

NOTICE OF BOARD MEETING

A regular meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. will be held **Tuesday, August 25, 2020 at 4:00 pm**. At the Co-op's operations headquarters, 5 North Depot Street, Delhi, New York to act on the following agenda. In light of the declared state of emergency in New York State due to the COVID-19 virus, directors and other meeting participants are permitted to participate via telephone, notwithstanding any bylaw requiring in-person participation:

Dial-in Number: (866) 316-1519 Passcode: 963796#

The board of directors will act on the following:

AGENDA

I. Opening Business:

- A. Call to Order
- B. Roll Call - Determination of Quorum
- C. Adoption of Agenda [packet page 1]

II. DCBI Team Discussion with Guests, Glen Faulkner (MTC) and Jason Miller (DTC)

III. Consent Agenda:

- A. Minutes of July 28, 2020 Board Meeting [packet pages 2-6]
- B. New Memberships [packet page 7]
- C. Bad Debt Resolution and Collection Report [packet pages 8-9]
- D. Director Compensation [packet pages 10-11]

IV. Organization & Staffing Report & Recommendations [Committee Chair Winkler]

V. Monthly Financial Reports [distributed via e-mail and handouts at meeting]

VI. General Manager's Report [handout to be provided]

VII. Policies

- A. Absentee Ballots [packet pages 12-15]
- B. Construction and Equipment Contracts [packet page 16]
- C. Line Extension [packet page 17]
- D. Joint Use of Poles [packet pages 18-23]

VIII. COVID-19 Cooperative Response Update

- A. Operational and Member Services Response [oral report by CEO Schneider]
- B. Planning for 2020 Annual Meeting during COVID-19 Pandemic & Emphasis on Absentee Voting [oral report by CEO Schneider]
- C. Planning for Youth Delegate Activities during COVID-19 Pandemic [oral report by CEO Schneider]
- D. Payroll Protection Program Loan Forgiveness Application [oral report by CEO Schneider and President Oles]
- E. Decision on Continuation of Suspension of Disconnects for Non-Payment and Penalties [discussion]
- F. Consider temporary changes to Deposits policy and practice in light of COVID [discussion]

IX. Resolution – Appointment of Tellers for 2020 Director Elections [packet page 24]

X. Headquarters Project [packet pages 25-26]

XI. Delaware National Bank Signature Card Updates [discussion led by CEO Schneider]

XII. Vice President Winkler to Address the Board

XIII. New Business:

XIV. Future Business:

- A. Special Meeting to Consider "Adjourning" Meeting of Members to a Future Date, 8 am, Thursday, 9/3/2020 or 8 am, Friday, 9/4/2020
- B. Regular Board Meeting, Tuesday, 9/22/2020 @ 5:00 pm
- C. CoBank-facilitated Strategic Planning Discussion, date TBD, Delhi, NY
- D. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, remote via Webex, short meeting per diem applies, confirm delegate(s)
- E. Annual Meeting of Members, 9/18/2020, Delhi, NY American Legion
- F. NYAPP Business Meeting, 10/20/2020 – 10/21/2020, Albany, NY

XV. Executive Session

XVI. Adjournment

Cooperative Stakeholders

- Members
- Employees
- Community
- Business Partners
 - Suppliers
 - RUS
 - CFC
 - Federated
 - Other cooperatives
 - NYSERDA
- Government
- Regulators

Cooperative Values

- Safety
- Service
- Open Communications
- Integrity/Honesty
- Professionalism
- Respect

**Delaware County Electric Cooperative
Board Meeting Minutes
July 28, 2020**

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held July 28, 2020 at 5 North Depot Street in Delhi, NY 13753.

A. Call to Order: The meeting was called to order at 5:14 p.m. by President Oles.

B. Roll Call - Determination of Quorum:

Stephen Oles	P
Edward Pick Jr.	P
Paul Menke	P
Laurie Wehmeyer	P
Frank Winkler	P
Steve Burnett	P
Jeffrey Russell	P

DCEC's CEO/General Manager, Mark Schneider; DCEC's Operations Manager Ryan Sullivan were both present. DCEC's Legal Counsel, Jeff Clark; DCEC's Administrative Assistant, Alicia VanZandt both participated via telephone.

C. Adoption of Agenda: There being no suggested changes to the agenda, President Oles declared that the agenda stands as originally published in the board packets.

II. Consent Agenda: Treasurer Menke made a motion to approve the consent agenda as presented. The motion was seconded by Secretary Pick. The motion passed.

III. Finance Committee Report & Recommendations: Chairman Menke made a motion on behalf of the Finance Committee to instruct the Management Team to issue a special return of \$280,000 in revenue to members in October 2020 and adjust the Formulary Rate Rider to zero cents per kWh beginning in August 2020. Motion carried.

IV. Monthly Financial Reports:

A. May 2020 Financial Reports: Reviewed.

B. June 2020 Financial Reports: Reviewed. CEO/General Manager Schneider wanted to draw the board's attention to the following items and discuss if anyone had any questions under Assets and Other Debits on the June Balance Sheet;

- Line item 2 Construction Work in Progress includes ~\$400k in HQ work in progress.
- Line item 6 Non-Utility Property (Net) Kiff building moved to utility plant.
- Line item 9 Invest. In Assoc. Org. – Other – General Funds moved cash equivalents from other investments to DNB for HQ project.

- Line item 13 Special Funds Escrow account held by Village of Delhi until water line moved.
 - Line item 16 Cash – Construction Funds – Trustee Net proceeds from sale of 39 Elm St.
- The board had no additional questions.

V. General Manager's Report: CEO/General Manager Schneider stated that the planned outage on the 21st was successful with help from Otsego Electric Cooperative.

CEO/General Manager Schneider remarked that the NYPA / SUNY Delhi Solar Project has had delays on site due to COVID-19. He added that DCEC's Engineering & Technology Manager Paul DeAndrea and himself did complete an interconnection agreement similar to the agreement with NYSEG for Greene Lumber Project.

