

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

St. Matthews, South Carolina

Minutes of the Board of Trustees Meeting

April 28, 2022

Pursuant to due notice thereof, a regular meeting of the Board of Trustees of Tri-County Electric Cooperative, Inc. (hereinafter called the "Cooperative") was held on April 28, 2022 at the Headquarters Office in St. Matthews, South Carolina. In order to comply with the Centers for Disease Control and Prevention's guidance of social distancing due to the novel coronavirus (COVID-19) outbreaks, the meeting took place in the Auditorium.

The following trustees were present: Ida L. Dixon, Barbara F. Weston, S. George Wilson, Gary F. Geiger, F. Joe Strickland, Jr. (via telephone), William Robinson, James R. Dantzler, and Jacqueline S. Shaw. Also present were Chad T. Lowder, CEO, John G. Felder, Sr., General Counsel, Frank Furtick, VP of Engineering and Operations, Kristen Zeigler, VP of Human Resources, Keith Scharf, VP of Safety and Loss Control, Wilford Thompson, VP of Member Services and Government Relations, and Cindy Sarratt, who recorded the minutes of the meeting.

CALL TO ORDER – INVOCATION

The meeting was called to order by President Barbara F. Weston at 6:00 p.m. Following the Call to Order, Ida Dixon gave the Invocation.

MEMBER COMMENT PERIOD

There were no members present or online during the Member Comment Period.

APPROVAL OF MINUTES OF BOARD MEETING OF March 24, 2022

On motion by William Robinson, seconded by George Wilson, and carried, the minutes of the Board of Trustees Meeting of March 24, 2022 were approved.

REPORTS

SYSTEM SUMMARY REPORTS AND MONTH FINANCIAL STATEMENTS

The System Summary Reports and Monthly Financial Statements for March 2022 were approved as presented by the CEO.

NEW MEMBER REPORT

The CEO reported that 100 new members made application for service in March 2022 and those new members are now actively receiving electric service from the Cooperative. Thereafter, on motion by Jim Dantzler, seconded by William Robinson, and carried, the following resolution was approved:

RESOLVED, the applications of new members are hereby accepted and approved. At the board's request, future monthly member reports will also show disconnects.

SAFETY REPORT

The CEO reported that there were no lost time accidents, no hours lost, no OSHA recordable accidents, no consumer damage claims, and no miscellaneous accidents filed in March 2022. One employee injured his arm during an exercise at the lineman's rodeo. He was checked out at the ER, where it was determined that there was no damage to his arm. Two vehicle accidents occurred: one when an employee was attempting to turn around, and the other when a truck backed into a cooperative vehicle. The CEO also reported that RESAP is pending.

REPORT OF AUDIT COMMITTEE

Barbara Weston reported that the Audit Committee met on April 28, 2022 at 5:30 p.m. and reviewed expense accounts and credit card invoices for all board members, the CEO, and the Attorney for March 2022. A few adjustments were made that will be reflected in next month's Audit Committee Report. Mr. Lowder reminded the board that trustees can receive only one per diem per day.

REPORT OF CEO WAGE AND BENEFITS COMMITTEE

The Report of the CEO Wage and Benefits Committee was given in Executive Session.

UPDATES

CENTRAL UPDATE

The CEO reported that the vote count to opt out of the Santee Cooper proposed shared resource was 38/0. Two members from Fairfield Electric Cooperative abstained from voting. Central now has 180 days from April 27, 2022 to replace the generation.

STATEWIDE UPDATE

The CEO reported that he and William Robinson attended the Statewide board meeting on April 7, 2022. The money the Cooperative received from the SC Stay Plus Program for renter's utility bills will have to be refunded to the State of South Carolina because it was not spent. A new program for homeowners is being created now. The details haven't been announced yet. Mr. Lowder then explained a filing with the Public Service Commission by Clifton Power Company.

OLD BUSINESS

ECONOMIC DEVELOPMENT UPDATE

Mr. Lowder presented a report showing total receipts and expenditures for the Tri-County Global Industrial Site. An electric car manufacturer is currently looking at the site.

