

NOTICE OF BOARD MEETING

The regular meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. will be held **Tuesday, February 25, 2020 at 5:00 pm** at the Co-op's headquarters, 39 Elm Street, Delhi, New York to 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. Auditor Interview with Board of Directors

III. NYPA/SUNY Delhi PV Project Update [Q&A w/Engineering Manager Paul DeAndrea]

IV. Student Delegate Interviews

- A. Student #1 @ 5:30 pm [packet pages 2-5]
- B. Student #2 @ 5:50 pm [packet pages 6-8]
- C. Student #3 @ 6:10 pm [packet pages 9-13]

V. Consent Agenda:

- D. Minutes of January 28, 2020 Board Meeting [packet pages 14-18]
- E. New Memberships [packet page 19]
- F. Bad Debt Resolution and Collection Report [packet pages 20-21]
- G. Corporate Calendar Review [packet page 22]
- H. Director Compensation [packet pages 23-24]

VI. Nominating Committee Timeline and Composition [packet pages 25-26]

VII. General Manager's Report & Safety Report [packet pages 27-31]

VIII. Monthly Financial Reports [meeting handout]

IX. Headquarters Project

- A. Value Engineered Design Update [attachment to packet on 11x17 paper]
- B. Value Engineered Scope of Work with Costs [packet pages 32-35]
- C. Updates from HQ Committee Members Pick and Russell [oral reports for Directors Pick and Russell]
- D. Resolution to Authorize CEO to Proceed with Construction Contracts [packet pages 36-38]

X. Policies

- A. Clothing for Employees Working On or Near Exposed Energized Parts [packet pages 39-40]
- B. Whistleblower [packet pages 41-43]
- C. Estate Capital Credits annual review [packet pages 44-45]

XI. Recognition of Line Foreman Doug Rosa's Retirement

XII. New Business:

XIII. Future Business:

- A. Next Regular Board Meeting, **Tuesday, 3/24/2020**
 - (1) Project Round-Up, next steps
 - (2) HWH Energy Efficiency Program, next steps
- B. NRECA Annual Meeting, 3/1/2020 – 3/4/2020, New Orleans, LA
- C. NRECA's Mike Haire on 401(k) Planning – 3/24/2020
- D. Closing on Sale of 39 Elm Street – no sooner than 3/31/2020
- E. NYAPP Annual Conference, 4/21/2020 – 4/23/2020, Saratoga Springs Hampton Inn
- F. Washington Legislative Rally, 4/26/2020 – 4/29/2020
- G. NYSRECA Meeting & Albany Advocacy Day, 5/11/2020 – 5/12/2020, Albany, NY
- H. NEAEC Annual Meeting, 5/20/2020 – 5/21/2020
- I. June update to board on truck grounding and/or barricading
- J. NYSRECA Annual Meeting, 7/23/2020, Otsego County Location TBD
- K. DCEC Family Fun Day, Friday, 8/7/2019, 5 pm, Delhi Courthouse Square
- L. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, Indianapolis, IN
- M. Annual Meeting of Members, 9/18/2020, Delhi, NY

XIV. Executive Session

XV. Adjournment

Attachments:

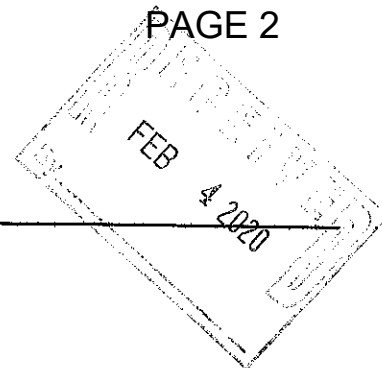
- A. Climate Change Resources from Professor Kevin Schultz of Hartwick College
- B. 11"x17" HQ Project Sketches
 - (1) Site Plan
 - (2) Floor Plan
 - (3) Axonometric View (3D)

Cooperative Values

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

Cooperative Stakeholders

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



2020 Legislative Youth Tour

SUMMARY:

The 2020 Legislative Youth Tour is sponsored by the Delaware County Electric Cooperative and is available to students who reside in a home serviced by the Cooperative. Qualified students who apply have the opportunity to participate in an exciting, all-expense-paid trip to Washington D.C. from April 26-29, 2020. The selected student will join representatives from DCEC in meetings on Capitol Hill with Congressmen and women as part of the annual National Rural Electric Cooperative Association (NRECA) Legislative Conference. Students will also have the chance to enjoy a tour of Washington D.C. with other student representatives from New York State electric cooperatives.

QUALIFICATIONS:

In order to be considered students must meet the following qualifications:

- Be in their junior (11th grade) year
- Be a son/daughter of a member of the Delaware County Electric Cooperative
- Have at least a "B" average or better
- Participate in extra-curricular activities and community service

APPLICATION PROCESS:

Students interested in being considered for this event must complete the below application and have it submitted to the office of the Delaware County Electric Cooperative by February 17th. Applications can either be sent by regular mail or emailed to: alicia.vanzandt@dce.coop. A completed application must include:

1. Completed form below
2. 1-page student essay describing yourself (including where you go to school, favorite subjects, extra-curricular activities, and community service you have been involved in) and what you hope to get out of participating in the trip
3. Letter of recommendation from a teacher or administrator from your school, including your academic transcript showing an academic standing of at least a "B" average or above
4. Attach a copy of your family's DCEC electric bill proving their membership in the Cooperative
5. Be available to meet with the DCEC General Manager and Board Members at 5 pm on Tuesday, February 25, 2020.

Applicant:

Name: Jillian Hungerford
Address: 3922 Co. Hwy 12
East Meredith, NY
Phone: 13757 (607)-437-9867
Email Address: holstienlover102@gmail.com
and Randy
Parent or Guardian: Meg Hungerford
School: South Kortright

Jillian Hungerford
3922 County Highway 12
East Meredith, NY 13757
(607)-437-9867
2020 Legislative Tour

My name is Jillian Hungerford, I am 16 years old. I live in East Meredith with my parents Randy and Meg, and my siblings Morgan and Jesse. I am in my junior year at South Kortright Central School. In school my favorite subjects are math and science. Math comes easily to me and I enjoy the challenge of finding different unknowns. I enjoy science because I can easily connect science with my life, and I enjoy seeing how it relates to things in my daily life, like farming and animals.

Outside of school, I participate in multiple activities. I am the President of the Delaware County Junior Holstein Club, President of the Central Delaware Clovers 4-H Club. I have been a member of 4-H since 2009. I also am very active in horseback riding. I enjoy riding year-round and competing. I am a member of the ABC Dream Team, which is an Interscholastic Equestrian Association team. I hold one of the 2019-2020 Delaware County Alternate Dairy Princess titles. I am a member of the New York Junior Holstein Association and enjoy attending the yearly convention and participating in Dairy Bowl and Dairy Jeopardy competitions. I am also currently participating in the Beginning Dairy Leaders program at Cornell University.

I have done many hours of community service throughout my years of 4-H, I have volunteered at the Stamford Farmers Coop helping with their picture events, preparing holiday food for food banks, community beautification projects, and helping at the Bloomville United Methodist Church turkey dinner.