President Oles remarked that NYSERDA is currently offering several income eligible programs and energy efficiency incentives. CEO/General Manager Schneider commented that NYAPP is fighting to allow these programs to be extended to our membership due to the fact the Regional Greenhouse Gas Initiative (RGGI) funds are being used to fund the programs.

CEO/General Manager Schneider reiterated that the cost of TCCs changed from \$8,851.90 per MW to \$11,041.78 per MW owing to higher average congestion costs this year versus last year. Schneider added that this was set based on last year's average price.

Secretary Pick mentioned that a number of members expressed concerns after being contacted by scammers claiming to provide a credit for an overpayment made on their electric bills. The board recommended that articles be written and placed online and within the newsletter about this recent scam and other potential utility scams.

VI. COVID-19 Cooperative Response Update:

- A. Operational and Member Services Response:** CEO/General Manager Schneider remarked that the office is open to the public and face masks or face coverings are required. He mentioned that if members do not have a mask that free masks and hand sanitizer is available outside the main entrance. CEO/General Manager Schneider stated that both member service desks have glass protection for employees and members. CEO/General Manager Schneider stated that there are some anticipated quarantine procedures including one essential employee who is committed to a non-negotiable obligation out of state. CEO/General Manager commented that this employee will be quarantined for 1 week, be required to have a negative COVID test, and be provided with isolated work for the safety of others when it's safe for him to return to work. CEO/General Manager Schneider remarked that the past due amounts are growing at a modest linear fashion and he believes we will see more growth in non-payment due to financial hardships from COVID-19 related affects.

B. Planning for 2020 Annual Meeting during COVID-19 Pandemic & Emphasis on

Absentee Voting: The following recommendations were made by the board to add to the Annual Meeting Agenda;

- Vice President Frank Winkler Speech
- National Anthem
- Pledge of Allegiance

Additionally, the board suggested conducting a virtual interview of Jillian Hungerford about her experiences as DCEC's 2020 Student Delegate and Delaware County's 2020 Dairy Princess.

C. Planning for Youth Delegate Activities during COVID-19 Pandemic: CEO/General Manager Schneider announced that the Youth Leadership Conference scheduled for November has been cancelled. CEO/General Manager Schneider commented that during the NYSRECA annual business meeting a scholarship opportunity was discussed for all the New York State student delegates. Schneider remarked that no official motion or action was formally taken. CEO/General Manager Schneider reported that he has spoken to the Hungerfords to see what Jillian would prefer funds for a scholarship or possibly going to Washington D.C. in 2021 for the actual Legislative Conference experience. Schneider confirmed that Jillian would like to wait for the trip experience in 2021 if achievable.

D. Payroll Protection Program Loan Forgiveness Application: President Oles and CEO Schneider reported that the Cooperative plans to submit a loan forgiveness application in the amount of approximately \$402k, which is the minimum amount the Cooperative could request under the program rules. \$402k is the amount of the Cooperative's payroll related costs during the 8-week period covered by the PPP loan. No non-payroll costs were included in the loan forgiveness calculation. The board of directors had no objections to the plan as presented.

E. Decision on Continuation of Suspension of Disconnects for Non-Payment and Penalties: Reviewed and no action was taken.

VII. Headquarters Project: CEO/General Manager Schneider commented that the provided report shows a breakdown of the whole project and any of the grayed out areas represent a completed item(s). CEO/General Manager Schneider remarked that he really credits Tom Howard's Construction Team for getting the materials on time and being good at logistics. CEO/General Manager Schneider mentioned that he is still planning on moving on 8/14/2020.

VIII. Policies:

A. Minimum Bills and Capital Credit Payments: A motion was made by Secretary Pick to approve the policy with the following amendment, "Retired capital credits that remain unpaid to a particular member pursuant to this policy shall be paid in the first year following when the total amount of retired capital credits for that member exceeds \$5, including the amount carried over from previous year(s)." The motion was seconded by Director Russell. The motion passed.

B. Absentee Ballots: CEO/General Manager Schneider handed out the revised policy for the board to review (attached appendix A) since amendments were made to this policy after the board packet was sent out. CEO/General Manager Schneider explained that because of the unusual circumstances due to COVID-19 and the large number of absentee ballot requests it was determined that additional amendments were needed to this policy. A motion was made by Secretary Pick to approve this policy as written with the understanding that this policy will be presented next month with amendments if or as needed after further review of Bylaws and how/when Tellers can be appointed and available to help tally votes. The motion was seconded by Vice President Winkler. The motion passed.

IX. Power Cost Risk Report: Report attached. Reported was reviewed by the board.

X. Report on Charitable Contributions: Administrative Assistant Alicia VanZandt recapped that at the June board meeting the board of directors approved a motion to donate a total of approximately \$10,000 to both Delaware and Schoharie counties proportionate to DCEC's service territory, to help fund back to school programs within those counties. Mrs. VanZandt continued that these community programs provide traditional school supplies, plus sneakers, socks, and essential items for children of need within our service territory. Mrs. VanZandt stated that with the help of a matching grant from CoBank, DCEC is able to provide a total of \$20,000 to Delaware and Schoharie counties. Mrs. VanZandt remarked that with the help of Operation Manager Ryan Sullivan and the GIS mapping system it was determined that about 87% of DCEC members live in Delaware County and 13% of DCEC members live in Schoharie County. Therefore, DCEC donated \$8,700 to Delaware Opportunities Inc. which was matched by CoBank with an additional \$8,700 donation. Mrs. VanZandt mentioned that DCEC also donated \$1,300 to Schoharie County Community Action Program Inc. and CoBank provided a matching donation of \$1,300.

XI. Vegetation Management Report: See 2020 VGM Update reported provide by Operations Manager Ryan Sullivan attached.

XII. RUS Borrowing Proposal: CEO/General Manager Schneider handed out the revised proposal for the board to review. Proposal attached. Motion by VP Winkler, seconded by Director Burnett, to approve the proposed RUS borrowing between \$517,000 and \$1,000,000 from RUS as soon as practical, as long as the 30-year rate is at or below 1.3%. The motion passed.

