

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

St. Matthews, South Carolina
Minutes of the Board of Trustees Meeting
January 26, 2023

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 26, 2023 in the Boardroom at the Headquarters Office in St. Matthews, South Carolina.

The following trustees were present: Barbara Weston, Ida L. Dixon, S. George Wilson, Gary F. Geiger (via telephone), William Robinson, James R. Dantzler, Willie Jeffries, Joe Strickland (via telephone), and Jacqueline S. Shaw. Also present were Chad T. Lowder, CEO, John G. Felder, Sr., General Counsel, Michael Weeks, VP of Finance and Administration, Keith Scharf, VP of Safety and Loss Control, Louis Arsenault, VP of Technology and TriCoLink Services, Rob Hochstetler, President and CEO of Central Electric Power Cooperative, and Cindy Sarratt, who recorded the minutes of the meeting.

CALL TO ORDER – INVOCATION

President Barbara Weston called the meeting to order at 6:00 p.m. Following the Call to Order, George Wilson gave the Invocation.

MEMBER COMMENT PERIOD

There were no members present or online during the Member Comment Period.

APPROVAL OF MINUTES OF BOARD MEETING OF December 21, 2022

On motion by Willie Jeffries, seconded by Jim Dantzler, and carried, the minutes of the Board of Trustees Meeting of December 21, 2022 were approved.

REPORTS

FINANCIAL REPORTS

The Financial Reports for December 2022 were not available due to the pending annual audit.

NEW MEMBER REPORT

The CEO reported that 73 new members made application for service in December 2022 and those members are now actively receiving electric service from the Cooperative. On motion by Jim Dantzler, seconded by Willie Jeffries, and carried, the following resolution was passed:

RESOLVED, that the application of new members is hereby accepted and approved.

There were 120 Final Bills sent out for the month of December. Those members are no longer receiving electric service from the Cooperative.

SAFETY REPORT

In giving the monthly safety report, Mr. Lowder informed the board that one consumer damage claim was filed when a serviceman ran over and damaged a septic tank while traveling on the right-of-way for a service call. There were no lost time accidents, no hours lost, the OSHA Recordable accidents, no employee injuries, no vehicle accidents, and no miscellaneous accidents reported in November 2022. Mr. Lowder also presented a 5-year Safety Performance Report and reported that we won first place in our category of the President's Safety Contest. In addition, Mr. Lowder explained that NRECA is piloting a Commitment to Zero Contacts Phase 2 program to interested co-ops. We will participate in a kick-off meeting with Statewide in May. More information will be provided to the board as it becomes available.

BOARD COMMITTEE REPORTS

AUDIT COMMITTEE

Barbara Weston reported that the Audit Committee met at 5:30 p.m. on January 26, 2023 to review expense accounts for December 2022. All accounts were found to be in order and the report of the Audit Committee was accepted.

ECONOMIC DEVELOPMENT COMMITTEE

No report.

CEO COMPENSATION AND BENEFITS REVIEW COMMITTEE

Jim Dantzler reported that he is still waiting on evaluation forms from a couple of board members. The CEO will have his recap of 2022 and goals for 2023 prepared in February. The Committee will meet again before the board meeting in February.

ETHICS AND GOVERNANCE COMMITTEE

No report.

POLICY AND BYLAWS COMMITTEE

The CEO reported that he and John Felder will meet with Aaron Christensen in February to discuss proposed bylaw revisions. The Committee will probably have a meeting in March.

UPDATES

CENTRAL UPDATE

Robert Hochstetler, President and CEO of Central Electric Power Cooperative attended the meeting to update the board on power supply and the Christmas Eve winter weather event.

Executive Session

Due to the sensitive nature of the information, on motion by William Robinson, seconded by Jim Dantzler, and carried, the board entered executive session to receive the report from Rob Hochstetler and an Economic Development Update from Mr. Lowder. Following the presentations, on motion by Jim Dantzler, seconded by Willie Jeffries, and carried, the board returned to regular session after having taken no action in executive session.

STATEWIDE UPDATE

The CEO announced that the Legislative Appreciation Reception will be held on Tuesday, February 7, 2023 from 5:00 – 7:00 p.m. at the Columbia Metropolitan Convention Center. Those planning to attend were asked to let Cindy know so that names can be submitted for nametags.