If selected for this trip, I hope to get to experience visiting some of the historical parts of Washington D.C. I visited Washington D.C. several years ago with my family, but I was much younger and really don't remember the trip. I also hope to gain insight into the policymaking process and hope to better understand what regulatory issues are important to electric cooperatives while participating in advocating for these cooperatives. I also think it would also be interesting to meet other students from around the country that are also representing their own local electric cooperatives.

I think that the Delaware County Electric Cooperative is a very important part of the community. I would be honored to have the opportunity to represent DCEC as thier youth delegate.

January 30, 2020

Dawn M. Brown
South Kortright Central School
58200 State Highway 10
South Kortright, NY 13842

To Whom It May Concern,

I am writing to provide an academic and professional recommendation for Jillian Hungerford. I have had the pleasure of working with Jillian in a number of capacities. I had the privilege of getting to know Jill as a student in Regents-level Earth Science in her Freshman year, Biology and Anatomy and First Aid in her Sophomore Year, Regents Chemistry in her Junior year, and as a 4-Her for more years than I can remember. In the past few years, I have seen her grow as a student and as a young adult. Jill has shown dedication to academics and as a leader among her peers, young and old. Even when participating in numerous 4-H, Dairy Princess, and Equestrian Team events throughout the school year she continues to remain focused on academics. She is a diligent student who knows what needs to be done to be successful.

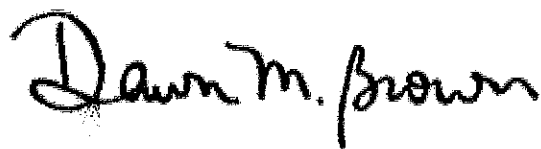
Jill has been able to balance being a leader, a scholar, and an active member of many community organizations. She has been active in 4-H and the local dairy clubs where she has dedicated many hours to showing cows and horses. She has also been an ambassador for the Dairy Princess Program in Delaware County. Her work with these organizations has given her a sense of community and has allowed her to give back to those in need. She has shown that same dedication as President of my own 4-H Club where she is actively involved in planning and organizing fundraisers and community service actions. If she sees a job that needs to be done, she does not hesitate to step up. Just some of her community service activities include making pillows for local hospitals, making baked goods for homeless shelters and community dinners, and helping with the local humane society.

Jill has shown that she has been able to stay focused on academics, as well as lead such a busy life. During the past two years, she has taken numerous college and upper level courses. Her desire to work in the area of Dairy Management comes from her love of farming that can be seen in how she cares for her animals. Along with having such a busy schedule she also finds time to work on her family's dairy farm. Her dream includes being involved in the dairy industry while working as a State Trooper.

Her goals include going to college to continue her education in the field of Agricultural Business Management. I believe she will be successful in creating her own path that has been influenced by the important people and animals in her life. Jillian has shown that she can lead a busy and successful life and I have no doubt that she will continue doing just that as she continues into college and to her career.

Thank you for your time dedicated to reviewing my letter of recommendation for Jillian. If you have any questions or require further information, please do not hesitate to contact me by email at dbrown@skcs.org or by phone at 607-538-9111.

Sincerely,

A handwritten signature in black ink that reads "Dawn M. Brown". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Dawn M. Brown

58200 St. Hwy. 10

South Kortright, NY 13842

South Kortright Central School

PAGE 5
 OFFICIAL DOCUMENT
 Valid Only If Signed
 ACT/CEEB: 335275

Name: Hungerford, Jillian
Gender: Female
Address: 3922 County Hwy 12
 East Meredith, NY 13757
Parent(s): Randy and Meg Hungerford

Student ID: 1603
DOB: 11/07/2003
Graduation Date:
Diploma Type:

Class Rank: 5 in a class of 26
Unweighted GPA: 93.07
Weighted GPA: 94.11
Credits Earned: 14.50
Counselor: Jessica Morton

2017-2018 Grade: 9 SOUTH KORTRIGHT CENTRAL SCHOOL GPA: 94.23 Credits: 7.00					
Course Name	Local	RCT/Prof	Regents	Final Avg	Credits
*Algebra			88	94	1.00
Child Development				92	0.50
DDP				87	1.00
*Earth Sci			92	97	1.00
ELA 9				98	1.00
Global 1				93	1.00
Phys Ed				97	0.50
Spanish I				96	1.00

2018-2019 Grade: 10 SOUTH KORTRIGHT CENTRAL SCHOOL GPA: 93.99 Credits: 7.50					
Course Name	Local	RCT/Prof	Regents	Final Avg	Credits
Anatomy				93	1.00
*Biology			86	96	1.00
DIY Projects/ Interior Design				94	0.50
ELA 10				97	1.00
*Geometry			76	90	1.00
*Global 2			90	94	1.00
Google Sketch				87	0.50
Phys Ed				95	0.50
Spanish II				97	1.00

2019-2020 Grade: 11 South Kortright Central School Abs: 7 Idy: 3 Credits: 0.00					
Course Name	Local	RCT/Prof	Regents	Final Avg	Credits
*Algebra II				(99)	0.00
*Chemistry				(94)	0.00
*College US History				(101)	0.00
*ELA 11				(97)	0.00
ELA 11 Regents Exam					0.00
Health				(95)	0.00
*Lit in Films				(101)	0.00
PE 9-12				(98)	0.00
*Spanish III				(102)	0.00
Regents Common Core Examination in Geometry			81		

Testing Information

Activities

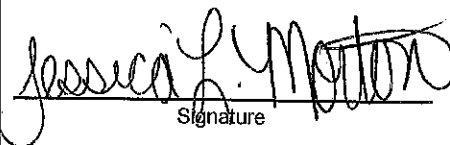
Course Code Keys:

* = Weighted Course

C = Course taught by a college professor, the HS cannot award HS credit if not taught by a certified HS teacher. Student did receive college credit.

Notes

Course Grades appearing in (Parenthesis) are "In Progress" and not yet final grades.


 Signature

January 08, 2020

Date



FEB 18 2020

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Applicant:

Name: Bailey A. Ernst
 Address: 1291 Federal Hill Rd 2
Delhi NY 13753
 Phone: 607 746-6593
 Email Address: bernst@dacscl.org
 Parent or Guardian: Michele C Bailey
 School: Delaware Academy

39 Elm Street, P.O. Box 471, Delhi, NY 13753
 Telephone: (607) 746-2341 Fax: (607) 746-7548 www.dce.coop

Bailey Ernst

6 Feb 2020

I'm a junior at Delaware Academy, currently enrolled in predominantly advanced placement or college level courses, my favorite of which being a bit of a toss-up between computer science and AP Literature and Composition. I'm a passionate and dependable student, geared towards the more creative or artistic ventures of academia. Over my Highschool career, my activity in both Creative Writing and girls basketball team management has helped me in building genuine relationships. Creative Writing has even provided me with an outlet of personal expression that has resulted in several publishings of my work. As a long-term GirlScout till late, I've been involved in a long list of community oriented excursions, most notably being my silver award project centered on the beautification of recreational environments. My fellow scout and I planted flowers accommodating regional wildlife in nearby parks and built countless birdhouses to be installed while removing waste. GirlScouts also introduced me to several community events such as the Annual election day pancake dinner or Rotary club breakfast, both for which I was a waitress volunteer, that have become yearly tradition for me. I also participate in water table management for various races held in Delaware County as well as the Evan's walk Annual Autism Awareness Event. What I'm most proud of in terms of my community footprint however was my contribution in raising funds for my classmate Ava who battled with cancer not too long ago. With the help of my family, I set up an event auctioning off the work of local artisans for the benefit of my friend, which proved to be rather successful. As a fundamentally strong-willed, curious mind, I hope that involving myself in this trip could enlighten me to the inner workings of the political world, as well as offer me opportunity to explore it. Observing in the decisions that dictate the day-to-day of our nation truly excites me and I hope to be joining you all in this rare experience.

