

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

St. Matthews, South Carolina

Minutes of the Board of Trustees Meeting

July 22, 2021

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 July 22, 2021 at the Headquarters Office in St. Matthews, South Carolina. In order to comply with the Centers for Disease Control and Prevention's guidance of social distancing due to the novel coronavirus (COVID-19) outbreaks, the meeting took place in the Auditorium.

The following trustees were present: Ida L. Dixon, Barbara F. Weston, S. George Wilson, Gary F. Geiger, F. Joe Strickland, Jr., William Robinson, James R. Dantzler, and Jacqueline S. Shaw. Also present were Chad T. Lowder, CEO, John G. Felder, Sr., General Counsel, Frank Furtick, COO, Michael Weeks, CAO, and Cindy Sarratt, who recorded the minutes of the meeting.

CALL TO ORDER – INVOCATION

The meeting was called to order by President Barbara F. Weston at 6:00 p.m. Following the Call to Order, Joe Strickland 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 June 24, 2021

On motion by Jim Dantzler, seconded by Gary Geiger, and carried, the minutes of the Board of Trustees Meeting of June 24, 2021 were approved.

REPORTS

SYSTEM SUMMARY REPORTS AND MONTH FINANCIAL STATEMENTS

The System Summary Reports and Monthly Financial Statements for June 2021 were approved as presented by the CEO.

NEW MEMBER REPORT

The CEO reported that from June 1-30, 2021 96 new members made application for service and those new members are now actively receiving electric service from the Cooperative. Thereafter, on motion by Gary Geiger, seconded by William Robinson, and carried, the following resolution was approved:

RESOLVED, the applications of new members are hereby accepted and approved.

SAFETY REPORT

The CEO reported that there were no lost time accidents, no hours lost, no OSHA Recordable accidents, no employee injuries, no vehicle accidents, and no miscellaneous incidents reported in June 2021. One consumer damage claim was received after an employee backed into a consumer's mailbox. Another consumer damage claim was reported when a Cooperative truck hit a dog in the road. The incident happened on a dirt road and the dog did not have a collar.

The CEO also reported that right now we are in the lead in our category for the President's Safety Contest.

REPORT OF AUDIT COMMITTEE

Barbara Weston reported that the Committee met on July 22, 2021 and reviewed the expense reports and credit card invoices for the Board, CEO, and Attorney for the period June 1 - 30, 2021. It was noted that figures were transposed on Ida Dixon's expense report and Jackie Shaw received an overpayment last month due to the fact that she called in rather than appeared in person. Those corrections will be made to the expense reports. All accounts were approved by the Audit Committee.

UPDATES

CENTRAL UPDATE

On motion by Jim Dantzler, seconded by William Robinson, and carried, the board entered executive session to receive legal advice pertaining to the Central Update. Then, after having taken no action, on motion by Jim Dantzler, seconded by William Robinson, and carried, the board returned to regular session.

STATEWIDE UPDATE

The CEO reported that Statewide will be having committee meetings and budget meetings very soon. Also, Statewide is having a fundraiser for Congressman Jim Clyburn on September 15, 2021 at Statewide. Statewide is requesting \$1,500 from each Cooperative from personal funds since this is for a Federal election campaign. In addition, Mr. Lowder stated that the *South Carolina Living* magazine pages were posted on BoardPaq.

NEW BUSINESS

ECONOMIC DEVELOPMENT UPDATE

The CEO gave an update on potential Economic Development projects interested in our industrial sites.

FIBER TO THE HOME PROJECT UPDATE

Chad Lowder gave a Fiber to the Home Project Update.

NEW BUSINESS

RESOLUTION – APPROVAL OF CFC LOAN PACKAGE FOR PHASE II OF THE FIBER PROJECT

On motion by George Wilson, seconded by Gary Geiger, and carried, the following Resolution was passed:

RESOLVED, that the Cooperative borrow from National Rural Utilities Cooperative Finance Corporation (“CFC”), from time to time as determined by the persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$18,400,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the “9024 Loan Agreement”);

RESOLVED, that the Cooperative also borrow from CFC, from time to time as determined by the persons designated by the board of directors of the Cooperative, an aggregate amount not to exceed \$2,200,000.00, as set forth in the loan agreement with CFC governing such loan, substantially in the form of the loan agreement presented to this meeting (the “9025 Loan Agreement”);

RESOLVED, that the proceeds of this loan be used for the purposes set forth in the 9024 Loan Agreement and the 9025 Loan Agreement, respectively;

RESOLVED, that the individuals listed below are hereby authorized to execute and deliver to CFC the following documents (including as many counterparts as may be required):

- (a) the 9024 Loan Agreement;
- (b) the 9025 Loan Agreement;
- (c) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$18,400,000.00, substantially in the form of the note presented to this meeting; and

- (d) one or more secured promissory notes payable to the order of CFC, which in the aggregate shall not exceed the principal amount of \$2,200,000.00, substantially in the form of the note presented to this meeting; and
- (e) If required by CFC, as many counterparts as shall be deemed advisable of a mortgage and security agreement with CFC as mortgagee, for purposes of securing the loans provided for herein, in such form as the individuals authorized herein may negotiate with CFC.

RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the Cooperative to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said 9024 Loan Agreement and 9025 Loan Agreement as such individual may deem appropriate within the amount of the promissory notes so authorized herein and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions:

<u>Title or Office</u>	<u>Name (typed or printed)</u>
<u>Chief Executive Officer</u>	<u>Chad T. Lowder</u>
<u>Chief Administrative Officer</u>	<u>W. Michael Weeks</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

RESOLUTION – BOARD ATTENDANCE AT NRECA REGION 2 AND 3 MEETING
OCTOBER 5-7, 2021

On motion by Gary Geiger, seconded by Jackie Shaw, 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 2021 NRECA Region 2 and 3 Meeting being held in Birmingham, Alabama October 5-7, 2021: Joe Strickland, Willie Jeffries, Ida Dixon, George Wilson, William Robinson (online), Jim

Dantzler (online), Barbara Weston (online), Jackie Shaw (online), and Gary Geiger (online);

THEREFORE, BE IT RESOLVED, the Board of Trustees hereby approves the Trustees' request to attend the 2021 NRECA Region 2 and 3 Meeting being held in Birmingham, Alabama October 5-7, 2021.

CEO COMMENTS

On motion by William Robinson, seconded by Gary Geiger, and carried, the board entered executive session to discuss confidential information. Then, on motion by Gary Geiger, seconded by Joe Strickland, and carried, the board returned to regular session after having taken no action in executive session.

ADJOURNMENT

On motion by Gary Geiger, seconded by Jim Dantzler, and carried, the board adjourned at 8:25 p.m.

Jacqueline S. Shaw, Secretary

APPROVED:

Barbara F. Weston, President