FIBER TO THE HOME UPDATE

Mr. Lowder gave the Fiber to the Home Project Update and a report of applicable grants.

MONTHLY OUTAGE REPORT

The CEO briefed the board on a wind event that occurred just before the winter weather event on Christmas Eve, resulting in a total of 3,684 outages.

NEW BUSINESS

RESOLUTION – COBANK LINE OF CREDIT UPDATE

The CEO explained the need to update the CoBank Line of Credit of Credit. Then, on motion by William Robinson, seconded by Willie Jeffries, and carried, the following resolution was passed: WHEREAS, the above-named borrower (the “Company”), under its articles of incorporation, bylaws, or other organizational documents has full power and authority to borrow money and to secure the same with its own property and property delivered to it for marketing or otherwise; and

WHEREAS, all prerequisite acts and proceedings preliminary to the adoption of this Resolution have been taken and done in due and proper form, time and manner; and

WHEREAS, the Board of Trustees of the Company find that it is in the best interest of the Company to become a member in CoBank, ACB ("CoBank");

NOW, THEREFORE, BE IT RESOLVED, that each of the following officers or positions President, Vice President, Treasurer, and Secretary and any others to be authorized under this Resolution Chief Executive Officer and Vice President of Finance and Administration of the Company are jointly and severally authorized and empowered to obtain for and on behalf of the Company from time to time, from CoBank, a loan or loans or other financial accommodations (including, without limitation, letters of credit, note purchase agreements and bankers acceptances) (collectively, a "Loan") under this Resolution; and for such purposes: (1) to execute such application or applications (including exhibits, amendments and/or supplements thereto) as may be required for all borrowings; (2) to obligate the Company to pay such rate or rates of interest as the Officers so acting shall deem proper, and in connection therewith to purchase such interest rate risk management products as may be offered from time to time by CoBank; (3) to obligate the Company to such other terms and conditions as the Officers so acting shall deem proper; (4) to obligate the Company to become a member in CoBank and to make such investments in CoBank as required by CoBank; (5) to execute and deliver to CoBank or its nominee all such written loan agreements, documents and instruments as may be required by CoBank in regard to or as evidence of any Loan made pursuant to the terms of this Resolution; (6) to pledge, grant a security interest or lien in, or assign property of the Company or property of others on which it is entitled to borrow, of any kind and in any amount as security for any or all obligations (past, present and/or future) of the Company to CoBank; (7) from time to time extend, amend, renew or refinance any such Loan; (8) to reborrow from time to time, subject to the provisions of this Resolution, all or any part of the amounts repaid to CoBank on any Loan made pursuant hereto (whether for the same or a different purpose); (9) to execute and deliver to CoBank an Electronic Commerce Master Service Agreement, a separate Service Agreement for each different service requested by the Company, and such other agreements, addenda, documents or instruments as may be required by CoBank in the event that the Company elects to use CoBank's electronic banking system (the "System"); (10) to execute and deliver to CoBank any agreements, addenda, authorization forms and other documents or instruments as may be required by CoBank in the event that the Company elects to use any services or products related to the Loan that are offered by CoBank now or in the future, including without limitation an automated clearing house (ACH) service; (11) to direct and delegate to designated employees of the Company the authority to direct, by written or

telephonic instructions or electronically, if the Company has agreed to use the system for such purpose, the disposition of the proceeds of any Loan authorized herein or any property of the Company at any time held by CoBank; and (12) to delegate to designated employees of the Company the authority to request by telephonic or written means or electronically, if the Company has agreed to use the System for such purpose, loan advances and/or other financial accommodations, and in connection therewith, to fix rates and agree to pay fees. In the absence of any direction or delegation authorized in (11) or (12) above, all existing directions and/or delegations shall remain in full force and effect and shall be applicable to any Loan authorized herein.

RESOLVED FURTHER, that each of the Officers are hereby jointly and severally authorized to: (1) establish a Cash Investment Services Account at CoBank; (2) make such investments therein as any Officer shall deem proper; (3) direct by written or telephonic instructions or electronically, if the Company has agreed to use the System for such purposes, the disposition of the proceeds therein; (4) delegate to designated employees of the Company the authority set forth in (2) and (3) above; and (5) execute and deliver all documents and agreements necessary to carry out this authority.