Delaware Academy Central School District



2 Sheldon Drive • Delhi, New York 13753
Phone: 607-746-1300 Fax: 607-746-1317

To Whom It May Concern:

February 13, 2020

I am pleased by the opportunity to recommend Bailey Ernst for participation in the Delaware County Electric Cooperative's 2020 Legislative Youth Tour. I have no hesitation asserting the promise of Bailey's candidacy. I have known her for several years both as her teacher and as former advisor to the creative writing club, and in this time she has impressed me with her investment in art, academics, and the rewards of reading great books.

Bailey is currently enrolled in my AP Literature and Composition class, which we offer in the eleventh grade. She daily demonstrates insight and talent as a writer and thinker. She would be the student who reminds me when I forgot to post reading assignments before the end of the day, much to the chagrin of her classmates. The syllabus for this course includes over twelve novels and many plays, poems, and short works of prose. Not only is Bailey engaged in the reading and discussions, but her writing reveals a depth of thought and an eloquence of style that distinguishes her from her peers. She looks forward to each book I give her.

Again, I assert that Bailey is a candidate who embodies a combination of academic gifts as well as motivation to succeed. I encourage you to consider seriously her application to your Legislative Youth Tour, confident that she will not disappoint.

Best Regards,

David Ainsworth
Delaware Academy
Delhi, NY 13753
607-746-1300 x 1
dainsworth@delsherchools.org



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Applicant:

Name:

Austin Terry

Address:

4149 Basin Clove Road,
Hamden NY 13782

Phone:

(607)-434-0827

Email Address:

austinterry67@gmail.com

Parent or Guardian:

Roberta Terry

School:

Downsville Central

Austin J. Terry

DCEC Youth Tour Student

Essay

02/17/20

My name is Austin John Terry and I reside in Hamden, New York. I attend Downsville Central School. At my school I am a member of the National Honor Society and serve as the secretary. Four times a year our group as well as our advisor, host a blood drive in our school auditorium for the American Red Cross as an opportunity for members to volunteer and gain experience of community service. I donate my blood and red blood cells at every blood drive we host because I know people who have needed blood transfusions in order to save their lives, I am grateful for people who have donated their own blood to save the people I love, so I do the same for other people out there who need help. I serve as class treasurer for the Class of 2021 and have for the past three years. I count our classes money and make deposits after class fundraisers for our senior trip to Galveston Texas next year. I am a member of Students Against Destructive Decisions, Not Me Not Now, and Student Council. Every spring Student Council hosts a roadside clean up, usually for Earth day, and we travel somewhere in Downsville and clean up the roads full of litter.

Some of my favorite classes are Spanish, Pre-Calculus, and Musical Theory. These are all three things that I really enjoy. Taking Spanish and Music Theory is helping me to decide what I'd like to study in college because both subjects interest me as areas I might like to pursue in the future. I participate in quite a few musical festivals in my area. Every year I perform solos in front of judges at the annual NYSSMA festival in Norwich for a grade and for a chance to perform at other concerts. I have Performed at NYSSMA for the past six years. Last year I performed three solos: vocal, baritone saxophone, and piano. I've also performed at the annual Area Allstate concert at SUNY Oneonta for the past two years which requires a high NYSSMA solo score in order to attend. I have also attended All County which occurs at either Delaware Academy or Walton High for the past 6 years.

I currently have a job at The Old SchoolHouse Inn and Restaurant in Downsville. I've been working at The SchoolHouse for over 9 months and within that time I've been balancing work, school, and all of my extracurricular activities which can be difficult at times but it's still worth it in the end and keeps my time management skills sharp. Back in May I started out as a dishwasher and my boss noticed how eager I was to become a waiter and after four and a half months of proving my great work ethic she promoted me to a waiter position. Back in late September one of my coworkers had an accident and broke three of her vertebrae and was out of work. She had no income at the time so my coworkers and I planned a benefit pancake breakfast and basket raffle to raise some money for her so she and her daughter could get by financially until she was well enough to come back to work. Another example of my community service is when a good family friend of my developed cancer and began having chemo treatments that really affected his physical abilities. Winter was coming closer and he didn't have any firewood ready for winter to heat his house, so my family and a few others all got together and split his firewood for him and stacked it. In one day we finished his whole entire woodpile so he no longer had to worry about it.

I hope to go on this trip to the Capital because I believe it would be a very good experience for me to visit a place that I have never been before and to see where our past

presidents have lived and worked for the last 200 plus years. Many of my friends and family who have visited D.C. have said it was an amazing experience, so I would like to experience it for myself, and I would also like to thank the DCEC for giving me this opportunity to show my community service and to possibly go on an unforgettable trip.

Chris Odell
7-12 Social Studies Teacher
Downsville Central School
14784 State Hwy 30
Downsville, NY 13755

February 13th, 2020

To whom it may concern

My name is Chris Odell, a high-school social studies teacher at Downsville Central School. I am writing to recommend Austin Terry to be selected for the 2020 Legislative Youth Tour to Washington DC. Austin is, without a doubt, one of the most dependable, bright, hard-working students I know. I have seen him mature as a student and as a leader in the several years I've known him as a teacher.

Austin is not only a naturally bright student, he puts in the extra effort and follows directions to ensure he is doing his best on each assignment. There is no doubt Austin will be successful in his future endeavors, as he has built up his skills and practices good habits. In addition, Austin shows leadership and maturity that helps him shine among his peers.

Austin has been able to maintain very high grades throughout his academic career, while balancing extra-curricular activities and recently, a part-time job as well. This shows extraordinary responsibility beyond what I was capable of at his age. Austin's dedication to extra-curricular activities and pursuits is evident by his participation in Honor Society, SADD, and Student Council, including taking some official roles/offices in those organizations. Austin is also very talented and dedicated in band and chorus, has participated in NYSSMA, and been selected for area All-State and All-County in his musical pursuits.

I am happy to recommend Austin, and welcome any further questions you may have for me about him. Feel free to contact me at work via phone (363-2100) or email (COdell@DCSeagles.org) if you would like any additional information from me.

