

**Piedmont Electric Membership Corporation**  
**Hillsborough, North Carolina**  
**Board of Directors Meeting**  
**February 17, 2020**  
**SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on February 17, 2020 pursuant to notice of date and time of said meeting at the headquarters of the Cooperative in Hillsborough, North Carolina.

The following members of the Board were present: Cy Vernon, Randy Kinley, Andy Oakley, Beth Townsend, Sam Woods, Paul Bailey, Richal Vanhook, David Poythress, Steve Long and Bill Barber. Also present were Steve Hamlin, President and CEO; Susan Cashion, Vice-President, Chief Compliance and Administrative Officer; Lisa Kennedy, Vice-President of Financial Services; Mike Parker, Attorney; Robert Riley, Vice-President of Operations; Kirk Metcalf, Director of Human Resources, Chris Hoyler, Plant Manager, and Chuck Lee, Manager of Energy Services. Also present was Jammie Starks-Bentham of ECC Technologies.

Mr. Barber, Chairman, called the meeting to order and the Board approved the minutes and summary minutes from the January 20, 2020 meeting subject to correction of several minor typographical changes.

The following business was discussed on various levels of detail:

1. The Board approved the Monthly Safety Report.
2. Our consultant, Ms. Starks-Bentham of ECC Technologies, Inc. presented some possible opportunities to lease fiber to carriers. Upon motion and second the Board approved offering a twenty-year lease at \$1,200 per mile with an annual operations and maintenance fee of \$275 per mile adjusted every five years based on the consumer price index as per the recommendation from Ms. Starks-Bentham.
3. The CEO informed the Board there is nothing new to report on power supply. Piedmont has over-collected approximately \$250,000 for coal ash that will help once the next clean-up effort starts.
4. Staff reported that Piedmont is very close to a final draft of the Contract for the new meters with Landis+Gyr. Upon motion and second, the Board authorized the CEO to execute the final contract with Landis+Gyr.

5. Staff presented a contract with Townsend Tree Service for trimming 63 miles of transmission right of way at a cost of for \$304,769.00. Upon motion and the Board approved the contract with Townsend Tree Service for transmission right of way maintenance.
6. Staff presented the annual vehicle utilization report. Piedmont vehicles traveled approximately 985,000 miles which is less than the previous year.
7. Staff presented the annual overview of the employee benefits as per Board Policy 409.
8. Staff informed the board there are no new Rural Economic Development Loan and Grant (“REDLG”) loan requests.
9. Staff reported that the FCC has approved \$20.4 billion over a ten-year period in two phases for rural broadband. The first phase allots 16 billion for areas without any high-speed internet and phase two provides 4.4 billion for areas that are only partially served. Counties will need to submit engineering plans to apply for funding. Staff has already met with representatives in Caswell, Orange, Person, Granville and Durham counties to discuss applying for these funds.
10. Staff reported that 45 miles of strand and 44 miles of fiber are complete in Phase Three of the fiber project. They are still working on a permit for crossing the railroad and have encountered delays due to wet grounds in the Buckhorn area.
11. Staff reported that they received quotes on a system study for \$30,000 from McCall-Thomas Engineering in South Carolina and \$75,000 from Booth & Associates. Upon motion and second the Board unanimously approved proceeding with the system study by McCall-Thomas Engineering.
12. Staff presented a request from a member concerning vegetative screening around the substation on property purchased from her.
13. Staff presented the AN8 Work Order summary for November and December 2019 totaling \$4,537,549.59 pending professional engineering approval. Upon motion and second, the Board approved the Work Orders for November and December 2019 pending professional engineering approval.
14. Staff presented the Financial Report for January 2020 and the Wholesale Power Cost Adjustment.

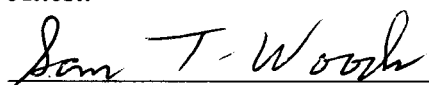
15. The CEO presented the 2020-2023 work plan of \$69,893,078 needed for the application to RUS for a loan of approximately \$50,000,000. He requested Board approval for the CEO and Board Chair to sign any necessary documentation for submission of the loan request to RUS. Upon motion and second, the Board authorized the CEO and Board Chair to sign the necessary documentation for the RUS loan request.
16. The CEO again reminded the Board that the 2020 Annual Meeting will be held at 10:00 a.m. on April 17, 2020 at the Piedmont office in Hillsborough.

Staff were excused and the Board met in Executive Session beginning at 6:45 p.m. and ending at 7:25 p.m.

The Chairman declared the meeting adjourned at 7:25 p.m. since there was no further business to come before the Board.

  
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Chairman

Attest:

  
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Secretary