

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

St. Matthews, South Carolina

Minutes of the Board of Trustees Meeting

August 22, 2019

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 August 22, 2019 at the Cooperative's headquarters office in St. Matthews, South Carolina.

The following trustees were present: Ida L. Dixon, Barbara F. Weston, S. George Wilson, Gary F. Geiger, F. Joe Strickland, Jr., Willie E. Jeffries, William Robinson, James R. Dantzler, and Jacqueline S. Shaw, these being all of the trustees of the Cooperative. Also present were Chad T. Lowder, CEO, John G. Felder, Sr., General Counsel, Frank Furtick, COO, Michael Weeks, CAO, 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. Following the Call to Order, Willie Jeffries gave the Invocation.

MEMBER COMMENT PERIOD

One Cooperative member attended the board meeting to observe. Mr. Al Jenkins from Senator Tim Scott's office addressed the board to introduce himself. He is the area contact person for Senator Tim Scott and will make himself available should the board have anything they want brought to the Senator. Mr. Lowder asked Mr. Jenkins to let the Senator know that the Cooperative's board and management are discussing fiber to the home and will be in contact with Senator Scott and Congressman Clyburn as we move forward with the project.

APPROVAL OF MINUTES OF BOARD MEETING

On a motion by George Wilson, seconded by Jackie Shaw, and carried, the minutes of the July 25, 2019 Board meeting were approved.

REPORTS

SYSTEM SUMMARY REPORT

The System Summary Report was accepted as presented by the CEO.

MONTHLY FINANCIAL STATEMENT

Chad Lowder, CEO, presented the July Financial Statement.

NEW MEMBER REPORT

The CEO reported that 98 new members for June 2019 made application for service and those new members are now actively receiving electric service from the Cooperative. Thereafter, on motion by Jim Dantzler, seconded by Joe Strickland, and carried, the following resolution was approved:

RESOLVED, the applications of new members are hereby accepted and approved.

SAFETY REPORT

The CEO reported that there were no lost time accidents, no hours lost, no OSHA Recordable accidents, no employee injuries, and no consumer damage claims reported in July 2019. The CEO then gave an explanation of one vehicle incident and a miscellaneous incident.

UPDATES

CENTRAL UPDATE

Mr. Lowder informed the board that Central has made another court filing in the ongoing class action lawsuit brought by Santee Cooper customers and Co-op members against Santee Cooper, Central, Palmetto Electric Cooperative, and SCE&G. Also, Mr. Lowder informed the board that the State Administration Office is going through the process of getting bids for the sale of Santee Cooper. The board, staff, and employees have been advised not to talk with anyone about this issue. All we are allowed to say is that we want what is best for our members and what will lower power rates.

STATEWIDE UPDATE

Mr. Lowder informed the board that the highlights of the ECSC Board Meeting were included in BoardPaq. Mr. Norris Fowler was elected from South Carolina to the NRECA board.

OLD BUSINESS

DISTRICT 3 MEMBER MEETING

Mr. Lowder reminded the board that the date for the District 3 Member Meeting is Monday, September 16, 2019. The meeting will take place at the Family Development Center in

Santee, starting at 6:00 p.m. Mr. Lowder then reminded the board that the Strategic Planning Meeting is Monday and Tuesday, September 9-10, 2019 in the Auditorium.

NEW BUSINESS

APPOINTMENT OF CREDENTIALS AND ELECTION COMMITTEE

On motion by Gary Geiger, seconded by Jim Dantzler, and carried, the following six individuals were appointed to the Credentials and Election Committee: Elizabeth McCullar, Beatrice Sumter, Shane Fanning, Bonnie Martin, E. C. Nelson, and Jackie Jackson. No nominations were made by the candidates for office. Barbara Weston, William Robinson, and Jackie Shaw abstained from voting.

The CEO announced that the date for the Nominating Committee meeting is Tuesday, September 17, 2019 at 6:00 p.m. The deadline for Member Petition Nominations is October 4, 2019.