Sincerely,

Chris Odell
7-12 Social Studies Teacher
Downsville Central School

OFFICIAL TRANSCRIPT

STUDENT NAME: Terry, Austin J
STUDENT NUMBER: 2013 GRADE: 11
BIRTH DATE: 12/12/2002
ADDRESS: 4149 Basin Clove Road
Hamden, NY 13782

P.O. Box J
Downsville, NY 13755
PH: (607) 363-2100
Fax: (607) 363-2105

	Final Ave.	Regents Exams				Standardized Testing
17-18 Downsville High School						<div>TEST SCORES ACT SCORES</div> <div>SAT SCORES</div>
ENGLISH 09	94					
SS 9	91					
EARTH SCI	95		90			
GEOMETRY	89		78			
STUDIO ART	93					
SPANISH II	92					
PE	93					
CHORUS	96					
PIANO	93					
18-19 Downsville High School						
ENGLISH 10	91					
SS 10	95		93			
CHEMISTRY	84		77			
ALG 2/TRIG	86		77			
SPANISHIII	92		87			
PE	91					
SR HEALTH	96					
BAND	98					
CHORUS	96					
PIANO	96					
19-20 Downsville High School						Activities
ELA 11 REGENTS EXAM		91				

Total Units Earned: 21.2500
Cumulative GPA: 92.11
Class Rank: 1 out of 15

Graduation Date:

SIGNATURE

DATE

CDOS/Local/Regents/Advanced Regents Diploma

--Transcript must bear Raised Seal to be Official.

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

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held January 28, 2020 at 39 Elm Street, Delhi, New York, 13753.

A. Call to Order: The meeting was called to order at 5:37 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 Administrative Assistant, Alicia VanZandt; DCEC's Operations Manager, Ryan Sullivan were present in-person and DCEC's Legal Counsel, Jeff Clark by phone.

C. Adoption of Agenda: The Board moved to unanimously adopt the agenda with the following changes/suggestions from CEO/General Manager Mark Schneider, under New Business add item A. Motion to Authenticate Voting Delegates for Upcoming NRECA Annual Meeting in New Orleans and item B. 2020 Nominating Committee & 2020 Director Elections.

D. Celebration of Governor Signing NYPA Hydro Contract Extension: President Oles wanted to recognize that the New York Power Authority Hydro Contract Extension was signed by Governor Cuomo. President Oles also wanted to mention that Keith Hayes was very pleased with the work DCEC's CEO/General Manager Mark Schneider and David Leathers did on this contract for the consumer owned utilities around the state. President Oles mentioned that members are appreciative of the commitment put forth by all involved as it is a crucial element of the Cooperative and the Cooperative's ability to provide cost effective electric service to all the members.

II. Consent Agenda: Directors suggested the following editorial corrections to the December minutes; page four of the January packet, under VI. Headquarters Project, item A. should read Secretary Pick reported that on Friday the 20th the committee will go over changes and discuss how the value engineering process can create a design within budget. Page 6, under XIII. New Business, Property Closing, third sentence from last should read the purchasers completed a professional property inspection by 3rd party and no problems were discovered. The purchasers received written clarification from the Village of Delhi stating that the intended commercial use of the property complies with village zoning as it concerned the purchaser the most and it has

been completely resolved. Additionally, on page 7, third sentence from top of page, should read A similar process will be followed to the process utilized in 2015.

A motion was made by Secretary Pick to approve the Consent Agenda with the suggested amendments to the December Board Minutes as documented above. The motion was seconded by Director Russell. The motion passed.

III. Organization & Staffing Committee Report/Recommendations: Chairman of the Organization and Staffing Committee Winkler reported that all members of the committee met and were pleased with CEO Mark Schneider's brief update of the R and S Plan, maintenance of the R and S Plan, and how to stay in compliance. Chairman Winkler also mentioned that CEO Schneider, NRECA's Michael Haire, and Jeffrey Bogulawski gave an update on the situation in the upcoming 12 to 15 years. CEO Schneider added that the Cooperative has a plan to stay in compliance at all times. The entire Board and Organization & Staffing Committee requested that CEO Schneider distribute an updated Goals and Objectives version to the February Board Meeting. Winkler made the motion, that resulting from a comprehensive evaluation process and a review of the CEO's Goals & Objectives and to align the DCEC CEO Salary with cooperatives close in proximity; motion that the Delaware County Electric Cooperative continue the terms of the existing employment contract with Mark Schneider, current Cooperative CEO; and a 2.25% percent increase to the current CEO salary becomes effective January 27, 2020.

IV. General Manager's Report & Safety Report: Director Burnett asked what the pay would be for the new Fleet Mechanic. CEO Schneider stated that the hourly rate would most likely be \$24 to \$26 plus health insurance and 401k benefits.

CEO Schneider mentioned that the Rural and Secure Acts were both passed and signed into law. Schneider added that CEO/General Manager of Otsego Rural Electric Cooperative Tim Johnson worked heavily on these laws and did much of the heavy lifting. CEO Schneider remarked that the Rural Act saved close to 30 million dollars annually on behalf of the rural electric cooperatives that participate in NRECA's pension funds.

V. Monthly Financial Reports: CEO Schneider stated that these monthly financial reports are hot off the presses today. CEO Schneider added that the item on the Income Statement, 11. Administrative and General Expenses is higher than the budget because DCEC accelerated a number of expense items into 2019 in accordance with the recommendations of the Finance Committee. President Oles asked if the Board could consider this a soft close and Schneider replied yes.

VI. Headquarters Project:

A. Value Engineered Design Update: CEO Schneider reported that the headquarters plan is a single level, all within one inch difference so literally, a forklift could be driven anywhere. CEO Schneider added that Operations Managers Ryan Sullivan is discussing with a vendor a light weight forklift. CEO Schneider remarked that the building will have a simple two pitch roof. The steel structure addition to the existing DCEC shop will be more expensive per square foot than the pole structure addition to the existing Kiff high bays. Schneider mentioned that the

HVAC system floor heating in the old Kiff building will remain and the old Shop building will probably have ceiling mounted propane burning heater units. Schneider stated that the linking structure between the old Kiff office area and the existing DCEC shop is all squared off to reduce complexity of construction and reduce costs, while also resulting in a slightly larger structure. The length of the steel structure addition to the existing DCEC shop was designed to accommodate a large truck and trailer combination, which will allow DCEC personnel to perform our own equipment moves instead of using a contractor. Schneider remarked that both he and Operations Manager Ryan Sullivan have a meeting with Tom Howard tomorrow. Schneider stated that Howard has remarked that he believes DCEC is going to be pleasantly shocked by the numbers he has come up with. Lastly Schneider has reported that DEP has required significant changes to the original design of the wetland retention basin on the former Wickham property. Schneider said that he is seeking a Go, No Go Decision at the February Board Meeting because Mr. Howard would like to start in March if possible.

B. Updates from HQ Committee Members Pick and Russell: Secretary Pick reported this is a workable design. Secretary Pick and Director Russel both voiced concerns about the plans not showing any windows in the breakroom area.

VII. Policies:

A. Clothing for Employees Working On or Near Exposed Energized Parts: This is the first reading of this policy. This policy will be amended to reflect more detailed recommendations in regards to the types of fabrics that are considered safe or unsafe. This policy will be presented again at the February Board Meeting.