XIII. Meeting Report NYSRECA Annual Meeting Teleconference, Thursday, 7/23/2020:

It was mentioned that no other Coop in New York will be holding a traditional Annual Meeting, each one plans on meeting to adjourn to a later date.

A motion was made by Secretary Pick for Director Wehmeyer to be the Alternate Voting Delegate and for Secretary Pick to be the Voting Delegate for NYSRECA. The motion was seconded by Director Burnett. The motion passed.

CEO/General Manager Schneider mentioned that CFC donated \$7,200 to NYSRECA for education. CEO/General Manager Schneider remarked that scholarships were discussed based on the fact that NYSRECA has extra funds this year not used because the regular Legislative Conference was cancelled.

CEO/General Manager Schneider revealed that several members of NYSRECA expressed how they appreciated Vice President Winkler's service to New York's rural electric cooperatives and his remarks about cooperation among cooperatives during the NYSRECA meeting.

XIV. New Business: Director Burnett suggested that the board invite DCEC's partners in the DCBI project to the August board meeting to give an update about the shifting demographics that have affected both Delhi Telephone Company (DTC) and Margaretville Telephone Company (MTC) because of COVID-19. Burnett added specifically to touch base on items such as the increase in online use for customers working from home, teaching kids from home, moving to the area, etc.

XV. Future Business:

- A. Regular Board Meeting, Tuesday, 8/25/2020 @ 5:00 pm (Schedule Organization & Staffing Committee meeting?)
- B. CoBank-facilitated Strategic Planning Discussion, date TBD, Delhi, NY
- C. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, remote via Webex, short meeting per diem applies
- D. Annual Meeting of Members, 9/18/2020, Delhi, NY American Legion
- E. NYAPP Business Mtg, 10/20/2020 – 10/21/2020, Albany, NY [changed venue and change from conference to shorter business mtg]
- F. Youth Leadership Conference, 11/7/2020 to 11/11/2020, Washington, DC [cancelled]

XI. Adjournment: There being no further business on the agenda, President Oles adjourned the meeting at 7:37 pm.

Respectfully submitted,

Edward "Rusty" Pick, Jr.,
Secretary

Delaware County Electric Cooperative, Inc.

39 Elm Street, P. O. Box 471, Delhi, New York 13753-0471
607-746-2341

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NEW MEMBERSHIPS – August 25, 2020

ACCT #	LOCATION	FIRST NAME	LAST NAME	ADDRESS	CITY, STATE, ZIP	FORMER/ RENTING/ NEW SERVICE
18385-001	DA 1-19-18	Matthew & Arlene	Crane	420 Grove Ave.	Patchogue, NY 11772	David E. Holtzman
18390-001	HA 4-14-6C	Tucker	Stephens	140 West End Ave.	New York, NY 10023	Jo A. Archer
18382-001	AN 5-41-13A	Taylor	Day	199 Spadafora Rd.	Andes, NY 13731	Bonnie Schroeder
18374-001	WA 4-21-14C	Olga	Pravdina- Hasbrouck	727 Russell Rd.	Walton, NY 13856	Mark & Maureen Babcock
18376-001	KO 2-43-11	Robert	Agate	15 Chapin Ave.	Merrick, NY 11566	Michael W. Kane
18371-001	HA 4-34-13	Shirley	Chase	2783 MacGibbon Hollow Rd.	Walton, NY 13856	Paul G. Chase
18375-001	TO 3-77-59	Malik	Nagel	433 Mountain View Dr.	Walton, NY 13856	John A. Miccio
18372-001	HA 4-57-15C	Lucy	Silvestri	4315 West Terry Clove Rd.	DeLancey, NY 13752	Mark Silvestri
18277-001	AN 4-68-3	Dar-View Farm		2816 Fall Clove Rd.	DeLancey, NY 13752	Ruth Darling
18072-001	DA 1-38-2C	Amber M.	Roe	333 Brick House Hill Rd.	East Meredith, NY 13757	Herbert Roe
18358-001	HF 2-12-5B	Helen Louise	Kinsley	65 S. Bicycle Path	Selden, NY 11784	Robert A. Link
18368-001	JE 2-37-18C	Daniel	Vissac	570 Morgan Ave. 4L	Brooklyn, NY 11222	Viktor Vondracek
18369-001	KO 2-22-9C	Kathryn	Bramsen	19150 State Highway 23	Davenport, NY 13750	Joseph Ackerman
18370-001	HA 4-34-4A	Matt	Cullen	2443 Launt Hollow Rd.	Hamden, NY 13782	Melissa Bennett
18356-001	TO 3-67-6	Keri	Batson	188 Walton Mt. Rd.	Walton, NY 13856	John Lane
18346-001	JE 2-27-18	Matt	Dorter	867 State Route 10	Jefferson, NY 12093	Emmanuel Pulcini
18360-001	DA 2-11-18	Jennifer	Weiss	133 Longfellow Dr.	Mastic Beach, NY 11951	New Service
18268-001	DA 1-39-5C	Joseph	Navas	438 Dehning Rd.	East Meredith, NY 13757	Frances H. Baldanza
18359-001	DA 1-46-1B	Joseph	Sanzone	25 Mountain Top Dr.	Warwick, NY 10990	Joseph & Monica Sanzone
18334-001	FR 3-18-1	Richard	Ortiz	2047 Russell Rd	Franklin, NY 13856	Gail M. White



RESOLUTION

August 25, 2020

BE IT RESOLVED, THAT WE, The Board of Directors of the Delaware County Electric Cooperative, Inc., 39 Elm Street, Delhi, NY 13753, do hereby authorize the transfer of \$114.13 representing uncollectible accounts for utility customers per the following listing, to accumulated provision for uncollectible accounts.

