

## MEETING OF BOARD OF DIRECTORS

The regular meeting of directors of Pontotoc Electric Power Association was held at the office of the Association in Pontotoc on Wednesday, November 4, 2020 at 9:00 a.m. All directors were present for this meeting.

The invocation was given by Vice President Terry Chunn. The President served as Chairman and minutes were kept by the Secretary.

President Larry Parker welcomed all to the meeting and asked for director comments. Richard Watkins stated that he needed to leave at Noon. President Parker then opened the floor to members present. None addressed the Board.

Minutes of the October 7, 2020 Board Meeting, the October 7, 2020 Annual Meeting, and the October 9, 2020 Special Called Board Meeting were approved as read.

New consumers connected since the October meeting were accepted as members of the Association.

Vouchers Payable for the month of October were approved for payment, including routine expenses not yet received as of the meeting date.

Director Nicky Moore asked how long idle transformers are left out on the system. General Manager Frankie Moorman responded that unused transformers are brought back in to the warehouse as quickly as possible once it has been determined that there is no longer a need for a transformer at that location.

The Manager distributed an updated list of sick employees and family members.

The Manager then notified the Board that PEPA had sent a 7-man crew to assist Coast EPA with restoration after Hurricane Zeta which made landfall on October 28, 2020. The PEPA crew had left out on Saturday, October 31<sup>st</sup> and may be able to return home by the weekend.

General Manager Frankie Moorman presented the October Safety Report reporting no lost time accidents and one non-lost time accident on October 26<sup>th</sup> resulting in an employee being temporarily placed on light duty. Thankfully, that employee was not seriously injured and has been reinstated to full duty with no restrictions. The Manager reported that a Safety Meeting scheduled for October 12, 2020 had to be rescheduled for November 17, 2020 due to a family emergency of an Electric Cooperatives of Mississippi Instructor. PEPA had no full-time employees quarantined during October due to COVID-19. During October, there were two damage claims to Association property along with two vehicle accidents involving utility poles. There was also one near-miss accident on October 16, 2020 that involved a contractor digging in to an underground service that was not properly marked. There were no injuries associated with this near-miss accident.

Next, the Manager presented the October Right-of-Way report noting the routine maintenance crew had cut 15.5 total miles. He stated the R-O-W crew was currently working in the Bruce district along Hwy 331 in Calhoun County. The Manager also notified the Board that the R-O-W tractor was having issues with the engine locking up possibly due to a loose rod or rod cap. The company had been contacted, and the engine is still under warranty. The Manager told the Board the engine has been taken out of the tractor and will be shipped to the company for repair. Director Terry Oaks asked about the warranty. The Manager responded the engine had a one-year warranty which would expire on January 24, 2021.

The Manager then presented the Employee Training Report for October 2020 noting that most employees had participated in virtual training while one had attended apprentice lineman training school in Olive Branch.

At the Manager's request, Jeanna Sorto presented the monthly financial report along with the fiscal year 2021 first quarter comparison of financial & operating statistical data.



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Directors Terry Oaks and Larry Parker asked about pole rentals in arrears. Jeanna Sorto responded that Mark Patterson had calculated all remaining pole rental revenue due and had mailed out invoices the previous week. She also stated that AT&T was up to date and that payment was expected from the other companies around the first of the upcoming calendar year.

Upon a motion duly made by Richard Watkins and seconded by Allen Simmons, a Bad Debt Write-Off for the month of October in the amount of \$9,271.31 was approved unanimously by the Board. The Pontotoc amount of \$7,411.77 included four old bill COVID19 contracts and an additional bankruptcy write-off of \$1,291.88. The Bruce amount of \$1,859.54 included one old bill COVID19 contract.

The Manager informed the Board that collections are now caught up and are currently running about two days out. He also told the Board that \$16,591.13 in outstanding COVID19 loan payments remained out of an approximate \$93,000.00 originally.

Next, the Manager informed the Board that he and Jennifer Johnson had attended two discovery meetings with ProVis Solutions about PEPA's new website and have a third meeting about site design scheduled for next week. After a question from President Larry Parker, the Manager stated that he would know more about the time frame of the new site after the next meeting. Member David Tranberg commented on some of the content that he would like to see on the new website. The Board President stated the new website design project is still in the discovery stage and more details would be revealed after the discovery process.

The Manager then informed the Board that Landis and Gyr had not completed the Topography study. Therefore, the AMI metering presentation would be postponed until the December 2020 meeting.

Next, the Manager recommended a change in authorized signers on all local bank accounts. He recommended that Chuck Howell and Mark Patterson be removed from all accounts and that authorized signers should be Board President Larry Parker, General Manager Frankie Moorman, Director of Accounting & Finance-Secretary/Treasurer Jeanna Sorto, and authorized signer Karen Laprade. Upon a motion by Nicky Moore and seconded by Terry Oaks, the Manager's recommendation was approved unanimously.

The Manager discussed the need to renew a \$250,000 Line of Credit with Renasant Bank which had expired on November 1, 2020. He recommended that the Secretary/Treasurer be authorized to execute any documents necessary to continue this line of credit and that the Board President, General Manager, and Secretary/Treasurer be authorized to draw upon the line of credit if needed. Upon a motion duly made by Nicky Browning and seconded by Allen Simmons, the Board unanimously approved this recommendation.

The Manager informed the Board of the receipt of a \$260.79 interest payment for the period ended September 30, 2020 from the National Rural Utilities Cooperative Finance Corporation (CFC).

The Manager also announced that Gresco Utility Supply had issued a patronage dividend to Pontotoc Electric in the amount of \$33,152.77, of which \$6,748.00 was in cash and \$26,404.77 was added to PEPA's equity in Gresco bringing the total equity to \$350,108.77.

The General Manager then presented the list of recently completed construction projects and the present construction projects.

Upon a motion duly made by Nicky Moore, seconded by Terry Chunn, and approved unanimously, the Board approved a contribution of \$200 to the First Baptist Church Feeding of the 5000 in memory of Charlie Robinson.

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Next, there was a discussion about the growth of the Association's system, the recent addition of the Ingomar substation, and future plans to enhance the electrical system to sustain this growth. During this discussion, Board President Larry Parker commended former Manager Chuck Howell's vision and previous build out of the system providing reliable power for the members.

The Manager informed the Board that recent thank you notes were in their packets.

The Manager reminded the Board that the ballot count would be conducted by an independent third party and the Board attorney on November 19<sup>th</sup> in the PEPA conference room. Each candidate would be allowed to attend along with one other person of their choosing. The only others allowed to attend would be the Board President, General Manager, and Secretary/Treasurer.

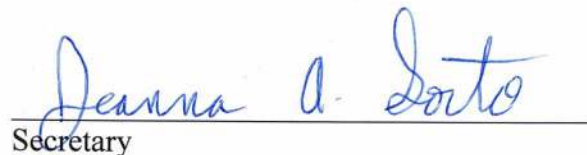
The Board's next regular meeting was scheduled for Wednesday, December 9, 2020 at 9 AM at the Association's Pontotoc office.

At the Manager's request and upon a motion duly made by Terry Chunn, seconded by Jeff Washington, and approved unanimously, the Board voted to go into Executive Session for the purpose of the reading of the minutes of the Board's October 7, 2020 Executive Session and a discussion of personnel matters. Later, upon a motion duly made by Bobby Duke, seconded by Jeff Washington, and approved unanimously, the Board voted to adjourn the Executive Session and return to Regular Session.

There being no further business, and upon a motion duly made by Terry Oaks, seconded by Richard Watkins, and unanimously approved, the meeting was adjourned.

Approved:

  
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President

  
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Secretary