FIBER TO THE HOME PROJECT UPDATE

The CEO reported that a Resolution for approval of the loan for Phase III of the Fiber Project will be presented under new business. Mr. Lowder then gave the Fiber to the Home Project update.

MONTHLY OUTAGE REPORT

Chad Lowder presented the monthly outage report for March 2022, which indicated there were 82 outages for the month.

NEW BUSINESS

RESOLUTION – APPROVAL OF FIBER PHASE III LOAN PACKAGE

On motion by Gary Geiger, seconded by George Wilson, and carried, the following resolution was approved:

RESOLVED, that the Cooperative borrow from National Rural Utilities Cooperative Finance Corporation ("CFC"), from time to time as determined by the persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$10,200,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the "9026 Loan Agreement");

RESOLVED, that the Cooperative also borrow from CFC, from time to time as determined by the persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$850,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the "9027 Loan Agreement");

RESOLVED, that the proceeds of this loan be used for the purposes set forth in the 9026 Loan Agreement and the 9027 Loan Agreement, respectively;

RESOLVED, that the individuals listed below are hereby authorized to execute and to deliver to CFC the following documents (including as many counterparts as may be required):

- (a) the 9026 Loan Agreement;
- (b) the 9027 Loan Agreement;
- (c) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$10,200,000.00, substantially in the form of the note presented to this meeting; and
- (d) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$850,000.00, substantially in the form of the note presented to this meeting; and
- (e) If required by CFC, as many counterparts as shall be deemed advisable of a mortgage and security agreement with CFC as mortgagee, for purposes of securing the loans provided for herein, in such form as the individuals authorized herein may negotiate with CFC.

RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the Cooperative to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said 9026 Loan Agreement and 9027 Loan Agreement as such individual may deem appropriate within the amount of the promissory notes so authorized herein and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions:

<u>Office or Title</u>	<u>Name (typed or printed)</u>
<u>CEO</u>	<u>Chad T. Lowder</u>
<u>VP of Finance and Admin</u>	<u>Michael Weeks</u>

APPROVAL OF 2021 ANNUAL BOARD COMPENSATION DISCLOSURE REPORT

After a thorough review by the board of trustees and some discussion, on motion by Jim Dantzler, seconded by Gary Geiger, and carried, the 2021 Annual Board Compensation Disclosure Report was approved by the board and will be posted on the website under the member portal.

STRATEGIC PLANNING MEETING

The CEO announced that the Strategic Planning Meeting will be held September 20-21, 2022. Matt Gilley of Great Co-ops will facilitate the meeting.

ELECTION OF CFC VOTING DELEGATE AND ALTERNATE VOTING DELEGATE

On motion by William Robinson, seconded by Jim Dantzler, and carried, Chad Lowder was elected Voting Delegate and Gary Geiger was elected Alternate Voting Delegate to CFC.

REPORT OF NRECA DIRECTORS CONFERENCE AND TRUSTEE ASSOCIATION CONFERENCE

Those who attended the NRECA Directors Conference and the Trustee Association Conference reported on the meetings and classes they attended. Ida Dixon was elected Vice President of the Trustee Association.

CEO COMMENTS

In his comments, the CEO reported that the WPCA will be adjusted from .0146 to .0175, effective May 1, 2022. Mr. Lowder then reported that he met with representatives from Midlands Technical College about forming a Lineworkers Training Program at Midlands Tech. It was decided that the May board meeting will be held in the Auditorium. Lastly, Mr. Lowder reported that he is evaluating the joint membership section of the bylaws and will report back with more information in July.

EXECUTIVE SESSION

On motion by George Wilson, seconded by Gary Geiger, and carried, the board entered executive session to receive legal advice and receive a report from the CEO Wage and Benefits Committee. Then, on motion by Gary Geiger, seconded by William Robinson, and carried, the board returned to regular session after having taken no action in executive session.

REPORT OF CEO WAGE AND BENEFITS COMMITTEE

At the recommendation of the Committee, the board adopted the CEO Evaluation process tools by Great Co-ops.

ADJOURNMENT

There being no further business, on motion by Gary Geiger, seconded by Jim Dantzler, and carried, the board adjourned at 9:19 p.m.

Jacqueline S. Shaw, Secretary

APPROVED:

Barbara F. Weston, President