

CLAIBORNE ELECTRIC COOPERATIVE, INC.
BOARD MEETING MINUTES
JANUARY 29, 2019

- ❖ **Call to Order** – Mr. Elkins called the meeting to order at 6:30 pm. The following members of the Board of Directors were present for the meeting:
 - Hez Elkins – President
 - Eddie Harmon – Vice President
 - Richard Noles – Secretary/Treasurer
 - Leroy Perritt
 - Scott Jones
 - Willie Sensley
 - Lane Davidson
 - Phillip Fincher
 - Rand Killgore
 - Also present were:
 - Paul Kitchens – Corporate Counsel
 - Mark Brown – CEO
 - Bob Kolling – COO
 - Bill Dye – CFO
 - Lori Kirkpatrick – Executive Secretary
 - Ken Gajdos – Special guest and representative from CoBank

- ❖ **Pledge** – Mr. Elkins led the pledge of allegiance and asked Mr. Kitchens to offer an opening prayer.

- ❖ **Request for Items to be Added to the Agenda** – No items were added to the agenda although a request was made and granted to allow Mr. Kolling to offer an oral report based upon his written comments contained in the Consent Agenda.

- ❖ **Consent Agenda** – Mr. Harmon moved and Mr. Jones seconded a motion to approve the consent agenda. That motion carried.
 - Approve January 8, 2019 Regular Meeting Minutes
 - Expense Reports
 - Acceptance of New Members
 - Approve Capital Credits (subject to Counsel approval)
 - Approve Monthly Loss Control & Safety Report
 - Approve Homer & Farmerville Operations Report

- ❖ **Ken Gajdos** – CoBank Representative made brief comments taking the opportunity to introduce himself and CoBank to the group. He left the meeting following his presentation.

Attorney Report – Mr. Elkins entertained a motion from Mr. Killgore and seconded by Mr. Noles to enter into an executive session to discuss legal matters and other strategic

issues. The motion carried. Mr. Killgore offered a motion, seconded by Mr. Noles to adjourn the executive session. That motion carried. Following the executive session, Mr. Davidson moved and Mr. Harmon seconded a motion to approve the following resolution and replacing a similar resolution approved during the Cooperative's December meeting:

CERTIFICATE

I, Richard Noles, do hereby certify that: I am the Secretary of Claiborne Electric Cooperative, Inc. (hereafter referred to as the "**Cooperative**"); the following is a true and correct copy of the Resolution duly adopted by the Board of Directors of the Cooperative at a special meeting held on January 29, 2019, at which a quorum was present, and entered in the minutes books of the Cooperative; the meeting was duly and regularly held in accordance with the bylaws of the Cooperative; and the following resolution has not been rescinded or modified:

RESOLUTION:

BE IT RESOLVED, that the Claiborne Electric Cooperative, Inc. Board of Directors hereby directs counsel to draft amendments to the Cooperative's Bylaws in order to establish the following objectives and policies:

1. The below policies are conditioned upon acceptance of these policies by the Louisiana Public Service Commission (hereinafter referred to as "**LPSC**" or "**Commission**") in satisfaction of the matters expressed in LPSC Docket No. R-35066 (*In Re: Rules and Regulations Governing Electric Cooperatives Subject to the Jurisdiction of the Louisiana Public Service Commission*) (hereinafter referred to as LPSC Docket No. R-35066) and further conditioned upon the Commission issuing no General Order, rule, regulation, or requirement, in not only the aforementioned docket but against any electric cooperative in the State of Louisiana that infringes on the Cooperative's right to manage the cooperative, but rather, dismissal of the docket by the Commission with the Cooperative and the Commission reserving all rights to object to and/or defend against any action of either the Commission or the Cooperative regarding the matters herein described or any other matters related to the Cooperative in the future.
2. Term Limits: Effective with the election cycle beginning after the dismissal of LPSC Docket No. R-35066, for each newly-member--elected or currently-incumbent director, directors shall be term limited to six (6) consecutive 3-year terms, for a total of 18 years (or 3 consecutive 6-year terms, or any other term configuration determined by the membership of the Cooperative from time to time). For any director appointed to fill an unexpired term, the time spent serving the unexpired term shall not count toward the 18-year term limit on service.
3. Board of Director Elections: Effective with the election cycle beginning after the LPSC Docket No. R-35066, no quorum requirement shall exist for board of director elections, and the candidate receiving the most votes, be it by mail, in-person voting, or a combination of both, shall be declared the winner. All other business of the Cooperative will be conducted at annual or special called meetings of the members and shall require a quorum to proceed as prescribed by the bylaws of the Cooperative.

4. Insurance: If the Cooperative provides medical, health, life, or other form of insurance to Cooperative directors, it shall be on the same terms and at the same level of reimbursement as are offered to the Cooperative's employees.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the cooperative's seal this 29th day of January 2019.

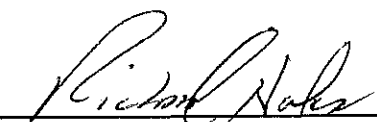

Secretary
CLAIBORNE ELECTRIC COOPERATIVE, INC.

That motion carried. The Board then directed staff to prepare draft Bylaw changes designed to follow the procedures outlined in the resolution above. Mr. Kitchens has been asked to review those draft changes prior to the next meeting of the Board. The Board may take action at that time related to putting the proposed Bylaw changes before our membership for a vote.

A specific motion was then offered by Mr. Harmon and seconded by Mr. Killgore to approve Mr. Kitchens report. The motion was approved.

- ❖ **ALEC Report** – Mr. Noles made a thorough report of the activities of our statewide association, ALEC.
- ❖ **Financial Report** – Mr. Dye
 - The Financial Report was approved upon a motion made by Mr. Killgore and seconded by Mr. Davidson.
 - 2019 Safe Worker Award Program was then discussed and approved on a motion by Mr. Harmon and seconded by Mr. Fincher.
- ❖ **CEO Report** – Mr. Brown made a brief report discussing the possibility of making a capital credit refund during 2019. No action was taken.
- ❖ **Approve Meeting Expense** – Mr. Fincher moved and Mr. Perritt seconded a motion to approve the expenses associated with this meeting. The motion carried.
- ❖ **Confirm Next Meeting Date** – Mr. Elkins set the date for the next meeting: *Regular Board Meeting, Monday, February 25, 2019. Please note this change on your calendars!*
- ❖ **Adjourn** On a motion made by Mr. Harmon, seconded by Mr. Perritt and voted upon by the Board, the meeting was adjourned.


Hez Elkins, President


Richard Noles, Secretary-Treasurer