<u>ACCOUNT</u>	<u>SER. ADD.</u>	<u>CUSTOMER</u>	<u>SEASONAL</u>	<u>RESIDENTIAL</u>
17175001	HA 4-24-38	Robin McGee	\$	\$ 114.13
			<hr/>	<hr/>
			\$	\$ 114.13

August 25, 2020

EDWARD G. PICK, JR., SECRETARY



August 25, 2020

BAD DEBT COLLECTION

*** PLEASE NOTE:** The amounts below were recovered through capital credit retirements, Southern Tier Credit Center & DCEC through July 2020.

Original Amount Turned Over For Collections	Name	**Amount Collected CC to UA	Amount Collected from So. Tier	Amount Collected from DCEC	Commission Paid this Month *	Balance Due
\$ 131.83	Chris Vaneck	\$ 2.00	\$	\$	\$	\$ 129.83
2019 Capital Credit Allocation for Uncollectible Accounts		280.78				

* Commission is 30% of the total amount collected last month.
50% if legal services are required.

If payment is made directly to us, the commission will be the following month.

** Under \$30.00 does not get reported to Southern Tier Credit Center.

*** Billing department did a small balance write off for the balance due amount.

**** Capital credits are applied on a discounted basis towards outstanding debt per the Capital Credits Applied to Bad Debt Policy.

2020 Director Compensation Report				Report Date:		18-Aug-2020		
	<u>Director</u>	<u>Officer</u>	<u>CCD</u>	<u>Per Diem</u>	<u>Pers Mileage*</u>		<u>Comp YTD**</u>	<u>Balance Due (YTD)</u>
1	Burnett	No	Yes	\$ 350.00	17	\$ 9.78	\$3,500.00	\$719.55
3	Menke	Yes	Yes	\$ 375.00	15	\$ 8.63	\$5,625.00	\$767.25
4	Oles	Yes	Yes	\$ 375.00	14	\$ 8.05	\$4,125.00	\$766.10
5	Pick	Yes	Yes	\$ 375.00	44	\$ 25.30	\$7,225.00	\$800.60
7	J. Russell	No	Yes	\$ 350.00	44	\$ 25.30	\$4,550.00	\$750.60
8	Wehmeyer	No	Yes	\$ 350.00	52	\$ 29.90	\$3,500.00	\$759.80
9	Winkler	Yes	Yes	\$ 375.00	34	\$ 19.55	\$3,750.00	\$789.10
	TOTAL:						\$28,775.00	\$4,633.45
	NOTES:	1) Board policy identifies \$300 per diem compensation + \$25 for officers + \$50 for CCD directors.						
		* 2) Mileage to/from regular meetings @ IRS per mile rates of.....						\$0.575
		** 3) Compensation YTD reflects total taxable amount earned (excludes reimburseable expenses such as mileage)						
		4) Compensation for co-op-related "Short Activities" @ \$100 per meeting (per Jan2013 Board Resolution)						



POLICY

SUBJECT: Absentee Ballots

POLICY:

Background:

Article III, Section 6 of the Bylaws of the Delaware County Electric Cooperative (the Cooperative) describes a member's rights and responsibilities related to absentee balloting. This policy provides rules and procedures, which shall be followed by staff of the Cooperative when administering the absentee ballot process.

The Bylaws specify the following timeline for mail-in absentee ballots:

- (a) The Cooperative must receive from the member a completed absentee ballot request form at least twenty (20) days prior to the Membership Meeting.
- (b) Upon receipt, the Cooperative will provide an official absentee ballot to the member.
- (c) The Cooperative will accept a properly completed absentee ballot only if it is received within the office of the Cooperative by no later than the close of the 4th business day preceding the day of the Membership Meeting.

The Bylaws specify the following timeline for in-person absentee ballots:

- a) The member may appear, in person, at the office of the Cooperative, verify his or her identity by presenting a government issued photo identification, request the absentee ballot, complete the absentee ballot, and return it to the office of the Cooperative by no later than the close of the 4th business day preceding the day of the Membership Meeting.
- b) Absentee ballots shall be made available to members at the office of the Cooperative starting at least 20 days prior to the Membership Meeting.

The Bylaws specify the following requirements and limitations on the process:

- (a) Upon the Cooperative's receipt of an absentee ballot, a member may not revoke an absentee ballot and vote at the meeting regarding the matter described in the ballot.
- (b) The absentee ballot must: (1) set forth and describe a proposed action, identify a candidate(s) and include the language of a motion, resolution, Bylaw Amendment, or other written statement, upon which a Member is asked to vote or act; (2) state the date of a Membership Meeting at which the members are scheduled to vote or act on the matter; (3) provide an opportunity to vote for or against, or to abstain from voting on, the matter; (4) instruct the member how to complete and return the absentee ballot; and (5) state the time and date by which the Cooperative must receive the complete absentee ballot.

Article I, Section 3(C) states that an absentee ballot executed by either or both joint members shall constitute one joint absentee ballot.

Procedure:

To facilitate voting by mail-in absentee ballots:

The Cooperative shall send absentee ballot request forms to all members of the Cooperative in the July/August edition of the Catskill Hi-Line newsletter and by paper or electronic means such as but not limited to regular e-mail, electronic billing notices, the Cooperative's website, social media platforms, and paper bill inserts. The request form shall require the member's name,



address, and account number. The form shall also provide the due date for the request form, which shall be the last business day at least 20 days prior to the Members Meeting.

Upon receipt of each request form, the Cooperative shall confirm that the request form was submitted by a member in good standing and that all required information was provided. In cases where the request form is missing required information or when the form was submitted by someone other than a member in good standing, the Cooperative shall make a good faith effort to contact the person who submitted the request form with the goal of providing members an opportunity to exercise their right to submit absentee ballots.

Upon confirmation that a member has submitted a properly completed request form, the Cooperative shall add the member's name and account number to the Absentee Voters List and the absentee ballot shall be given an Absentee Ballot Number. The Absentee Ballot Number will be used to track which members return absentee ballots, because members may not vote by absentee ballot AND in person at the Members Meeting.

