$58,500.00 and Reed Materials, LLC returned a quote of \$47,600. It was noted that Reed Materials, LLC did the last expansion, and the management team was well satisfied with his work. The Tyler Wallace Excavation, LLC quote did not have a “good through” date, but Reed Materials, LLC quote stated that it was “valid for 30 days”, which was set to expire May 15, 2026. Based on the expiration of the quote, Bill Stricklend made a motion to suspend the rules, and make this an Action Item, seconded by Charles Whisenant. The motion to suspend the rules passed with 8 ayes and 0 nays.

With the rules suspended, Charles Whisenant made a motion to move forward with the expansion of the laydown yard, and award the contract to Reed Materials, LLC. The motion was duly seconded by Tyler Barnes. The motion passed with 8 ayes and 0 nays.

12. Action Item: (Agenda Item #12)—This item was inadvertently on the agenda. No Action was needed or taken.

13. Declaration of Surplus Items: (Agenda Item # 13)—None.

14. Member comments: (Agenda Item # 14)—The Board Vice President gave an opportunity to member comments, and none were received.

15. There was an announcement that the next regularly scheduled Board of Trustees meeting is Tuesday, May 26, 2026, at 6:00 pm at the AEC Headquarters Board Room, due to the Memorial Day Holiday.

16. Adjourn—There was a motion by Bill Stricklend, seconded by Nathan Clark, to adjourn. The motion passed 8 ayes and 0 nays.