RESOLVED FURTHER, that each of the Officers are hereby jointly and severally authorized and directed to do and/or cause to be done, from time to time, all things which may be necessary and/or proper for the carrying out of the terms of these Resolutions.

RESOLVED FURTHER, that all prior acts by the Officers or other employees or agents of the Company to accomplish the purposes of these Resolutions are hereby approved and ratified.

RESOLVED FURTHER, that any Officer of the Company is hereby authorized and directed to cast the ballot of the Company in any and all proceedings in which the Company is entitled to vote for the selection of a member of CoBank's board of directors or for any other purpose.

RESOLVED FURTHER, that these Resolutions shall remain in full force and effect until a certified copy of a duly adopted resolution effecting a revocation or amendment, as the case may be, shall have been received by CoBank. The authority hereby granted shall apply with equal force and effect to the successors in office of the Officers herein named.

RESOLVED FURTHER, that effective on the date when the Loan under these Resolutions becomes available, the following listed Resolutions are hereby revoked:

N/A

No such revocation shall affect the validity of any action or actions made or taken in reliance on such resolution(s) prior to the effective date of revocation.

RESOLVED FURTHER, That the Secretary or any Assistant Secretary of the Company is hereby authorized and directed to certify to CoBank a copy of these Resolutions, the names and specimen signatures of the present Officers above referred to, and if and when any change is made in the personnel of any said Officers, the fact of such change and the name and specimen signature of the new Officers. CoBank shall be entitled to rely on any such certification until a new certification is actually received by CoBank.

ELECTION OF NRECA VOTING DELEGATE AND ALTERNATE

On motion by William Robinson, seconded by Willie Jeffries, and carried, Chad Lowder was elected Voting Delegate and Gary Geiger was elected Alternate Voting Delegate for NRECA.

ELECTION OF DELEGATES TO CENTRAL ELECTRIC POWER COOPERATIVE

On motion by Ida Dixon, seconded by Jackie Shaw, and carried, Chad Lowder and Barbara Weston were elected as Delegates to the Annual Meeting of the Members of Central Electric Power Cooperative.

RESOLUTION – BOARD ATTENDANCE AT NRECA POWERXCHANGE CONFERENCE

On motion by George Wilson, seconded by Willie Jeffries, and carried, the following Resolution was passed:

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 2023 NRECA PowerXchange Conference in Nashville, TN March 3-8, 2023: Ida Dixon, George Wilson, Willie Jeffries, William Robinson, Jim Dantzler, Joe Strickland, and Gary Geiger;

THEREFORE, BE IT RESOLVED, the Board of Trustees hereby approves the Trustees' request to attend the 2023 NRECA PowerXchange Conference in Nashville, TN.

RESOLUTION – BOARD ATTENDANCE AT NRECA DIRECTORS CONFERENCE ONLINE

On motion by George Wilson, seconded by Willie Jeffries, and carried, the following Resolution was passed:

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 2023 NRECA Directors Conference Online February 6-7, 2023, 2023: Barbara Weston and Jacqueline S. Shaw;

THEREFORE, BE IT RESOLVED, the Board of Trustees hereby approves the Trustees' request to attend the 2023 NRECA Directors Conference Online.

NRECA LEGISLATIVE CONFERENCE IN WASHINGTON ATTENDANCE

Mr. Lowder announced that the NRECA Legislative Conference in Washington, DC will be held April 16-18, 2023 at the Marriott Marquis. Those interested in attending were urged to let Cindy know so that they can be registered and travel arrangements can be made.

CEO COMMENTS

2022 STRATEGIC OBJECTIVES AND 2023 GOALS

Mr. Lowder indicated that he will submit his 2023 Strategic Objectives and Goals by the end of February.

ORGANIZATIONAL UPDATE

Mr. Lowder informed the board that Michael Weeks has announced that he will be resigning his position as VP of Finance and Administration in order to change his career path, but probably not until after the end of this year. A search for someone to take his place will begin soon.

ADJOURNMENT

There being no further business, on motion by Willie Jeffries, seconded by Jackie Shaw, and carried, the meeting adjourned at 8:32 p.m.

Jacqueline S. Shaw, Secretary

APPROVED:

Barbara F. Weston, President