B. Whistleblower: This is the first reading of this policy. It was recommended by Attorney Clark to add language where appropriate that a second set of eyes makes sure the Supervisor is marking correct decisions. This policy will be amended as recommended and will be presented at the February Board Meeting.

VIII. Project Round-Up, Scholarships: It is the recommendation of CEO/General Manager Mark Schneider that Project Round-Up be linked to a scholarship program for the selected student delegate each year. Schneider mentioned that this program needs to be well defined and communicated to the membership before execution. A motion was made by Director Wehmeyer for CEO Schneider to carry out his recommendations of this program as time permits. The motion was seconded by Secretary Pick. The motion passed.

IX. DCEC's Energy Efficiency Programs HWH Proposal: Operations Manager Ryan Sullivan reported that he is currently working on a contractual agreement draft to send to Attorney Clark for review. Sullivan added that he is open to any new energy efficiency ideas/programs that DCEC maybe able to offer the membership.

X. 2020 Cost of Service Study:

A. Process overview: Reviewed. CEO Schneider mentioned that there is a typo on the page 24 of the January Board packet, last bullet should read Board philosophies and preferences.

B. Establishing goals and preferred outcomes: CEO Schneider stated that he plans to present a Compass Model that shows what would happen if the Cooperative lost a key account and the ripple effect that would have on the Cooperative. CEO Schneider also mentioned that CFC wants a recommendation from the Finance Committee on updated Financial Goals & Objectives following the April Finance Committee meeting. CEO Schneider, President Oles, and Vice President Winkler recommended reviewing some of the best practices and member communications that Washington Electric did during their rate changes. President Oles mentioned that he would like to see a slow change of rates if possible, similar to the 50 cent change each year over five years following the findings of the 2015 Cost of Service Study. It was also mentioned that the Board needs to consider what the local investor owned companies are doing and how they are structuring their rates. Director Wehmeyer mentioned that maybe it is time to consider time of day rates for members. President Oles concluded that he would be interested in conducting another Member Advisory Group (MAG) Meeting before rolling out a new rate change or configuration.

XI. Meeting Reports:

A. NYSRECA Business Meeting, 1/16/2020: It was reported by the attendees of the NYSRECA Business meeting that Assemblyman Clifford Crouch will not be running again. It was also reported that Oneida Madison Electric settled their lawsuit about stray voltage. They stated that it is estimated that the total cost of legal expenses was around half a million dollars. It was mentioned that Steuben Rural Electric sold the landfill gas and the write off is well over a million dollars.

B. NYAPP Business Meeting – 1/22/2020 – 1/23/2020: See attached report from President Oles.

XII. Strategic Plan Regular Review: The board reviewed the current version of the 2017-2020 Strategic Plan. It was noted that the latest quantifiable strategic trends available for 2019 had been added to page 2 of the strategic plan document.

XIII. Resolution on the Continuation of CoBank Borrowing Relationship: A motion was made to authorize the Officers of the Board to sign the signature pages approving the resolution to continue the CoBank borrowing relationship by Vice President Winkler. The motion was seconded by Treasurer Menke. The motion passed.

XIV. Vegetation Management Update: Report presented by Mr. Sullivan.

XV. Stray Voltage Testing Update: Report presented by Mr. Sullivan.

XVI. New Business:

A. Motion to Authenticate Voting Delegates for Upcoming NRECA Annual Meeting in New Orleans: A motion was made by Treasurer Menke and seconded by Vice President Winkler for Secretary Pick to be the primary voting delegate and Treasurer Menke to be the alternate voting delegate. The motion passed.

B. 2020 Nominating Committee & 2020 Director Elections: CEO Schneider stated that the following Directors are up for election this year in September: Vice President Frank Winkler, Secretary Edward Pick, and Treasurer Paul Menke. Vice President Winkler announced to the entire board and to the 2020 Nominating Committee that he will not seek a re-election in September. The Board universally regretted to hear that Mr. Winkler will not be seeking another term. CEO Schneider confirmed that both Secretary Pick and Treasurer Menke will seek re-election at the 2020 Annual Meeting.

XIV. Future Business:

A. Next Regular Board Meeting, Tuesday, 2/25/2020

(1) Student Delegate Interviews

B. On-Site Audit Week – 2/24/2020 – 2/28/2020

C. NRECA Annual Meeting, 3/1/2020 – 3/4/2020, New Orleans, LA

D. NRECA's Mike Haire on 401(k) Planning – 3/24/2020

E. Closing on Sale of 39 Elm Street – no sooner than 3/31/2020

F. NYAPP Annual Conference, 4/21/2020 – 4/23/2020, Saratoga Springs Hampton Inn

G. Washington Legislative Rally, 4/26/2020 – 4/29/2020

H. NYSRECA Meeting & Albany Advocacy Day, 5/11/2020 – 5/12/2020, Albany, NY

I. NEAEC Annual Meeting, 5/20/2020 – 5/21/2020

J. NYSRECA Annual Meeting, 7/23/2020, Otsego County Location TBD

K. DCEC Family Fun Day, Friday, 8/7/2019, 5 pm, Delhi Courthouse Square

L. NRECA Region I/IV Meeting, 9/9/2020 – 9/11/2020, Indianapolis, IN

M. Annual Meeting of Members, 9/18/2020, Delhi, NY

(1) Keynote speaker selection/invitation?

XVIII. Executive Session: A motion was made by Director Wehmeyer to go into Executive Session at 8:56 pm. The motion was seconded by Treasurer Menke. The motion passed. The Board invited CEO Schneider and Operations Manager Ryan Sullivan to stay for executive session. The Board excused all others. A motion was made to come out of executive session at 9:09 pm by Secretary Pick. The motion was seconded by Treasurer Menke. The motion passed.

XIX. Adjournment: There being no further business on the agenda, President Oles adjourned the meeting immediately after returning to public session.

