**TRI-COUNTY ELECTRIC COOPERATIVE, INC.**

St. Matthews, South Carolina

Minutes of the Board of Trustees Meeting

January 23, 2020

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 January 23, 2020 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 Frank Furtick, COO, Michael Weeks, CFO, Chad T. Lowder, CEO, John G. Felder, Sr., General Counsel, and Cindy Sarratt, who recorded the minutes of the meeting. In addition, Cole Price, Vice President of Rates and Revenue with Central Electric Power Cooperative, attended the board meeting to give an explanation of Central’s Wholesale Power Bill.

**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, Jim Dantzler gave the Invocation.

**MEMBER COMMENT PERIOD**

No members were present during the Member Comment Period.

**APPROVAL OF MINUTES OF BOARD MEETING**

On a motion by William Robinson, seconded by Willie Jeffries, and carried, the minutes of the December 23, 2019 Board meeting were approved.

**REPORTS**

**SYSTEM SUMMARY REPORT AND MONTHLY FINANCIAL STATEMENT**

The System Summary Report and Monthly Financial Statements were not available due to the pending annual audit.

**NEW MEMBER REPORT**

The CEO reported that from December 1, 2019 through December 31, 2019 87 new members made application for service and those new members are now actively receiving

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electric service from the Cooperative. Thereafter, on motion by Gary Geiger, 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 accidents reported in December 2019. Mr. Lowder then briefed the board on 1 vehicle accident that occurred when an employee was trimming a tree; the tree snapped back and fell on the hood of the truck. The damage estimate is $2,225. One miscellaneous incident occurred as a truck was backing out of the garage bay. The bucket was tilted up and hit the garage door. The damage estimate is $1,900. The insurance deductibles are $1,000 on the truck and $500 on the garage door.

**UPDATES**

**CENTRAL UPDATE**

The CEO called upon Cole Price to give a presentation on Central’s Wholesale Power Bill. Following the presentation, Mr. Lowder reported that the Central Board gave authority for Central to do a fiber study. The Central meeting summary is available on BoardPaq.

**STATEWIDE UPDATE**

Mr. Lowder reported that the Governor has asked the cooperatives to include a bill stuffer in the April bills to remind our members of the importance of the 2020 Census. Also, Statewide is hosting a fundraiser for Congressman Joe Wilson on March 13th at 9 a.m. and is asking for a $150 donation from trustees and CEO’s. The Cooke case with Santee Cooper has been remanded back to State Court. Mr. Lowder reminded the board of the Legislative Appreciation Reception on January 29th.

**OLD BUSINESS**

**TRICO GLOBAL INDUSTRIAL SITE UPDATE**

Mr. Lowder reported that the final walkthrough has been performed and DHEC has not given Notice of Termination. Porth Construction was awarded the wastewater contract.

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Orangeburg and Calhoun Counties are finalizing language on their partnership agreement, which will free up $2 million for the site that will go to the wastewater. We are working with Norfolk Southern on another crossing.

**NEW BUSINESS**

**OPERATIONS 2019 OUTAGE INDICES PRESENTATION**

Frank Furtick, COO, gave a presentation on 2019 outage indices

**RENEWAL OF 457 (b) PLAN**

Following an explanation by the CEO, on motion by William Robinson, seconded by Jim Dantzler, and carried, the following resolution was approved:

**RESOLVED**, that Tri-County Electric Cooperative, Inc. (the “Employer”) hereby re-adopts the Executive Compensation 457(b) Plan in the form presented, to replace and supersede the existing deferred compensation plan implemented through a series of documents deferring compensation for certain employees, to be effective on the 1st day of November, 2020; and resolved, that the officers of the Employer are authorized to execute any documents necessary to adopt this Executive Compensation 457(b) Plan and to continue the investment of assets in Homestead Funds.

**RESOLUTION: NRECA 2020 ANNUAL MEETING ATTENDANCE**

On motion by Willie Jeffries, seconded by George Wilson, and carried, the following resolution was approved:

**WHEREAS**, the Cooperative Trustees are encouraged to attend and represent the Cooperative at regional, national, and statewide meetings;

**AND WHEREAS**, the following Trustees have requested permission to attend the 2020 NRECA Annual Meeting: Barbara Weston, Joe Strickland, Jim Dantzler, Ida Dixon, Willie Jeffries, George Wilson, and Gary Geiger;

**THEREFORE, BE IT RESOLVED**, the Board of Trustees hereby approves the Trustees’ request to attend the 2020 NRECA Annual Meeting.

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**RESOLUTION: VOTING DELEGATE AND ALTERNATE TO NRECA AND CFC**

On motion by Jim Dantzler, seconded by Joe Strickland, and carried, there was no change to the Voting Delegate or Alternate Voting Delegate to NRECA and CFC. Chad T. Lowder is the Voting Delegate and Gary F. Geiger is the Alternate Voting Delegate to NRECA and CFC.

**REPORT OF AUDIT COMMITTEE**

Barbara Weston reported that the Audit Committee met today at 4:30 p.m. and reviewed expense reports and credit card invoices for all board members and the CEO covering July 1, 2019 through December 31, 2019. The accounts were approved with one correction; that the amount a trustee is compensated for attendance at meetings via telephonic or other electronic means of communication be corrected to match the bylaws, which state “¼ the per diem rate for each full hour of participation, up to a maximum of 100% of the per diem rate.” Corrections will be made for the trustees who have received the incorrect amount for prior attendance at meetings via telephone.

In addition, the Audit Committee makes the following recommendations:

1) Review expense reports and invoices monthly rather than quarterly, as stated in Policy 417. This recommendation was approved by the board.

2) Only require receipts for expenditures of $50 and above. This recommendation was approved by the board.

**BROADBAND PRESENTATION**

Chad Lowder reported that he and the staff have received and reviewed feasibility studies for fiber to the home from three companies; Conexon, FiberRise, and McCall-Thomas Engineering. He and the staff agree that Conexon has the best business model for our Cooperative. Mr. Lowder then presented Conexon’s business plan, with comparisons to the other two companies. Following his presentation, Mr. Lowder announced that he would like to have a board work session with Conexon representatives in February so that the board can receive information directly from Conexon and be able to ask questions before a final decision is made. Following the presentation, on motion by Gary Geiger, seconded by George Wilson, and carried, the board voted to move forward with Conexon

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using the business plan presented with the understanding that no dollars are being dedicated tonight. A board work session with Conexon was then scheduled for Monday, February 10, 2020 at 4:00 p.m.

**EXECUTIVE SESSION**

On motion by Gary Geiger, seconded by Willie Jeffries, and carried, the board entered executive session to receive legal advice. Then, on motion by George Wilson, seconded by Jackie Shaw, and carried, the board returned to regular session after having taken no action in executive session.

**ADJOURNMENT**

There being no further business, on motion by Gary Geiger, seconded by Jackie Shaw, and carried, the meeting adjourned at 9:39 p.m.

*S. Jacqueline S. Shaw\_\_\_\_\_\_\_\_\_\_*

Jacqueline S. Shaw, Secretary

APPROVED:

*S. Barbara F. Weston\_\_\_\_\_\_\_\_\_\_*

Barbara F. Weston, President