Within 3 days following the due date for the absentee ballot request form, the Cooperative shall send absentee ballot packets to all members who submitted properly completed request forms. The absentee ballot packet shall include the following:

- (a) Instructions, which shall include the due date, which shall be the close of the 4th business day preceding the day of the Membership Meeting.
- (b) An absentee ballot
- (c) A Secret Ballot Envelope in which the member will place his/her completed absentee ballot. The Secret Ballot Envelope should be marked with language such as "PLACE YOUR SECRET BALLOT INSIDE THIS ENVELOPE AND SEAL BEFORE MAILING" and shall also be marked with the Absentee Ballot Number associated with the member. The Absentee Ballot Number will be used to track which members return absentee ballots without violating the Cooperative's Bylaws.
- (d) A mailing Envelope pre-addressed to "Delaware County Electric Cooperative, Inc., PO Box 471, Delhi, NY 13753, attention Member Services." The instructions should instruct the member to place his/her sealed Secret Ballot Envelope inside their Mailing Envelope before mailing the sealed Mailing Envelope to the Cooperative.

The Cooperative shall open Mailing Envelopes, but not Secret Ballot Envelopes, as absentee ballots are received in the mail. The Absentee Voter List shall be updated to record which Absentee Voters have returned Secret Ballot Envelopes. The unopened Secret Ballot Envelopes shall be placed daily in the Cooperative's safe, where they shall remain until opened by the Cooperative's attorney or by ~~tellers~~Tellers¹ under the supervision of the Cooperative's attorney. Once Secret Ballot Envelopes are opened, absentee ballots shall be handled and stored in a manner to avoid them being seen by anyone other than the Cooperative's attorney and the appointed ~~tellers~~Tellers.

¹ Tellers are members of the Cooperative who are appointed by the President of the Board or by the full Board of Directors, either prior to or during the Members Meeting. Tellers volunteer to assist with or observe the ballot collection and counting process. Any member present at the Members Meeting is eligible to volunteer to serve as a Teller, regardless of whether other Tellers have already been appointed prior to the Members Meeting. There shall be a minimum of 3 Tellers.



To facilitate voting by in-person absentee ballots:

The Cooperative shall make absentee ballot request forms available to any member at the office of the Cooperative starting at least 20 days prior to the Membership Meeting. Upon receiving completed absentee ballot request forms from members in-person at the office of the Cooperative, the Cooperative shall require the member to present a government issued photo identification to verify that the person submitting the request form is the member whose name is listed on the absentee ballot request form. The Cooperative shall confirm that the request form was submitted by a member in good standing and that all required information was provided. In cases where the request form is missing required information or when the form was submitted by someone other than a member in good standing, the Cooperative shall immediately notify the person who submitted the request form of any deficiency, to give them a chance to re-submit the request form in a timely manner.

Upon confirmation that a member has submitted a properly completed request form, the Cooperative shall add the member's name and account number to the Absentee Voters List and the absentee ballot shall be given an Absentee Ballot Number. The Absentee Ballot Number will be used to track which members return absentee ballots, because members may not vote by absentee ballot AND in person at the Members Meeting.

After assignment of an Absentee Ballot Number, the Cooperative shall hand the Absentee Ballot and the Secret Ballot Envelope directly to the member. The member shall complete the Absentee Ballot at the office of the Cooperative, insert it into the Secret Ballot Envelope and hand it to the Cooperative staff person. The Absentee Voter List shall be updated to record which Absentee Voters have returned Secret Ballot Envelopes. The unopened Secret Ballot Envelopes shall be placed daily in the Cooperative's safe, where they shall remain until opened by the Cooperative's attorney or by ~~tellers~~Tellers under the supervision of the Cooperative's attorney. Once Secret Ballot Envelopes are opened, absentee ballots shall be handled and stored in a manner to avoid them being seen by anyone other than the Cooperative's attorney and the appointed ~~tellers~~Tellers.

On the day of the Members Meeting, the Cooperative shall utilize the Absentee Voter List to prevent members having submitted absentee ballots from also receiving ballots to vote in person.

Absentee ballots shall be taken to the Members Meeting to be handed over to the ~~tellers~~. ~~Tellers are members of the Cooperative who are present at the Members Meeting and volunteer to assist with or observe the ballot collection and counting process. Any member present at the Members Meeting is eligible to volunteer to serve as a Teller. There shall be a minimum of 3 Tellers.~~

The Cooperative's attorney or the appointed ~~tellers~~Tellers under the supervision of the Cooperative's attorney shall complete the opening and counting of absentee ballots on the day of the Members Meeting and no later than the time during the Members Meeting when in-person ballots are counted. The opening of absentee ballots may be performed at the Cooperative's office prior to the Members Meeting or at the location of the Members Meeting during the Members Meeting. The Cooperative's attorney shall be available to inspect absentee ballots to confirm that ballots are properly completed and signed. Only appointed ~~tellers~~Tellers and the Cooperative's attorney shall be allowed to view absentee ballots so that the secrecy of the ballots is maintained.



Ballots shall be kept in a secure location at the Cooperative for a period of at least sixty (60) days and no more than thirteen (13) months after the annual meeting to allow for challenges to the voting process. Thereafter, they will be destroyed.

RESPONSIBILITY: ~~Secretary Cashier Receptionist~~ Administrative Assistant

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC

Approved by Board of Directors	April 23, 2013
Revised by Board of Directors	June 23, 2015
Revised by Board of Directors	May 30, 2017
Revised by Board of Directors	July 28 <u>August 25</u> , 2020



POLICY

SUBJECT: Construction and Equipment Contracts

POLICY: It shall be the policy of the Cooperative to purchase equipment and materials that are of high-quality, suitable for their intended purpose, and which comply with specifications established by the USDA Rural Utility Service. Further, it shall be the policy of the Cooperative to contract with reputable and qualified contractors when, in the opinion of the General Manager, it is necessary to procure services outside of the Cooperative's direct staff.

In all procurement activities, the Cooperative shall be diligent in pre-qualifying bidders according to pre-determined and project specific criteria and in using reasonable efforts to evaluate suppliers on a competitive basis. The Cooperative shall award contracts to supplier(s) that offer the most competitive bid in terms of price, delivery, and other terms and factors that the Cooperative determines to be important. No contract shall be approved by the Cooperative if facts indicate the bidder has an interest conflicting with that of the Cooperative.