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

PAGE 19

NEW MEMBERSHIPS – February 25, 2020

ACCT #	LOCATION	FIRST NAME	LAST NAME	ADDRESS	CITY, STATE, ZIP	FORMER/ RENTING/ NEW SERVICE
18245-001	JE 2-37-8B	Kathleen	Godfrey	797 Route 9W	Glenmont, NY 12077	Bryan Fairbanks
18239-001	FR 1-84-2B	Anthony A.	Donato	6815 County Highway 16	Delhi, NY 13753	Ashley & Anthony Donato
18235-001	GI 2-37-16E	Steven	Curcio	264 Kemper Mountain Rd.	Stamford, NY 12167	Stephen & Ada Badamo
18241-001	ME 1-55-1C	April	Taylor	936 Houghtaling Hollow Rd.	East Meredith, NY 13757	Bruce Gesell
18213-001	MA 3-35-17	Susan	Spaccaforo	P.O. Box 121	Trout Creek, NY 13847	Michael Spaccaforo
18229-001	HA 4-14-23	Dorothy	Botsch	346 Munn Rd.	Walton, NY 13856	Robert H. Botsch
18238-001	MA 3-13-8B	Brandon	Homer	1502 Pine Hill Rd.	Masonville, NY 13804	Tonnia Stewart-Mendez
18220-001	HF 2-13-25A	Daniel	Self	3010 Teedlebrook Rd.	Harpersfield, NY 13786	Thomas J. & Cheryl A. Shimp
18230-001	DE 4-27-6G	Rose	Moser	45-43 41 st Street Apt. 1R	Sunnyside, NY 11104	Paul Fityo
18226-001	HF 2-24-2A	John	Crisalli	5 Bartley Ln	West Sayville, NY 11796	Peter Vecchio
18233-001	AN 4-68-3A	Dar-View Maple		5347 Wolf Hollow Rd.	Andes, NY 13731	Ruth Darling
18170-001	DA 1-47-2C	Crispin	Koren	460 Chestnut St.	Oneonta, NY 13820	New Service
18205-001	AN 4-58-15	Diane	Pickerehl	P.O. Box 598	Water Mill, NY 11976	James I. Baylis
18221-001	MA 3-25-6B	Jeanette	Stapleton	48 Shirley Court	Commack, NY 11725	Thomas Stapleton
18224-001	CO 4-78-9	Thomas L.	Wright	1407 Murphy Hill Rd.	Colchester, NY 13856	Doris J. Wright
18219-001	AN 5-51-8E	Jennie	Romer	7 Stanhope St. Fl. 2	Brooklyn, NY 11221-3107	Orlando Rodriguez
18167-001	BO 2-92-4B	Elizabeth	Starks	22 Warwick Estates Dr.	Pine Island, NY 10969	New Service
18227-001	AN 4-59-5	Ernesto & Maria Teresa	Eslis	545 North First St.	New Hyde Park, NY 11040	Dennis Kozakis
18223-001	DE 1-96-2B	Sandup Tashi	Sherpa	519 Mostert Rd.	Delhi, NY 13753	Pema Chokyi
18214-001	DA 1-29-7H	Heather	Dougherty	153 Pine Ridge Ln.	Davenport, NY 13750	Amanda Mace
18212-001	DA 1-38-5B	Michelle	Clavin	2459 County Hwy 12	East Meredith, NY 13757	Joseph P. Clavin, Sr.
18218-001	CO 4-77-7A	Manuel	Fernandes	36 Whittier Ave.	Medford, NY 11763-1270	Carmela Carra
18228-001	HA 4-57-19	Jeremy	Bobb	47-37 45 th St. Apt. 4F	Woodside, NY 11377	Caroline Connell
18201-001	KO 2-31-3E	Louis A.	Marquart	261 Lincoln Blvd.	Hauppauge, NY 11788-4407	Louis A. Marquart



RESOLUTION**February 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 \$718.45 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>
14019002	BO 5-31-8B	Swati Singh	\$ 378.00	\$
6163001	AN 5-51-16	George W. Stevens		29.17
14125001	JE 2-15-10	Michael S. Grubaugh, Jr.		311.28
			<hr/> \$ 378.00	<hr/> \$ 340.45

February 25, 2020

EDWARD G. PICK, JR., SECRETARY



February 25, 2020

BAD DEBT COLLECTION

*** PLEASE NOTE:** The amounts below were recovered through capital credit retirements, Southern Tier Credit Center & DCEC through January 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
\$ 6.02	Adam Baldanza	\$ 6.02	\$	\$	\$	\$ - 0 -
25.85	Jessica Pidgeon **	7.80				18.05
83.53	Robert Marrone	52.67				30.86
185.40	Carolyn Levenson	69.00				116.40
255.34	Mary L. Callahan			255.34		- 0 -
226.17	Danielle Simon		30.00		9.00	194.89

* 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.

DCEC Corporate Calendar Review

February 2020

January	
Calculate Usage and Revenue for Dec 15-31 time frame	Rosemary
Year-End Process in Billing Follow Through	Rosemary
Year-End Inventory	Betty
Financial year-End “soft close”	Millie
Financial Audit (Jan-Mar)	Millie/Mark
Year-End Accomplishments Review / Goals & Objectives Approval	Mark/Board
Employee Performance Reviews	Mark
Organization & Staffing Committee Meeting – inc. CEO evaluation	Mark/Board
Exempt Employee Salary Action	Mark
Stray Voltage Annual Report to Board	Ryan
Update PPAC “System Loss Factor” based on prior year analysis	Mark
Hazardous Waste Disposal Annual Report (kept in-house)	Ryan
Hazardous Waste Disposal Annual Document Log (kept in-house)	Ryan
Submit DEP/NYC annual pesticide permit application (secure by April)	Ryan
Legislative Youth Delegate kick-off (interviews/selection by late March)	Mark/Alicia
NYSRECA Meeting	Mark/Board
DEC pesticide annual reporting – due 2/1	Ryan
Review & Update SPCC Plan on even years	Bucky/Paul
Consider GM contract renewal/update	Mark/Board
Member-owned DG usage/generation calculation/add to historical data	Rosemary
Member-owned DG end net metering for 10-year grandfathered members	Rosemary
Vegetation Management Update to Board	Mark/Ryan
Schedule Substation Herbicide Vegetation Contractor	Betty
Complete/Post OSHA 300A	Millie/Bucky
February	
Preparation of Form 7 Report / Submit by 3/31 (RUS, CFC, NYPA, Co-Bank)	Millie/Mark
Form 990 Report Prep (Feb-Mar)	Millie
Financial Audit (Jan-Mar)	Millie/Mark
Payroll submission to NRECA (W2 for 401k calc) – due mid Feb	Millie
Policy – Estate Capital Credits Annual Review	Mark/Board
DEC Hazardous Waste Annual Report (>2,200 lbs.) due 3/1	Ryan
Confirm pesticide labels are up to date	Ryan
Provide annual notice of Herbicide Treatment in Newsletter	Ryan/Ally
NRECA Annual Meeting	Mark/Board
Substation Infrared Inspections	Ryan
Strategic Plan Review	Mark/Board
Board appoints Nominating Committee (Directors identify members)	Board
Update Standard Costs	Ryan
Member-owned DG checks to members based on prior year power costs	Rosemary/Millie
March	
Financial Audit - Report to Board	Millie/Mark
Form 990 Report Prep (Feb-Mar)	Millie
Financial (Form 7) Report / Submission by 3/31 (RUS, CFC, NYPA, Co-Bank)	Millie/Mark
Annual Meeting Kick-off Planning (incl consideration of Bylaw changes)	Mark/Alicia/Board
Legislative Youth Tour Interviews/Selection	Mark/Board
Update Truck Maps - printed	Ryan
Phase Balance Study completed	Ryan/Paul
NRECA Reliability Survey	Ryan/Paul
Dept of Energy EIA Survey	Ryan
NYSRECA Legislative Conference (tbd)	Mark/Alicia
Board decision/approval of proposed bylaw changes (for Annual Meeting)	Board
Update System Dispatch Book for Dispatchers & Office	Ryan/Paul
Nominating (Director Search) Committee Meeting	Mark/Alicia
Power Cost Risk Update to Board	Mark

2020 Director Compensation Report				Report Date:		18-Feb-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	\$700.00	\$719.55
3	Menke	Yes	Yes	\$ 375.00	15	\$ 8.63	\$1,125.00	\$1,142.25
4	Oles	Yes	Yes	\$ 375.00	14	\$ 8.05	\$1,125.00	\$1,149.15
5	Pick	Yes	Yes	\$ 375.00	44	\$ 25.30	\$750.00	\$800.60
7	J. Russell	No	Yes	\$ 350.00	44	\$ 25.30	\$700.00	\$750.60
8	Wehmeyer	No	Yes	\$ 350.00	52	\$ 29.90	\$700.00	\$759.80
9	Winkler	Yes	Yes	\$ 375.00	34	\$ 19.55	\$750.00	\$789.10
	TOTAL:						\$5,150.00	\$5,391.50
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)						



2020 Nominating Committee Process

Bylaws | Article IV | Section 3 Nominations.

