

Minutes  
Meeting of Trustees of the Arab Electric Cooperative, Inc.  
Monday, July 25, 2022, at 6:00 pm  
Arab Electric Cooperative, Inc. Auditorium

1. Roll Call—Trustees Present: Janet Bright-District 1, Jordan Stewart-District 2, Dianne Prestridge-District 3, Bill Stricklend-District 4, Tyler Barnes-District 5; Jeff Warren-District 6; Nathan Clark-District 7, Charles W Whisenant-District 8, and Ty Smith-District 9. Also present were Stacey White-General Manager; Clint Maze-Board Attorney, Cooperative Employees, and other members of the public.
2. Invocation (Agenda Item #2)—Jeff Warren
3. Pledge of Allegiance (Agenda Item #3)—Bill Stricklend
4. Approval of the Amended Agenda (Agenda Item #4)—The President called for an amendment to the agenda to provide for an executive session to discuss threatened and/or pending litigation and an employment issue. Jeff Warran made a motion to amend the agenda to add the executive session, seconded by Tyler Barnes. The motion passes with 8 ayes and 0 nays. Thereafter, Dianne Prestridge made a motion to approve the amended agenda, seconded by Janet Bright. The motion passed with 8 ayes and 0 nays.
5. Approval of the Minutes (Agenda Items #5)—There was a motion to approve the minutes of the June 27, 2022, Regular Meeting of the Trustees made by Jordan Stewart, seconded by Ty Smith. Motion passed with 8 ayes and 0 nays.
6. Management Update (Agenda Item #6)— The General Manager presented the Three-Month Cash/Investment Accounts Balances Report, the Monthly Report to TVA, the Monthly Operational Budget Report and the Monthly Collection and Meter Department Report for May 2022. The reports were emailed out to the Board prior to the meeting and are made a part of the minutes. The General Manager advised the Board that the ballots for the 2022-2023 Annual Meeting have been sent to the printer and will be mailed out to the members by the end of next week.

The General Manager further advised that all of the poles have been removed from the Guntersville causeway and the only line that remains on the north side of the causeway is a data wire which is affixed to the Finally, the General Manager stated that the Board that gates for the material lot have been installed and the only thing remaining is for one chain and security cameras, which have yet to be delivered.

7. Personnel Committee<sup>1</sup> Update (Agenda Item #7)—The Board Attorney presented the revisions to the Nepotism Policy which he recommended to the Personnel Committee. After a

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<sup>1</sup> The Personnel Committee is comprised of Tyler Barnes—Chairman, Janet Bright, Dianne Prestridge, and Jeff Warren. The General Manager—*Ex Officio*, Kellie Garrett, Wayne Mahathey and Mike King are employee representatives on the Personnel Committee.

brief discussion, and based on the recommendation of the Personnel Committee, Dianne Prestridge made a motion that the amendments be adopted, seconded by Jordan Stewart. The motion passed with 8 ayes and no nays.

The General Manager provided information to the Board regarding the need for a policy to address military leave for cooperative employees who are in the reserves and/or national guard. The General Manager advised the Board what had been done in the past, which is more than the law requires. Given the absence of a policy and the precedent exceeding was required by law, the General Manager requested that a policy be drafted. This matter will be discussed by the Personnel Committee and it will make a recommendation.

Finally, the Personnel Committee has approved the job description for an engineer position, including a starting salary range. Based on the recommendation of the Personnel Committee, Tyler Barnes made a motion for the Cooperative to post the position, seconded by Dianne Prestridge. The motion passed with 7 ayes and 1 nay.

8. Finance Committee<sup>2</sup> Update (Agenda Item #8)—The Finance Committee had no report.

9. Right of Way Committee<sup>3</sup> Update (Agenda Item #9)—The Right of Way Committee had no report.

10. Old Business (Agenda Item #10)—Mrs. White informed the Board that all breakers on the Brashier’s Chapel Substation are now in service. There were temporary lines and poles that were installed during the construction phase, which will be removed and the cleanup and landscaping around the substation is all that remains. The design and drawings for the Sundown substation are in process, the Cooperative is still waiting for the appraisal for the Brazelton property which is needed for the expansion.

11. Discussion Item: (Agenda Item #11) The General Manager announced that the Alabama Automotive Manufacturer’s Association is hosting a “Drive Electric Alabama EV Summit” in Birmingham September 21-22, and invited any Board Member who was interested in attending to do so.

12. Action Item: Retirement Security (RS) Plan and 401(k) Pension Plan (Agenda Item # 12)—The General Manager advised the Board IRS regulations require that the Cooperative’s Retirement Security and 401(k)/Pension Plan be recertified every five years and that it is time for the recertification. There were no changes to the Cooperative’s plan and the General Manager recommended that it be recertified. Dianne Prestridge made a motion for recertification, seconded by Tyler Barnes. The motion passed with 8 ayes and 0 nays.

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<sup>2</sup> The Finance Committee is comprised of Bill Stricklend—Chairman, Dianne Prestridge, Nathan Clark, and the General Manager—*Ex Officio*.

<sup>3</sup> The Right of Way Committee is comprised of Nathan Clark—Chairman, Janet Bright, Tyler Barnes, Ty Smith, the General Manager—*Ex Officio*, and the Right of Way Supervisor, Brett Barnard—*Ex Officio*.

13. Declaration of Surplus Items: (Agenda Item # 13)—There were no items to be declared surplus.
14. Member comments (Agenda Item #18)—There was an opportunity given for member comments and none were received.
15. Executive Session: There was an announcement that the Executive Session was required to discuss threatened or pending litigation, and to discuss a separate employment matter. The Board Attorney certified the need for the executive session, based on the threatened litigation. Dianne Prestridge made a motion to go into executive session, seconded by Bill Stricklend. The motion passed with 8 ayes and 0 nays. Thereafter, a brief executive session was held. Following the executive session, Jeff Warren made a motion to come out of executive session, seconded by Dianne Prestridge. The motion passed with 8 ayes and 0 nays.
16. Action Item: Approval of Indemnity Agreement with Service Electric. The Indemnity Agreement with Service Electric was discussed and there was one suggested change, which was the forum selection clause, to be changed to Alabama. Bill Stricklend made a motion to approve the Indemnity Agreement, as revised, seconded by Jordan Stewart. The motion passed with 8 ayes and 0 nays.
17. There was an announcement made that the August 2022 meeting of the Board of Trustees would be held on August 22, 2022, at 6:00 pm at the Cooperative Headquarters Auditorium.
18. Adjourn—There was a motion by Bill Stricklend, seconded by Tyler Barnes, to adjourn. Motion passed with 8 ayes and 0 nays.