PROCEDURE: ~~The Cooperative personnel shall~~ establish construction and equipment ~~conduct all procurement activities in~~ contracts in accordance with this policy. Additionally, all contract activities shall comply with the Cooperative's policy on Procurement, Receiving & Disbursement, including procurement procedures and authorization limits described therein. ~~s greater than \$10,000 shall be reviewed and submitted to the Board of Directors for approval.~~

RESPONSIBILITY: Board of Directors and CEO & General Manager

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Mar 28, 1961
Reviewed by Board of Directors	Jul 21, 1971
Reviewed by Board of Directors	Apr 24, 1990
Reviewed by Board of Directors	Jun 26, 2012
Reviewed by Board of Directors	May 26, 2015
Reviewed by Board of Directors	Jun 27, 2017
<u>Revised by Board of Directors</u>	<u>Aug 25, 2020</u>



POLICY

SUBJECT: Line Extensions for New Services

Operations support staff are reviewing the following language in the Line Extension policy because the Cooperative has made money on a couple of the longer single phase underground line extensions and that is not our intent. Staff are considering recommendations to slightly lower the per-foot price for single phase underground extensions and to require the Cooperative to perform a cost true-up upon completion of all single phase underground jobs. Cost true-ups are already required by the Line Extension policy for all line relocations and all 3-phase jobs (overhead or underground). A specific proposal will be ready for the meeting on 8/25/2020.

Excerpt from the current Line Extension policy:

VI. Single Phase Primary Underground Line extension charges (applies to all rate classes)

- a. **\$29.00 per foot**
- b. Tree clearing, ditch digging, need for off-road equipment, sand and/or conduit will be in addition to lettered item "a" above. Extraordinary costs are charged to the member based on estimated time and materials.
- c. Construction Fee/Footage for structures such as campers, signs, wells, storage buildings, personal garages, telephone and cable repeaters, temporary service, (i.e., any site that does not include both a well and a septic system): \$1,900 plus \$29.00 per foot.
- d. The member or member's contractor is responsible to coordinate with the Cooperative to prepare the site for underground cable installation. The member or member's contractor must notify the Cooperative when digging and preparation of the ditch is to be started and when it is complete. An additional trip fee will be charged to the member in cases where the member or the member's contractor incorrectly states that the site is ready for installation, causing a wasted trip for the Cooperative's line crew.



POLICY

SUBJECT: Poles, Joint Use of

POLICY:

I. Requirement for Joint Use Agreement and Pole Attachment Permit Application

Any or all utilities desiring to use in any way, the poles belonging to the Cooperative, shall before making any attachment to said pole or poles:

1. Enter into a contract for a "Joint Use Agreement" with the Cooperative.
2. Submit a pole attachment permit application in accordance with the Joint Use Agreement with a maximum number of one hundred (100) poles on any one attachment permit application. Poles on a single pole attachment permit application shall be part of a single project within a contiguous portion of the Cooperative's service area.
3. Pay a non-refundable permit application fee of \$25 per pole on the applicable pole attachment permit application with a minimum permit application fee of \$300 regardless of the number of poles. For example, a 10-pole permit application would be \$300 due to the minimum fee, a 20-pole permit application fee would be \$500, and a 100-pole permit application would be \$2,500. The permit application fee covers the following services provided by the Cooperative:
 - a. Ride-out and estimation services in accordance with Article II herein, and
 - b. Inspection services in accordance with Articles IX and XII herein.
4. If the Attaching Utility does not perform a ride-out with the Cooperative within 180 days of the submission of a permit application, the application shall be null and void. If the Attaching Utility decides to pursue those same attachments at another time, then a new pole attachment permit application and accompanying fee shall be required.

II. Ride-out and Estimate

After receiving a properly completed pole attachment permit application and the applicable application fee, the Cooperative shall:

1. Provide a pre-construction ride-out in conjunction with the Attaching Utility's designated field representative at no additional cost to the Attaching Utility.
2. At no additional cost to the Attaching Utility, provide a written summary of make-ready work required to accommodate the attachment request, including estimated cost of make-ready construction.

III. Authorization and Payment by Attaching Utility

The Attaching Utility then shall:

1. review the required make-ready work, evaluate the estimated cost, and determine whether to proceed with the proposed attachment(s), and
2. sign and return the make-ready estimate to the Cooperative, thus authorizing the Cooperative to proceed with the make-ready construction at the sole cost of the Attaching Utility, and
3. pay to the Cooperative the estimated cost of make-ready work.



IV. Make-Ready Construction by Cooperative

After receipt of payment from the Attaching Utility, the Cooperative shall perform detailed staking, design, and procurement activities necessary to perform the make-ready work. The Cooperative shall complete the make-ready construction work, including pole replacements, in accordance with the Cooperative's own construction standards and the National Electric Safety Code. Make-ready construction work will be scheduled in consideration of the Attaching Utility's preferences and the various operations and maintenance responsibilities of the Cooperative.

V. Notification of Make-Ready Completion by Cooperative

Upon completion of the make-ready work, the Cooperative shall notify the Attaching Utility:

1. that the Attaching Utility is permitted to perform attachment construction, and
2. any restriction on or special instructions related to where or how the Attaching Utility is permitted to attach to the Cooperative's pole(s).

VI. Reconciliation of Make-Ready Costs by Cooperative

Within 90 days of completion of the make-ready construction work, the Cooperative shall close the work order used to track the make-ready costs, reconcile the actual make-ready costs with the estimated payment made by the Attaching Utility, and bill or credit the Attaching Utility for the amount of underpayment or over-payment. Credits to the Attaching Utility will be issued via a check, sent to the address designated by the Attaching Utility in the Join Use Agreement.