COMPENSATION FOR NOMINATIONS COMMITTEE AND CREDENTIALS AND ELECTION COMMITTEE

On motion by Gary Geiger, seconded by Jim Dantzler, and carried, individuals serving on the Nominations Committee and the Credentials and Election Committee shall be compensated in the amount of \$100 per meeting and shall receive mileage reimbursement.

REPORT OF BYLAWS, POLICIES, AND SERVICE RULES COMMITTEE

William Robinson reported that the Committee met on August 14, 2019 and looked at the comparison between our current Bylaws and the new State Bylaws. General Council did a gap analysis to determine where our Bylaws fell short and where they overachieved. There was some of both. The Committee made a recommendation to revise the bylaws where appropriate. Comments submitted by David Plunkett were taken under advisement. The changes and recommendations of the Committee are posted in BoardPaq. Jackie Shaw seconded the recommendation of the Committee to revise the Bylaws as indicated and the recommendation was approved by the board. It was noted by Chad Lowder that the Bylaws and proposed amendments were approved by Attorneys John Felder, Aaron Christensen, and Chris Koon. All three attorneys agreed that the Bylaws and proposed amendments cover everything that State law requires.

Chad Lowder then presented the proposed Single Member Representation Referendum that will appear on the ballot at the Annual Meeting, as well as an explanation of the difference in At Large Representative as opposed to Single Member District Representation. After much discussion, a change was made to the explanation. Then, on motion by Jackie Shaw, seconded by Willie Jeffries, and carried, the board approved the Single Member District Representation referendum and explanation with changes to the explanation.

APPROVAL OF 2019-2020 EMPLOYEE COMPENSATION PLAN

Chad Lowder presented an employee and payroll summary to the board and made a recommendation for the 2019-2020 Employee Compensation Plan. On motion by William Robinson, seconded by Willie Jeffries, and carried, the decision to approve the 2019-2020 Employee Compensation Plan was tabled until after executive session.

ACRE/ECHO PARTICIPATION

The CEO reported that 21 employees joined ECHO and 13 employees joined ACRE. The board is also eligible to join both organizations. The deadline to join this year is August 23, 2019.

CEO COMMENTS

TOUCHSTONE ENERGY

Mr. Lowder informed the board that the employees will begin the Touchstone Energy Service Excellence Program next month, which is a four-part workshop designed to help employees better serve as co-op ambassadors and build a positive culture.

FIBER STUDY

Mr. Lowder reported that the fiber study has been completed and will be discussed during the Strategic Planning Meeting.

GLOBAL INDUSTRIAL SITE

The CEO announced that the Engineering Firm has received the permit to construct the water and wastewater lines to the industrial site. They are waiting on DHEC to release the land disturbance permit. Once the permit is released, construction bids will be going out. A project is looking at the site. More information will be reported as it is received.

EXECUTIVE SESSION

On motion by Willie Jeffries, seconded by George Wilson, and carried, the board went into executive session to receive legal advice and discuss personnel matters. Then, on motion by Gary Geiger, seconded by Jackie Shaw, and carried, the board returned to regular session.

RATIFICATION OF ACTIONS TAKEN IN EXECUTIVE SESSION

On motion by William Robinson, seconded by Jim Dantzler, and carried, the board ratified all actions taken in Executive Session:

Employee Compensation Package

The Board approved the Employee Compensation Package as recommended by the CEO.

Donation for John Matthews Portrait

The Board approved a donation of \$2,500 toward a commissioned portrait of Senator John Matthews.

Wateree Retreat Center Association

The board approved a donation in the amount of \$1,000 for the Wateree Retreat Center Association. The Cooperative will submit a matching grant application to the CoBank Sharing Success Program.

ATTORNEY COMMENTS

John Felder stated that a member made a request tonight to speak with the board following tonight's meeting. Doing so would set a precedent; therefore, Mr. Felder advised the board not to meet with the member tonight, but rather the member should follow proper protocol for addressing the board as is outlined in Policy 421.

ADJOURNMENT

There being no further business, on motion by Gary Geiger, seconded by George Wilson, and carried, the meeting adjourned at 9:48 p.m.

Jacqueline S. Shaw

Jacqueline S. Shaw, Secretary

APPROVED:

Barbara F. Weston

Barbara F. Weston, President