



Board Meeting Summary

February 16, 2023

The White River Valley Electric Cooperative Board of Directors met in regular session at the Cooperative's Branson Headquarters on Thursday, February 16, 2023 beginning at 9:00 a.m. and opening with the Pledge of Allegiance and prayer after roll call and quorum were established.

The Board began by reviewing and unanimously approving items on the Consent Agenda which included the following: February Board Meeting Agenda; January Board Meeting Minutes; January Board Summary; Policy 6-94 Drug and Alcohol Testing Policy Statement; Policy 5-72 Alcohol and Drug-Free Workplace Policy; Policy 6-91 Safety Rules for Vehicle Operation; Policy 6-92 Safety Committees; Policy 6-93 Exposure to Blood Borne Pathogens; Exhibit 6-93.1 Bloodborne Pathogens Exposure Control Plan; New Policy – Telephone Monitoring and Call Recording; 2023 Annual Meeting Date (September 1, 2023).

Director Lyle Rowland, Chair of the Bylaw, Governance, and Member Engagement Committee, stated the Committee had met on February 9th with a lengthy agenda. Rowland stated all the policies which were presented in the consent agenda had been reviewed, as well as the 2023 Annual Meeting date. Rowland stated during the meeting, the Committee discussed two proposed amendments to the Cooperative Bylaws. The first amendment under consideration is Article III, Section 1 (Annual Meeting). This amendment would allow the Annual Meeting of Members to be held in the months of July, August, or September instead of just September as it stands now. Rowland then made a motion, on behalf of the Bylaw, Governance, and Member Engagement Committee, to request that the Board put a question to the Cooperative Members at this year's annual meeting for their vote substantially in the following form:

Presently, the Cooperative's bylaws require our member annual meeting to be held during the month of September of each year. To improve scheduling flexibility, the Board of Directors would like to be able to call this meeting in July, August, or September. Accordingly, are you in favor of amending Article III, Section 1 of our bylaws as follows?

Section 1. Annual Meeting

The annual meeting of the members shall be held during the month of **July, August, or** September of each year, ~~beginning with the year 1981,~~ at such place within a county served by the Cooperative, as selected by the Board of Directors and which shall be designated in the notice of the meeting, for the purpose of electing board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to make

adequate plans and preparations for the annual meeting which may be held in person or virtually. Failure to hold the annual meeting at the designated time shall not work as a forfeiture or dissolution of the Cooperative.

A second was given. Motion carried.

Next, Director Roland stated the second bylaw amendment for consideration is Article IV, Section 6 (Nominations) and the addition of a new Section 16 (Reporting of Campaign Contributions). Considerable time was spent by the Committee reviewing this proposed amendment. After updating the Board, Rowland then made a motion, on behalf of the Bylaw, Governance, and Member Engagement Committee, to request that the Board put a question to the Cooperative Members at this year's annual meeting for their vote substantially in the following form:

With the goal of protecting our member's local control of this Cooperative, would you be in favor of a bylaw amendment requiring board of director candidates to disclose all sources of funds, financial benefits, and campaign contributions of any kind that they receive from third-parties for their campaigns and to prohibit such contributions to board members by third-parties for board service by amending Article IV, Section 6 and adding a new Section 16 as follows?

Section 6. Nominations

...Fifteen (15) members of the Cooperative in any district, acting together may make other nominations from their district by petition filed in the principal office of the Cooperative not less than sixty (60) days prior to the meeting of members of the Cooperative and the Secretary shall be re-sponsible for the posting of such nominations at the same place where the list of nominations made by the committee are posted; **however, director candidates who receive money, financial benefits, or campaign contributions of any kind from third-parties or outside sources must be nominated as a Board of Director candidate by the Nominating Committee and cannot be nominated as a candidate by petition. ...**

Section 16. Reporting Campaign Contributions

All candidates who receive money, financial benefits, or campaign contributions of any kind from third-parties or outside sources for their campaign must disclose to the Nominating Committee the identities of all such sources, amounts received from each, and dates such contributions were made at least ninety (90) days prior to the commencement of elections, at the time the candidate meets

with the Nominating Committee, five (5) days before elections begin, and five (5) days after the election should such candidate be elected by the members to serve on the Board. No Board member shall receive any money, financial benefits, or contributions of any kind from any third-party or outside source related to their service on the Board once elected. Violation of the provisions of this section will result in disqualification from Board service whether learned before or after the election, and the vacancy created by such disqualification shall be filled by the Board pursuant to Section 9 of this Article IV.

A second was given. Motion carried.

Director Hyatt, Chair of the Finance and Equity Management Committee, stated the Committee will hold their next meeting on February 27th, beginning at 1:00 pm at the Branson Headquarters. President Whorton confirmed there were no officer reports.