VII. Proof of Insurance by Attaching Utility

Prior to commencing attachments, the Attaching Utility shall provide certificates of insurance to the Cooperative in accordance with the Cooperative's Contractor Insurance Requirements policy. Certificates are required for the Attaching Utility, any contractors hired by the Attaching Utility, and any subcontractors of the Attaching Utility.

VIII. Attachment Construction by Attaching Utility

The Attaching Utility shall perform, or shall have performed by a qualified contractor, the attachment construction in accordance with all instructions provided by the Cooperative in the notification of make-ready completion (see Article V). The Attaching Utility shall notify the Cooperative upon completion of the attachment construction.

IX. Inspection of Attachments by Cooperative

Within 90 days of notification that attachment construction is complete, and at no additional cost to the Attaching Utility, the Cooperative shall perform a field inspection of the completed attachment construction, including the following:

1. compliance with specific instructions given to the Attaching Utility by the Cooperative in accordance with Article V above, and
2. compliance with ground clearance requirements per the NESC, and
3. compliance with electric conductor clearance requirements per the NESC.



The Cooperative shall notify the Attaching Utility of any inspection failures. The Attaching Utility shall respond and remedy inspection failures in a manner and timeline appropriate to the safety criticality of the failure, but in no event shall the remedy timeline exceed 180 days beyond the notification date. The Attaching Utility shall notify the Cooperative upon completion of the remedy. In cases where, in the sole discretion of the Cooperative, re-inspection of remedies is appropriate, the Cooperative shall perform the inspection and bill the Attaching Utility for inspection services on a time-and-material basis.

X. Annual Attachment Fee Paid by Attaching Utility

An annual attachment fee shall be payable by the Attaching Utility to the Cooperative. The Cooperative shall issue annual invoices on or about December 31 of each year. The number of attachments billed to the Attaching Utility shall equal the number billed the prior year, plus the number of new attachments that were installed by the Attaching Utility and Inspected by the Cooperative since the last invoice date, minus any attachments removed by the Attaching Utility since the last invoice date. The payment shall be due to the Cooperative by February 1 following the issuance of the invoice. Attaching Utilities that fail to pay the annual attachment fee by the due date will be subject to late fees and other penalties in accordance with the Joint Use Agreement.

XI. Pole Attachment Rate Set by Cooperative

The attachment fee will be set by the Cooperative. The Cooperative shall use an equitable, cost-based methodology as a guide when establishing the annual pole attachment rate. The cost-based methodology may include, but not be limited to consideration of Operations and Maintenance Costs, Administrative and General Costs, Depreciation, Long Term Interest, and Other Interests and Deductions, but may exclude Patronage Capital / Margins. The cost-based methodology may allocate costs based on a pro-rata share of pole plant as a share of total utility plant.

XII. Removal of Attachments by Attaching Utility

In the event that the Attaching Utility removes their attachment(s) from the Cooperative's pole(s), the Attaching Utility shall:

1. return the Cooperative's pole and surrounding area to substantially the same configuration that it was in prior the attachment, which would include the removal of guys that had been installed to offset forces created by the attachment, and
2. notify the Cooperative that the attachment(s) have been removed.

The Cooperative may, at its sole discretion, and at no additional cost to the Attaching Utility, inspect poles from which attachments have been removed. Inspections after removal of attachments work the same as inspections after construction of attachments in all material respects (see Article IX above).

XIII. Replacement by Cooperative of Poles with Attachments

In the event that the Cooperative, in its sole discretion, deems it necessary or appropriate to change, alter, relocate, remove or add to existing Cooperative plant in order to meet its own operational needs or to accommodate foreign utilities other than the existing Attaching Utility, the



Cooperative will notify the Attaching Utility of the need to transfer existing attachments from the old pole to the new pole.

XIV. Double Wood Removal by Attaching Utility

The Attaching Utility shall transfer its existing attachments from the old pole to the new pole within 180 days of notification. The last Attaching Utility to transfer their attachment from the old pole shall uninstall that pole, remove the pole from the right-of-way, leave the right-of-way in a safe condition, and properly dispose of the old pole in a safe and environmentally responsible manner. Failure of the Attaching Utility to do so shall invoke the “Double Wood Removal by Cooperative” clause below (see Article XIV).

XV. Double Wood Removal by Cooperative

If the Attaching Utility does not complete the transfer from and removal of an old pole within 180 days of notification by the Cooperative, then the Cooperative shall take the following steps to remove the pole:

1. Hire a qualified contractor to transfer the Attaching Utility’s attachments from the old pole to the new pole. The contractor will be instructed to use reasonable and customary utility practices during the transfer of the attachment from the old pole to the new pole in order to preserve the existing condition of the attached messenger/wire/conductor/fiber. The contractor will be responsible to remove the old pole from the right-of-way.
2. Pay the invoice issued to the Cooperative by the contractor.
3. Invoice the Attaching Utility as a pass-through of the amount paid to the Contractor. If the Attaching Utility does not pay the invoice in accordance with the Joint Use Agreement, the Cooperative shall seek remedy, also in accordance with the Joint Use Agreement, up to and including termination of the Joint Use Agreement.

XVI. Double Wood Special Case – Underground Electric Service to Member (Clark recommends moving the member portions of this policy to a separate policy and focus this policy exclusively on utility attachments.)

In some cases when the Cooperative replaces poles in accordance with Article XIII, a member of the Cooperative will have an underground electric service attached to the old pole, which creates a special case double wood scenario. The cause for the pole replacement shall determine who pays for moving the underground electric service to the new pole:

1. If the pole is replaced in order to meet the needs of an Attaching Utility, then the Attaching Utility shall pay to move the electric service. The costs of electricians and inspectors, as necessary to move the service, will be initially paid by the Cooperative and those costs will be accumulated on the open work order associated with the Attaching Utility’s make-ready work. Upon completion of the make-ready work and reconciliation of the make-ready costs, the Attaching Utility shall be billed in accordance with Article VI herein.
2. If the pole is moved to improve operational efficiency of the Cooperative, as is the case when primary electric lines are moved closer to the road to be more accessible, then the Cooperative shall pay to move the electric service. The costs of electricians and inspectors, as necessary to move the service, will be paid by the Cooperative and those



costs will be accumulated on the open system improvement work order associated with the line relocation. Upon completion of the line relocation, the work order will be capitalized.