It shall be the duty of the board of directors to appoint, not less than ninety (90) days ~~<6/20/2020>~~ nor more than two hundred (200) days ~~<3/2/2020>~~ before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of **not less than five nor more than eleven members** who shall be selected from different sections of the project area so as to insure equitable representation. No member of the board of directors may serve on such committee. The committee, keeping in mind the principle of geographical representation, shall prepare and post at the principal office of the Cooperative at least sixty (60) days ~~<7/20/2020>~~ before the meeting a list of nominations for directors, comprised of at least two nominees per vacancy from each region or area of the Cooperative having one or more vacancies on the board. Any fifteen or more members acting together may make other nominations by petition not less than forty-five (45) days ~~<8/4/2020>~~ prior to the meeting and the Secretary shall post such nominations at the same place the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting or separately, but at least seven days before ~~<9/11/2020>~~ the date of the meeting, a statement of the number of directors to be elected and the names and addresses of the candidates, specifying separately the nominations made by the committee on nominations and also the nominations made by petition, if any.

Timeline Summary

- ☐ Board should appointment 2020 Nominating Committee at the March Board Meeting **3/24/2020**.
- ☐ Official candidates need to be posted before **7/20/2020**.
- ☐ Bios need to be published in the July/August newsletter and the August newsletter prior to the Annual Meeting. The absolute deadlines for print are **6/5/2020**.
- ☐ Any fifteen or more members acting together may make other nominations by petition not less than forty-five (45) days ~~<8/4/2020>~~ prior to the meeting.

2020 Nominating Committee Participant Search Status

Region	First Name	Last name	Address	City State Zip	Phone Number	Work or Cell	Email	Status
Central	John J.	Lynch Jr.	3064 Maggie Hoag Rd.	Delhi, NY 13753	(607)746-9746		johnlynch@delhitel.net	Yes
Central	Kurt	Apthorpe	240 Archie Elliot Rd.	Delhi, NY 13753	607-746-7280		apthorpe@delhitel.net	No
Northern	Thomas	Courtenay-Clack	163 <u>Grenier Rd.</u>	Jefferson, NY 12093	607-652-5950		theclackfamily@msn.com	YES
Northern	Joseph E.	Carroll	2165 County Highway 29	Jefferson, NY 12093	607-278-5586	C: 607-267-7270	Jcarr42571@aol.com	YES
Southern	Lynne	Van <u>Valkenberg</u>	308 Alger Road	Sidney Center, NY 13839	607-865-3176		Lynnielou81@yahoo.com	NO
Southern	Jason	<u>Mondore</u>	2787 Fall Clove Rd.	<u>DeLancey</u> , NY 13752	845-676-3786		Ambie_2118@hotmail.com	No Answer
Southern	Tammy	Wagner	256 Windfall Rd.	Walton, NY 13856	607-865-8346		rtwagner@frontiernet.net	NO
Southern	Amber	<u>Phraner</u>	987 Teed Rd.	Walton, NY 13856	607-353-0188		Ahoyt11@hotmail.com	YES

#

DCEC BOARD MEETING
GENERAL MANAGER'S REPORT
January 21, 2020 – February 19, 2020

ENGINEERING & OPERATIONS

Notable Outages & Occurrences:

- In a pretty good month for reliability, the largest outage was a planned outage at Point B on the Delhi Substation affecting all 3 phases, at 10 am on February 19, 2020. The outage affected 158 members for 29 minutes. The purpose of the outage was to replace multiple bad suspension insulators. The outage added approximately 0.85 minute to the SAIDI total for 2020.

Disconnections:

- Four services were disconnected for non-payment this month. They were special cases such as empty residences with zero usage or rentals where the landlord decided to have service disconnected rather than put back in their own names.

Pole Inspections / Line Inspections / Stray Voltage Testing

- Bob Coager has conducted some pole inspections already this year. He is applying “DCEC 2020” pole tags as of January 2, 2020. Each finding in the field results in a service order for maintenance activity, a work order for pole/equipment replacement, or a notice to a third party attacher such as a phone company or a member.

FINANCE & ACCOUNTING & HUMAN RESOURCES:

Staffing Changes

- The newest member of our Tree Crew, Zach McNeilly was hired as a non-journeyman Line Clearance Arborist, pending successful completion of his journeyman’s test and his Class A CDL test. He has completed both tests and has been promoted to Journeyman Line Clearance Arborist.
- The Cooperative completed an external search for a new Fleet Mechanic. The interview committee consisted of DCEC’s operations manager, line crew foreman, and tree crew foreman. The committee is very excited to announce that Mr. Mitchell Fisher will be starting as our new fleet mechanic on or about February 26, 2020. Mitchell joins us with good experience in the areas of large truck and hydraulic equipment repair and maintenance. Mitchell also holds an “unrestricted” Class A CDL, which will help the Cooperative perform its own equipment hauling conveniently and efficiently.
- First Class Gloving Lineman Kyle Shuman completed his Co-op career on January 31, 2020. Kyle’s position on the Line Crew was filled internally with a post and bid process by current tree crew member, Scott Smith. I am extremely proud of the quality of apprentices that we have added to the line crew this year.
- The Cooperative began a search process for a new Tree Crew member to replace Scott Smith on the Tree Crew. Resumes were due on Wednesday, February 19, 2020. Interviews will be conducted very soon. We did receive resumes from candidates with arborist experience, so we are looking forward to a positive outcome to that search.
- Doug Rosa retired effective February 3, 2020. Doug’s wife and daughters hosted a nice retirement party for family and friends and many Cooperative employees were on hand to help Doug celebrate.

Cyber Security Assistance

- Paul DeAndrea and I continue to work with Vic Costanza and Jeff Staten, both cyber experts at NYPA, to accomplish our cyber security goals defined in the 2019 enterprise risk mitigation plan. NYPA will be on-site at the Cooperative on Monday, February 24, 2020 to work with DCEC and ISD (local information technology contractor) to make further progress on our cyber security goals.

Bi-Weekly Meetings with Direct Reports

- In 2020 I am conducting semi-monthly individual meetings with all of my direct reports. Each time we meet we are reviewing upcoming training, vacations, or other planned time away. We review the employee's annual goals, objectives, and on-going projects. These meetings have been extremely productive and reactions from employees have been positive.
- I am requiring other managers with direct reports to begin the same process and they are well into that process.

