

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF  
DOUGLAS ELECTRIC COOPERATIVE, INC.**

**AUGUST 19, 2020**

The regular meeting of the Board of Directors of Douglas Electric Cooperative, Inc. (the Cooperative), was called to order by the President Evan Barnes on August 19, 2020, at 6:45 p.m., with all Directors present via video conference. Also present via video conference were Keith Brooks, General Manager; Phil Bigler, Assistant General Manager; and Dan G. McKinney, Attorney.

The first order of business was approval of the minutes of the regular meeting of the Board of Directors of July 22, 2020 and estate capital credits. A motion was duly made and seconded for adoption of the following resolution:

RESOLVED, that the minutes of the regular meeting of the Board of Directors of July 22, 2020, and estate capital credits be approved.

The resolution was unanimously adopted.

The Manager discussed with the Board the financial statements and expenditures for July 2020 and the Manager's monthly expenses for July 2020, the applications for new memberships for July 2020, and Board expenses. A motion was made and seconded for adoption of the following resolution:

RESOLVED, that the Manager's monthly expenses, Board expenses for July 2020, and applications for new memberships be accepted.

The resolution was unanimously adopted.

The Board reviewed the safety report and outage reports. The DEC Manager presented the General Manager's report contained within the Board package.

The Board discussed capital credits. A motion was made and seconded for adoption of the following resolution:

RESOLVED, that the Co-op will pay capital credits at a discounted rate for 2015-2018. Any outstanding bills will be offset against the capital credit to be paid.

The motion was not approved.

A motion was made and seconded for adoption of the following resolution:

RESOLVED, that the Co-op will pay capital credits at a discounted rate for years 1990, 1991, 1992 and part of 1993 in the amount of approximately \$800,000 and a contribution to a fund to assist persons having trouble paying their electric bill.

The motion was approved by a majority of the Board.

The Board discussed how much to contribute to the Salvation Army to assist with payment of past bills for qualified co-op customers. A motion was made and seconded for adoption of the following resolution:

RESOLVED, that the Co-op will contribute \$10,000 to the Salvation Army to assist with payment of past bills for qualified co-op customers.

The motion was unanimously approved.

The Board discussed the ORECA Virtual Annual Meeting November 12, 2020.

The Board discussed the Virtual NRECA Region 9 Meeting October 12-16 and the need to appoint a voting delegate. A motion was made and seconded for adoption of the following resolution:

RESOLVED, that Keith Brooks may be the voting delegate to the NRECA Region 9 Meeting.

The motion was unanimously approved.

The Board discussed the CFC loan information relating to DFN purchase of ComSpan and the need for 5.5 million dollars. A motion was made and seconded for adoption of the following resolution:

RESOLVED, that the Coop will borrow 2.7 million from CFC as a first installment and an additional installment of 2.3 million to be brought back to the Board for approval at a later date.

The motion was unanimously approved.

The Board discussed the Drain property and the results of the Phase 2 investigation.

The General Manager reported on deployment of the meters and the right-of-way inspection.

The Board discussed performance of the General Manager and results of the survey with the General Manager. The results of the survey was an above average performance.

The Board went into Executive Session to consider General Manager's compensation.

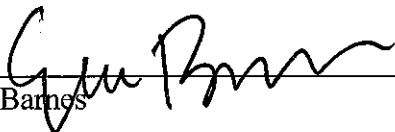
Board moved out of Executive Session and regular meeting resumed.

A motion was made for a revised compensation rate for General Manager effective January 2, 2020. Motion unanimously passed.

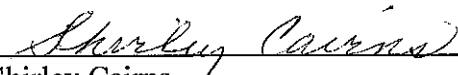
A motion was made to increase General Manager compensation at same rate as linemen with Board chair to discuss this with Manager. Motion passed unanimously.

The President then announced that the next regular meeting of the Board of Directors will take place at the offices of the Cooperative on Wednesday September 23, 2020, after the Douglas Services meeting which begins at 5:30. There being no further business to come before the Board, the meeting was adjourned at 9:05 p.m.

PRESIDENT

  
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Evan Barnes

SECRETARY

  
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Shirley Cairns