

Tri-County Electric Cooperative, Inc.
September 24, 2021

The regular meeting of the Board of Trustees of Tri-County Electric Cooperative, Inc. was held at the cooperative office in Hooker, Oklahoma, beginning at 10:00 a.m. on Friday, September 24, 2021.

Business Items:

Minutes

Minutes, and the Summary Minutes, from the Board Meeting on August 27, 2021, were approved.

Executive Session

The Board adjourned for an Executive Session to discuss 2022 employee wage / salary increases and 2022 CEO salary.

Resolution – TCEC Solar Display – “Front of Office” PPA with GSEC

Motion was approved to accept and execute the TCEC Solar Display – Front of Office PPA with GSEC.

2022 Employee Wage / Salary Increase

Motion was discussed and approved for a 2022 employee wage / salary increase, to be performance based.

2022 CEO Salary Increase

Motion was discussed and approved for a 2022 CEO salary increase with a vote of 7 yes and 2 no.

Election of Officers and Committee Members

The election of officers and committee members were held by electronic ballots. Those elected were:

Officers:

Shawn Martinez – President (third term)

Ronny White – Vice President (third term)

Kyle Hawkins – Secretary (second term)

Accounting Review Committee:

Marvin Headrick - elected – term will expire September 2024

The other members of the Accounting Review Committee are Beau Rapp (term expiring in 2022) and Larry Dunn (term expiring in 2023).

Ad Hoc Benefits Committee:

Ronny White – term will expire September 2024

The other members of the Benefits Committee are Richard Radcliff (term expiring in 2022) and Gayla James (term expiring in 2023).

Annual Policy Review

Zac Perkins and James R. Fletcher were then called upon to conduct the annual review of the following policies associated with the Board of Trustees:

- Corporate Policy 7 – Conflict of Interest – which establishes that if a Board member has any concern of whether there is a conflict of interest while on the TCEC Board of Trustee to bring it to the attention of the Board and agree to live by their decision.

- Corporate Policy 8 – Ethics – creates a fiduciary obligation and avoiding the appearance of improper conduct.
- Corporate Policy 12 – Procurement – a policy created as required by FEMA establishing that it is improper to receive gifts from an entity unless we have a business relationship as a part owner, such as our relationships with OAEC, Golden Spread and CFC.

Each of the policies covered had an acknowledgement to be signed by the Board members annually following the review.

Committee Reports:

Oklahoma Association of Electric Cooperatives (OAEC) – Ronny White

Ronny White reported that the OAEC Board did not meet.

The External Committee met to discuss the publication of the Oklahoma Living Magazine and the Steering Committee approved budgets and meeting dates of the Board for 2022.

Kansas Electric Cooperatives (KEC) – Larry Dunn

Larry Dunn reported that the KEC Board did not meet, with the next meeting scheduled for October 14.

Golden Spread Electric Cooperative (GSEC) – Shawn Martinez

Shawn Martinez reported that he and Zac Perkins attended the GSEC Committee Meetings on September 8 and the Board met on September 9, with the meetings held in Lubbock. Golden Spread Board members approved the 2021 load forecast, designated service rates, winter storm Uri.

Zac Perkins presented an overview of GSEC for the benefit of the Collegiate Delegates, explaining that GSEC is our generation coop with TCEC as one of the founding cooperatives and the only Oklahoma cooperative. A total of sixteen cooperatives joined together to buy power through GSEC and now GSEC provides financial hedge of power costs on the market. Currently 55 to 80% of our costs goes to GSEC as power costs. Over the last four years TCEC has been fortunate in power costs, but we are all experiencing the effect of gas prices moving back toward volatility. In the past year GSEC has spent \$30M on repairs on the generation units causing all power to be bought on the market. Currently, over fifty percent (50%) of every kilowatt hour sold by TCEC is generated from a green source.

Accounting Review Committee – Larry Dunn

Larry Dunn reported that the Accounting Review Committee did not meet in September. The auditor is expected to join the Board meeting in October via Zoom.

Benefits Committee – Ronny White

Ronny White reported that the Benefits Committee did not meet in September.

Discussion Items:

CEO Update

Zac Perkins reported on the following topics:

- Beaver Fire case has settled with TCEC recovering \$78K.
- OAEC "Shoot the Nations" fundraiser for the International raised \$44k.
- Highlighted employees and contractors (T&R) in a complementary email from the monitoring company providing Archeologists on 23-miles of FEMA projects.

The Departmental Reports were provided in the Board Book.

Legal Update

No update was provided.

Member Contacts

Member contacts received by the Trustees in August reported on:

Members are still mentioning their appreciation for the District 1 meeting.

A report that while working in Boise City, members mentioned the need for a serviceman in Cimarron County.

Next Meeting

The next regular Board meeting will be held on Friday, October 22, 2021.

Old Business

None to discuss.

New Business

Shawn Martinez acknowledged that Beau Rapp has completed the NRECA requirement for his CCD training and was awarded his certificate.

Shawn Martinez acknowledged the Collegiate Delegates joining the Board for their first meeting and asked each to introduce themselves and their current association with OPSU.

There being no further business to come before the Board of Trustees, the meeting was adjourned.