CEO of White River Fiber/Connect, Beau Jackson, presented an update to the Board. During the update, information was provided regarding the project in its entirety which included information regarding construction, funding, communications, and financials. During his report, Jackson stated orders have been placed for approximately 1,000 miles of fiber materials and equipment and 300 more miles of fiber materials will be placed very soon. Jackson updated the Board on the inventory management workload and storage, as well as the Request for Proposal (RFP) submitting process and timeline. A Communications update regarding White River Connect was also presenting by VP/Chief Growth Officer, Cassie Cunningham.

During the meeting Executive reports were given regarding the following departments: Operations, Information Technology, Finance, Growth, Engineering, and Administration. In these executive up-dates, information was provided to the Board on the following subject matters: Right-of-Way Manager position, recent snow event, password management, yearly audit, consolidated financials, budget details, economic development, Youth Tour, a presentation regarding WRVEC's ACSI score of 88% and a CAP score of 92%, SAIDI score, update on construction projects, NRECA PowerX-change, and the current open employment and intern positions.

CEO Hamon presented his report to the Board.

During the executive reports, VP/Chief Financial Officer Tim Shafer presented to the Board for its consideration and approval of the 2022 Capital Credit Retirement plan in the amount of \$3,141,740.21. Shafer stated this amount represents a portion of member's capital returned for the following years: allocated percentages of 1988, 1989, 1990, 1998 and 2021. After full discussion, Jeff Hyatt, Chair of the Finance and Equity Management Committee, made motion to approve the 2022 Capital Credit Retirement plan in the amount of \$3,141,740.21 as presented. A second was given. Motion carried.

During the Financial update, President Whorton stated she had been presented the Audit Engagement Letter with FORVIS which was executed to initiate that process.

The Board received reports from its representatives on the Boards of Sho-Me Power and KAMO Power, the G&Ts that supply wholesale power to the Cooperative.

Board Counsel, Christian Horton, presented three action items for the Board's consideration. The first involved the formation of a new subsidiary for the Cooperative related to Fiber assets for broadband deployment. After due consideration and discussion, a motion was made to approve the formation of White River Fiber, LLC as a wholly owned subsidiary of White River Valley Electric Cooperative, along with the Minutes of Organization Meeting and Operating Agreement for the Company as presented at this meeting. A second was given. Motion carried.

Next Attorney Horton presented the second action item for consideration and discussion. At its last committee meeting, the Bylaw, Governance and Engagement Committee had discussed amending the operating agreement for the Cooperative's other fiber subsidiary, White River Technologies LLC. Attorney Horton discussed the need to amend the Articles of Organization as well to improve governance with the new organizational structure for the broadband project. After the Board's discussion, motion was made to approve the Amendment of Articles of Organization along with the Amended and Restated Operating Agreement for White River Technologies, LLC d/b/a White River Connect as presented at this meeting.. A second was given. Motion carried.

Finally, Attorney Horton discussed the Cooperative's need to begin the process of PURPA compliance. The 2021 Infrastructure Investment and Jobs Act (IIJA) requires electric utilities including non-regulated cooperatives with annual retail sales greater than five hundred million kilowatt hours (500M kWh), municipal utilities, and state regulators (for regulated utilities) to consider adopting standards on promoting greater transportation electrification (Section 40431) and utility demand response (Section 40104). White River Valley Electric Cooperative is a non-regulated electric utility that meets the volumetric threshold and is therefore covered by the IIJA. Accordingly, motion was made, seconded and carried to approve the following:

RESOLVED, that the Cooperative shall commence the process of considering the adoption of standards addressing the Public Utility Regulatory Policies Act (PURPA) Section 532 111(d)(20) Demand-Response Practices, and Section 532 111(d)(21) Electric Vehicle Charging Programs (the "Standards") as required by the Act.

RESOLVED, that the General Manager, with the assistance of the Cooperative's staff, shall research and formulate a position regarding implementation of the Standards, taking into consideration the purposes

and goals of the Act, and shall present a position to the Board of Directors on or before the **17th day of August, 2023**;

RESOLVED, that the Board of Directors shall convene a public hearing on the proposed Standards and staff's position on same, on the **20th day of October, 2023**, at 9:00 a.m. according to a published formal notice of public hearing;

RESOLVED, that the Board of Directors shall publish notice of the public hearing and staff's position on the Standards by providing such notice as a bill insert to Cooperative members and at least one newspaper of general circulation no less than thirty (30) days prior to the date set for the public hearing. Said notice shall contain an invitation and deadline for applications for intervention at said hearing for the purpose of providing oral and written comments regarding the proposed Standard and staff's position on same; and

BE IT FURTHER RESOLVED, that the Board of Directors shall conduct the public hearing on the proposed Standards, making a formal record at the hearing, followed by a written determination by the Board of Directors on the proposed Standards on or before **November 16, 2023**.

With no further business to come before the Board, the meeting adjourned.

The next meeting of the White River Valley Electric Board of Directors will be held on Thursday, March 16, 2023. This meeting will be held at the Branson Headquarters, Branson MO.

Neal Crum / Vice-President