

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
MENARD ELECTRIC COOPERATIVE  
PETERSBURG, ILLINOIS  
APRIL 23, 2019

The monthly Board Meeting of the Board of Directors of Menard Electric Cooperative was called to order at 6:00 P.M. at the Headquarters of the Cooperative, 14300 State Highway 97, Petersburg, County of Menard and State of Illinois.

On roll call the following Directors were present: President D. Jay Frye, Directors Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, and Roy H. Seaney. Directors Jodine Tate and Steven L. Worner were absent. Also present was Manager Alisha Anker, and Attorney Charles K. Smith.

The Agenda of the meeting was read. There were no changes or additions to the Agenda. Thereafter, with President Frye presiding and with these minutes being transcribed by or under the direction of Secretary Patrick, the following procedures were had (all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board, or without dissenting vote or abstention, unless otherwise stated).

President Frye reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved. Motion carried.

Manager Anker distributed and asked Directors to complete the Annual Conflict of Interest Certification and Disclosure Form for 2019. The form provides that each Director, to the best of his/her knowledge, currently complies with the Policy. Directors are to disclose any form of compensation from a conflicting interest transaction.

Manager Anker discussed the RUS Advanced Loan Period Extension Request. She discussed the reason for the request and the time period involved. After consideration by the Board, it was moved and seconded the following Resolution be adopted:

RESOLUTION

WHEREAS, Menard Electric Cooperative has an approved loan from the Rural Utilities Service ("RUS") designated "AX8" that is reaching its date of automatic termination of the Government's obligation to advance remaining loan funds; and,

WHEREAS, the Board of Directors of Menard Electric Cooperative, has reviewed the status of the construction projects related to the 2014-2017 Construction Work Plan ("CWP"); and,

WHEREAS, the Board of Directors of Menard Electric Cooperative has determined that due to: difficulty obtaining right-of-way, delays incurred by the G&T, faulty materials, and a lack of available construction man-power, priorities at the Cooperative were shifted and construction projects in the 2014-2017 CWP were delayed; and,

WHEREAS, the anticipated completion of the projects and associated support documentation will not occur in time for Menard Electric Cooperative to advance the remaining AX8 loan funds prior to the RUS termination of obligation to advance loan funds date of September 2, 2019, ("Automatic Termination Date"); and,

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of Menard Electric Cooperative, hereby requests that RUS approve an extension of the Automatic Termination Date for one-year to September 2, 2020, and provide the necessary documents to complete this action.

Motion carried.

Manager Anker discussed matters with regard to the Missouri Electric Works Superfund Site. She presented a history and background of the Site, which relates to potential liability related to PCB contaminated oil. She reminded the Board that the Missouri Department of Natural Resources had discovered soil contaminated with PCBs at the site in the 1980s. She reviewed the site activities and remediation process that had been ongoing for years. She discussed an offer of settlement from the United States Department of Justice and Environmental Enforcement whereby EPA was offering the Missouri Electric Works Steering Committee a site-wide cash out settlement as to any remaining potential liability at the site. She reviewed the terms of the offer. The matter was discussed by the Board, but no action was taken at this time.

Manager Anker reviewed with the Board the Strategic Planning Session Summary and their goals adopted at the Session. She reviewed the changes made to the Mission Statement adopted at the March 26, 2019 Board Meeting. "To provide reliable electrical service at a reasonable cost with concern for the safety and well-being of the members, the employees, and the communities of the cooperative." She reviewed the other goals adopted at the session. It was moved and seconded that the Strategic Plan be approved. Motion carried.

Manager Anker presented the Manager's Report for March, 2019. She reviewed the 2018 Alternative Energy Summary, which presented an overview of alternative energy sources interconnected to the cooperative system. She reviewed the Operating Statement, Balance sheet and Budget. Manager Anker presented the Member Services Report and discussed past due notices, generated cutoff tickets and write-offs. She presented the Reliability and Operations Report and advised total number of incidents for the month were 41 and that the total number of member-outage hours equaled 1,172. She presented the irrigation report and discussed those systems that had been completed and those that were currently under construction. She advised that the monthly Connect Newsletter would include information about Capital Credits and the Annual Meeting, which is scheduled for June 13, 2019. She advised that the Newsletter would also include an article recognizing Cathie Smith of Petersburg, Illinois, who had been named Mother of the Year, an honor bestowed upon one cooperative member in the State. She discussed the 2019 Youth to Washington

Scholarship Program Recipients. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Goetsch presented a Safety Report and a review of the occupational injuries as of April 18, 2019. He advised that he had attended a Safety Meeting on April 16, 2019 as the Guest Director. He advised that there had been one injury on April 13, 2019 to an Area Serviceman which was a slip, trip and fall accident.

Director Goetsch reported on AIEC Activities and advised that there had been no Meeting for the month.

Director Martin reported on Prairie Power, Inc.

Manager Anker presented the monthly Capital Credit Estate Refunds Report.

It was moved and seconded that the Board enter into Executive Session. Motion carried.

It was moved and seconded that the Board reconvene the monthly Board Meeting. Motion carried.

It was moved and seconded that the Board confirm and ratify all action taken in the Executive Session. Motion carried.

President Frye advised that the next regular Board Meeting was scheduled for Tuesday, May 28, 2019 at 6:00 p.m.

Under other business, President Frye reminded the Board of the NRECA Legislative Conference in Washington, D.C. on April 28 - May 1, 2019.

There being no further business to come before the Board, it was moved and seconded the Meeting be adjourned. Motion carried.

Respectfully submitted,

---

Secretary

---

President