

**REA ENERGY COOPERATIVE, INC.**  
**SUMMARY MINUTES OF REGULAR BOARD MEETING**  
**June 23, 2020**

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, June 23, 2020, in the Team Building room of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

**Call to Order**

Board Chairman called the meeting to order at 4:58 p.m. An invocation was given and the Board said the Pledge of Allegiance.

*Roll Call*

Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney and the Executive Assistant.

*Reading of Cooperative Core Value*

The Cooperative’s President & CEO read aloud Cooperative Core Value #9.

*Approval of Minutes*

A motion was made and seconded to approve the minutes of the May 26, 2020 regular board meeting. Motion carried.

*Additions to Agenda*

There were no additions to the Agenda.

**New Business**

*District Elections*

The Credentials and Elections Committee met with the candidates for the upcoming Board of Director elections. All candidates are qualified. Voting ballots will be mailed to

members on August 4<sup>th</sup>. The results will be given to the Cooperative's attorney. He will announce the results at the Annual Meeting on September 10<sup>th</sup>, 2020.

### *Budget Adjustment – Truck*

The Cooperative's President & CEO spoke about negotiating better prices on the trucks for the Line, Engineering and Reliability departments. He gave the Board a spreadsheet showing past purchases and the current negotiated prices. He also spoke about the costs for necessary repairs to a truck that is scheduled to be replaced next year. He asked if the Board would approve the purchase of a ¾ ton truck. The Cooperative's President & CEO answered questions from the Board.

A motion was made and seconded to approve the change to the budget for new trucks. Motion carried.

### *COVID-19 re-opening*

The Cooperative's President & CEO announced the lobbies at the Indiana and Ebensburg offices have reopened. If members don't have a mask they are asked to use the drive thru. All employees, but one, have returned to working at the offices. Contractors are back to work as well. All employees and contractors have been asked to follow social distancing recommendations.

### *Broadband Legislation*

The Cooperative's President & CEO spoke about three Broadband bills being considered by the Pennsylvania House and Senate. These bills may be passed in the next couple of months. A cable company is trying to stop these from going through. A funding bill at the state level is needed to receive possible federal funding. The Cooperative's President & CEO answered a few questions from the Board.

### *Annual Meeting – Virtual*

The Cooperative's President & CEO announced that four Pennsylvania electric cooperatives have cancelled their Annual Meetings for this year. He asked the Board to consider having a virtual Annual Meeting. Door prizes would still be offered even with a virtual meeting. Members who log in for the meeting would be entered into prize drawings. He answered questions. More details need to be worked out. The Policy Committee will meet in July to write a policy about virtual meetings. Discussion followed.

### *Policy Meeting dates – Annual Meeting changes*

The Policy Committee will meet at the Indiana office on Tuesday, July 14<sup>th</sup> at 4:00 p.m. A reminder will be sent to committee members closer to that date.

### *BWB Contract*

A letter from BWB was reviewed by the Board. The Cooperative's President & CEO explained our auditor BWB has a three-year contract with a two-year contract to renew. He asked if the Board would like to renew the contract for two years.

A motion was made and seconded to extend the two-year option with auditors BWB. Motion carried.

### **Legal Update**

The Cooperative's attorney reviewed the standings and work he has been doing to handle on-going and recent easement complaints. He also spoke about a non-party subpoena REA Energy received. That subpoena was not properly filed so the cooperative will wait to comply after the new subpoena is filed. Lastly, he spoke about changes needed to a current policy about Board of Director candidates requesting member information from the cooperative. The existing policy requires candidates to pay a \$200 fee if they violate terms of the policy. The Cooperative's attorney feels a confidentiality agreement that contains confession judgement language be added to the policy along with an increased fee of \$5,000 to \$10,000 if the terms of the policy are violated. Discussion continued.

A motion was made and seconded to set the fee at \$10,000 in the revised policy. Motion carried.

### **President & CEO Report**

The Cooperative's President & CEO spoke about plans to work with Annex to inventory our supplies and stock supplies as needed. This will create more space in the warehouse, make Operations more efficient and cut costs.

Tree trimming complaints have increased now that crews have moved into areas that were not cut properly in the past. This year's NRECA Safety Summit meeting is a virtual meeting. More employees will be able to attend because the meeting is online.

Coordinated Protection was delayed due to COVID-19 but the program is ready to begin with the inventory at the office and employees are back to work. The Cooperative's President & CEO spoke about the 4-Year Work Plan. The goal is to rebuild as much of copperweld lines as possible.

The Cooperative's President & CEO announced that SEDC bought ATS and are merging their systems. There will be a reimplementation in the future. Lastly, he told the Board about the upcoming Broadband Meeting in July. Details of that meeting were discussed.

### **Continuing Business**

#### *Secretary/Treasurer Report*

The Board Secretary reviewed the Secretary/Treasurer's Report.

#### *Memberships*

A motion was made and seconded to accept 55 new members for the month of May 2020. Motion carried.

#### *Broadband Meeting*

The Cooperative's President & CEO has set a meeting with agencies and employees involved with the Broadband. A meeting with agencies, employees and Board of Directors will be held at the Hilton Garden Inn on July 22<sup>nd</sup> and 23<sup>rd</sup>. Board of Directors will need to arrive by 9:00 a.m. both days.

### **Reports**

The Board heard and discussed various business and activity reports.

A motion was made and seconded to eliminate the Members who left our lines report. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

## **Miscellaneous**

The following were reviewed by the Board of Directors:

Thank you letter

Federated letter

## **Adjourn**

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 5:52 p.m.