3. If the pole is replaced due to age or condition, such as when a pole is identified for replacement through the Cooperative's regular pole inspection program, then the member shall pay to move the electric service.

XVII. Moving Electric Services – Process When Member Pays

In special cases of double-wood when members pay in accordance with Article XVI, numbered item 3 supra, the Cooperative shall notify the affected member that the member has 180 days to move their electric service to the new pole at the member's expense. If the grounding associated with the electric service is affected by the move, then the service must be inspected by Cooperative-approved third-party electrical inspector. Service entrances shall meet the Cooperative's minimum requirements/specifications as published on the Cooperative's website.

To assist the member in transferring their service to the new pole, the Cooperative shall, at no cost to the member, provide temporary disconnections and reconnections at the transformer and shall provide supply and install the conduit, cable and weatherhead from the top of the new pole to the member installed meter pan.

Members who fail to move their underground electric service to the new pole within 180 days shall be disconnected, subject to the notification requirements in the Cooperative's Disconnect policy.

XVIII. Cooperative Attachment to Poles Belonging to Other Utilities

The Cooperative will not attach to or use the poles belonging to any other utilities without a signed agreement.

PROCEDURE: As outlined in Policy (see attached schedule)

RESPONSIBILITY: The Operations Manager

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Jun 21, 1961
Reviewed by Board of Directors	Dec 19, 1973
Revised by Board of Directors	Aug 20, 1980
Reviewed by Board of Directors	Oct 24, 1989
Revised by Board of Directors	Mar 22, 1994
Revised by Board of Directors	Aug 28, 2012
Reviewed by Board of Directors	Aug 27, 2013
Reviewed by Board of Directors	Aug 26, 2014
Reviewed by Board of Directors	Sep 22, 2015
Reviewed by Board of Directors	Sep 27, 2016
Reviewed by Board of Directors	Sep 25, 2017
Revised by Board of Directors	Oct 23, 2018
Revised by Board of Directors	Apr 23, 2019
<u>Reviewed by Board of Directors</u>	<u>Aug 25, 2020</u>



RATE HISTORY	Effective 09/30/73 attachment fee increased to \$4.00
	Effective 09/30/78 attachment fee increased to \$5.00
	Effective 08/20/80 attachment fee increased to \$6.00
	Effective 01/01/95 attachment fee increased to \$7.44
	Effective 12/31/00 attachment fee increased to \$12.30
	Effective 12/31/01 attachment fee increased to \$12.87
	Effective 12/31/02 attachment fee increased to \$13.39
	Effective 08/28/12 attachment fee increased to \$23.41
	Effective 08/27/13 attachment fee decreased to \$23.37
	Effective 08/26/14 attachment fee increased to \$25.87
	Effective 09/22/15 attachment fee \$25.87
	Effective 09/27/16 attachment fee \$25.87
	Effective 09/25/2017 attachment fee increased to \$27.97
	Effective 10/23/2018 attachment fee \$27.97
	Effective 04/23/2019 attachment fee \$27.97
	<u>Effective 08/25/2020 attachment fee \$28.15</u>



RESOLUTION

Appointment of Tellers – 2020 Annual Members Meeting

August 25, 2020

WHEREAS, the customs and traditions of the Delaware County Electric Cooperative, Inc. (the “Cooperative”) rely upon Tellers to be appointed from among the membership to assist with the opening of absentee ballots and the counting of all ballots; and

WHEREAS, the Cooperative’s policy on Absentee Ballots permits Tellers to be appointed by the President of the Board or by the full Board of Directors, either prior to or during the Members Meeting; and

WHEREAS, appointment of Tellers prior to the annual Members Meeting creates an opportunity for Tellers to assist the Cooperative’s attorney with the opening and counting of absentee ballots prior to the Members Meeting; and

WHEREAS, the Cooperative has received a record number of absentee ballot requests in 2020;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby appoints Meg Hungerford, Lorna Pearce, and Jerry Stoner to be Tellers for the 2020 Members Meeting; and

BE IT FURTHER RESOLVED, that the Board of Directors reserves the right of the President of the Board and of the full Board of Directors to appoint additional Tellers, either prior to or during the 2020 Members Meeting; and

BE IT FURTHER RESOLVED, that the Board of Directors directs management to take any and all appropriate steps to carry out the intent of this resolution.

CERTIFICATE OF SECRETARY

I, Edward G. Pick, Jr., certify that I am Secretary of the Delaware County Electric Cooperative, Inc. Board of Directors and that the above is a true excerpt from the minutes of the regular board meeting of the Board of Directors of Delaware County Electric Cooperative, Inc., held on the 25th day of August, 2020 at which a quorum was present and that the above portion of the minutes has not been modified nor rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of Delaware County Electric Cooperative, Inc. this 25th day of August, 2020.

(Seal)

(Signature of Secretary)



HQ Project Update

August 25, 2020

- Move date scheduled for Friday, 9/25/2020 through Monday, 9/28/2020. Open for business to members on Tuesday, 9/29/2020.
- Offices substantially complete. Working on floor finishes, trim work, etc.
- Pole structure high bay addition to Kiff building is framed, roofed, and partially sheathed. Rebar and plumbing complete in floor. Next step is concrete floor.
- Linking structure is framed, roofed, and partially sheathed. Floor is poured and interior walls framed. Trades are working in linking structure now. Information Technology room is sheathed and trades are working in there. Starting electric service trench on 8/19/2020.
- Steel framed addition to DCEC main shop – foundation poured 8/18/2020. Steel framing will begin on 8/25/2020.
- Storm water work is underway on the “road side” of the buildings. Storm water will begin behind buildings on 8/19/2020.
- No renovation work has been started in the existing DCEC main shop.
- Biggest problems to date include:
 - Scheduling concrete deliveries.
 - Changes imposed by Village of Delhi on water piping and connections.

