

CHOCTAW ELECTRIC COOPERATIVE, INC.
P. O. Box 758 – Hugo, Oklahoma 74743

Regular Meeting Minutes of the Board of Trustees

The regular meeting of the Board of Trustees of Choctaw Electric Cooperative (CEC) was held in the Board Room of the Cooperative in Hugo, Oklahoma on May 28, 2019.

1. Call to Order and Roll Call

The following Trustees were present:

Brent Franks, District G	Stacy Nichols, District C	Debbie Cody, District F
Joe M. Silk, District B	Bill Woolsey, District D	Ken Autry, District I
Mike Brewer, District H	Perry Thompson, District E	

George Burns was absent.

There being a quorum present, President Brent Franks presided and called the meeting to order at 9:00 a.m.

Council for the Co-op, J. Frank Wolf, III was present. Choctaw Electric Cooperative staff present: CEO Kooney Duncan, CFO, Tiffany Hempsted, Executive Assistant, Jennifer Boling, and H.R. Coordinator, Melissa Gregg.

2. Invocation and Pledge of Allegiance

Mr. Nichols gave the invocation followed by the Pledge of Allegiance.

3. Introduction of Guests

There were no guests present to introduce.

4. Fiber Feasibility Discussion

Since Mr. Klindt, Conexon Partner was not due to arrive until 10:00 a.m., Mr. Woolsey made a motion for the Fiber Feasibility discussion to be heard at a later time during the meeting. The motion was seconded by Mr. Silk. The motion was affirmatively voted on by all. The motion carried.

5. Consent Items

A. Approval of April 30, 2019 Regular Board Meeting Minutes.

B. Authorization to Write-Off uncollected accounts for April 2018

Mrs. Cody made a motion to approve the April 30, 2019 Regular Board Meeting minutes, and to Write-Off uncollected accounts for April 2018 totaling \$5,094.34. The motion was seconded by Mr. Autry. The motion was affirmatively voted upon by all. The Motion carried.

6. Department Reports

The following Department reports were given by Choctaw Electric Cooperative CEO and

General Manager, Kooney Duncan:

A. Service and Construction

- ODOT projects in McCurtain County continue.
- Cost assessment for 3 phase service for Kiamichi Rural Water and Martin Marietta.
- East and west end service crews completed 345 cases.
- Spray crew completed Feeder 1, Eagletown Sub.
- System wide; 55 staking appointments, 41 jobs staked, and 37 jobs released for construction.

B. Right of Way and Service Quality

- CEC Right-of-Way crews continue work at Bethel Sub, Feeder 1, in the Pickens and Clebit area. Crew cleared 16 miles.
- Contract crew working at Westbank Sub Feeder 1 moving west toward Nelson clearing 55.32 miles.

C. Safety and Technical Operations

- Serviced trucks
- Monitored & maintained TWACS connections and verified readings
- Reviewed meter tampering occurrences
- D.O.T. truck/unit inspections

D. IT System Report

- Maintenance and system upgrades taking place.

E. Customer Service and Billing

- 3,929 incoming calls, daily average of 187.
- YTD kiosk payments \$74,281.05.
- 1,408 Service Order and 1,511 contact tracking cases created.
- April new members - 67
- Total office transactions – 3,700 an average of 176 per day.

F. Member Services

Jia Johnson, Director of Public Relations reported on the Volunteer Fire Department Focus Group scheduled July 13 at the Idabel Kiamichi Technology Center and July 27 at the Hugo Kiamichi Technology Center.

7. Financial Report

Tiffany Hempsted gave the April 2019 Financial presentation.

The Form 7 Summary for Year to Date Actual vs. Budget, Year to Date Revenue, Cost of Power and Gross Margins, Year to Date Expenses and Year to Date Capital and Margins was reviewed.

- Form 7 Summary YTD revenue \$16,124,582
- YTD Operating Margin \$1,687,473
- YTD Net Margins \$1,741,340

- April 2019 Revenue from Electric Sales \$3,536,594
- WFECA April Average cost per kWh \$0.0615
- Total Active Services monthly comparison 18,901

8. Quality Management Report

Tiffany Hempsted reviewed the cooperative asset list with the board of trustees.

9. Attorney's Report

Mr. Wolf gave an update regarding an easement in Atoka County.

10. CEO Report

Mr. Duncan reported on meetings he or others attended throughout the month in addition to updates on various cooperative activities, contracts, and projects being developed.

11. Executive Session

President Franks announced the board would convene in Executive Session to discuss personnel, legal matters, and contracts.

At 10:01 a.m., Mr. Autry made a motion to enter executive session. The motion was seconded by Mr. Thompson. The motion carried.

At 10:47 a.m., Mr. Woolsey made a motion to exit executive session. The motion was seconded by Mrs. Cody. The motion carried.

The meeting was reconvened in regular session.

12. Action Items

A. Policy Action and Review

Melissa Gregg, H. R. Coordinator, reviewed revisions to the Estate Capital Credit Policy.

Mrs. Cody made a motion to approve the Financial Policies and the revision to the Estate Capital Credit Policy as recommended by the policy committee. The motion was seconded by Mr. Silk. The motion was affirmatively voted upon by all. The motion carried.

B. Snider, Sunrise Ridge Phase 1 Construction Project.

Mr. Nichols made a motion to award Sunrise Ridge Phase 1 project to Brad Garrett Construction based on the no penalty condition submitted with the Labor bid. The motion was seconded by Mr. Brewer. The motion was affirmatively voted upon by all. The motion carried.

C. Right of Way Contracts

Mr. Brewer made a motion to award the Right of Way Contract to Kenny's Dozer Service based on pricing and past right-of-way work with the cooperative. The motion was seconded by Mr. Autry. The motion was affirmatively voted on by all. The motion carried.

D. Vehicle Bids and Purchase

Mr. Autry made a motion to purchase two (2) 2019 three quarter ton 4 x 4 extended cab gasoline trucks and one (1) 2019 1 ton 4 x 4 crew cab diesel truck from Ed Wallace Ford in Hugo based on pricing, and cost effectiveness in being local. The motion was seconded by Mr. Thompson. The motion was affirmatively voted upon by all. The motion carried.

E. Board of Trustees Certification Training

Mr. Autry made a motion for Mr. Franks, Mr. Thompson, and Mrs. Cody to attend NRECA Directors Summer School in August to obtain complete board certification training. The motion was seconded by Mr. Nichols. The motion was affirmatively voted upon by all. The motion carried.

4. Feasibility Study

Agenda Item 4, Feasibility Study was discussed following Action items as per approved motion.

Mr. Franks recognized Randy Klindt, Conexon Partner. Mr. Klindt addressed the board concerning broadband initiatives and options to increase rural broadband access.

13. WFEC Report

As Mr. Burns was absent there was no WFEC Report.

14. Other Business

There was discussion concerning continued broadband research.

15. Adjourn

Mr. Woolsey made a motion to adjourn. Mr. Silk seconded the motion. The motion was affirmatively voted upon by all. The motion carried. Meeting was adjourned at 11:59 a.m.

Board Expenses Reported May 1, 2019 to May 30, 2019

Mike Brewer	\$600.00
George Burns	\$0
Joe Silk	\$619.60
Bill Woolsey	\$584.80
Ken Autry	\$711.36
Stacy Nichols	\$640.48
Brent Franks	\$669.60
Deborah Cody	\$637.12
Perry Thompson, Jr.	\$558.70



President



Secretary/Treasurer

6.25.19

Date

6/25/19

Date