Short Term Line of Credit Utilized

- The Cooperative borrowed against its CFC line of credit for the first time in years. The Cooperative will be drawing down long term debt this year, but we haven't done so yet. We had a short term cash need around the time that property taxes were due, so we borrowed against the line of credit, and we have since paid it off.

Staff Schedules

- Management has negotiated a summer construction schedule with the Union, consistent with what has been done in recent years. The line crew and tree crew will both work 10-hour days, but we will still provide 5-day staff coverage to handle member appointments, etc. Operations support staff will shift their schedules to provide radio coverage and other operational support to the crews throughout the construction season.

POWER SUPPLY / PROJECT INITIATIVES:NYPA Contract Renewal

- Following the signing of the contract approval by Governor Cuomo, NYPA issued electronic signature requests to all 51 customer systems including the Cooperative. When I reviewed our individual contract I noticed a drafting error in an appendix that describes the contractual allocation of hydro power to the Cooperative. I reached out to other customer systems and asked them to look for the same error in their contracts. The error turned out to be systemic in NYPA's process. I notified NYPA of the error and they immediately retracted all 51 electronic signature requests and re-issued corrected contracts.
- I have now electronically signed the Cooperatives hydro contract.

Headquarters Project

- The HQ core project team completed a value engineering process to create a total construction budget of \$2.497 million, inclusive of all contractors as well as "soft costs" like engineering support and permitting. The detailed breakdown of the project scope and the options selected is found within your board packets this month. Tough decisions were made in order to reduce project costs to a value that the entire HQ core project team could support. The proposed scope and costs are unanimously supported by your fellow directors and myself, who serve on the HQ core project team.

- I have asked Paul DeAndrea to get involved with the coordination of all vendors/contractors who have a role in installing and configuring information technology resources in the new facility. Those entities include:
 1. Delhi Telephone Company
 2. Information Systems Division (ISD)
 3. Eastern Security Services
 4. Otsego Telephone Company
 5. Tom Howard Construction
 6. M&P Rogers Electrical Contracting
 7. Tri County Communications (radios)
- Paul is organizing wall space, rack space, power distribution, and wire management within the IT Closet at the new facility to create a space that functions well and can be easily maintained.
- The value engineering process led us to pre-engineered structures for 2 of the main additions: the heated pole structure addition on the gable end of the Kiff structure and the unheated steel structure addition to the gable end of the existing DCEC shop.
- A major cost savings is being achieved by pulling out a portion of the site work out of Tom Howard's scope and awarding that work to Beisler Excavating.
- An extremely difficult element of our value engineered cost proposal is to eliminate the use of a 3rd party construction management service during the actual on-site construction phase of the project. This savings is enabled by the fact that we are awarding the vast majority of the construction work to a single prime contractor who is willing to provide overall project management, contractor scheduling, confirmation of material deliveries, coordination of 3rd party testing services, etc. as part of the main contract. If the board approves this portion of our value engineering proposal, my first order of business will be to privately and respectfully inform the construction management firm of my decision.
- The sale of 39 Elm Street has moved along. A bank appraiser visited the property on behalf of the buyer's bank. Also, the buyer's lawyer has moved forward with title searches and title insurance. The buyer still has not requested a specific closing date, but it could be as early as March 31, 2020.
- A local contractor is fairly deep into the planning process for the demolition and salvage of the Train Depot structure. We will be working with the Delaware County Historical Association and the O&W Railroad Historical Society to remove artifacts prior to salvage operations. The Rural Utility Service surprised us by changing their environmental determination from "categorical exclusion" to "requiring environmental assessment" this month. This occurred when there was a staff change in the environmental review office. We plan to have the environmental assessment complete by Monday, February 24, 2020 and submitted to RUS. Therefore, this new development should have little or no impact on project schedule.
- In general the time demands of the HQ project have really started to ramp up for me. I expect that Ryan will take on a good portion of these responsibilities when he is available to do so.

Industrial Economic Development Power (IEDP) Program through NYPA

- The Cooperative completed our 2020 IEDP program audit responsibilities this month. The power demand at the Sportsfield Facility fell short of the projected demand and therefore that allocation will be deemed out of compliance. There will be a slight reduction in our IEDP allocation as a result. All of our IEDP members met their jobs commitments, which is a wonderful contribution to our community.
- Due to the Sportsfield expansion into their new facility, we will have an opportunity to get a small additional IEDP allocation, possibly as early as November 1, 2020.

LEGAL, GOVERNANCE & LEGISLATIVE/INDUSTRY AFFAIRS:**Federal Drug & Alcohol Clearinghouse**

- The Cooperative is complying with a new federal regulation that requires us to annually query a federal database for potential drug or alcohol test failures by any of our CDL drivers. We also need to query the national clearinghouse database for any new employees with CDLs.

NYAPP Meeting, January 22-23, 2020, Albany:

- President Oles and I attended the NYAPP meeting in January. Much of the business meeting focused on the logistics of annual contract renewals with legal consultants and others.
- Rich Dewey, CEO of the NYISO presented to the group. The NYISO continues to be committed to integrating the cost of carbon into the energy market, which NYAPP members support because we believe it is the lowest cost way to achieve New York State's renewables and emissions goals.
- The joint working group consisting of NYAPP and NYSRECA government affairs committee members discussed the pursuit of membership on one of the Climate Leadership and Community Protection Act advisory panels. We will be pursuing a "public power" seat on either the Energy Intensive Industries panel or the Energy Efficiency Panel.
- Keith Hayes was on hand from NYPA to talk about the logistics of hydro contract extension signatures. He also addressed implementation of the task forces that are defined in the hydro contract extension.

MEMBER SERVICES & PUBLIC RELATIONS:**Member Requested Line Relocation from Overhead to Underground:**

- A member served from a 3-phase primary overhead line in Bovina has requested a line relocation to underground to accommodate their home building project. The line relocation will happen in accordance with the Cooperative's service rules and regulations as well as the Line Extension Policy. All costs will be pre-paid by the participating land owners and there will be a cost true-up upon completion of the job. This job is particularly complicated because the 3-phase line goes on to serve many additional members downstream of the project area. That requires the Cooperative to provide carefully designed fault protection on the line side and the load side of the project area. The project is likely to begin in late March or early April.

SAFETY REPORT:**Injury Report:**

- A lineman suffered leg strain, initially by stepping on a broken portion of the floor drain in the DCEC main shop. He later exacerbated the strain by stepping into a snow covered ditch when he didn't realize the ditch was there. He had the leg examined and it appears that there is no serious or long lasting impact of the strain.

Training in BB Pathogens, First Aid, CPR/AED

- On January 11, 2019, all current staff except one lineman who was on vacation had refresher training in bloodborne pathogens, first aid, cardiopulmonary resuscitation, and operation of automated external defibrillators. Once again this year Mike Pietrantonio provided the training during his normal workday so we had no 3rd party costs except for ordering employees' updated certification cards.

Safety Committee Activity

- No activity.

Securing Loads on Bucket Trucks in Accordance with 2018-2019 Safety Improvement Plan

- Ryan and Mike have completed the ordering of truck load restraints and most, if not all, have been installed at this point.

HQ Project Cost Estimate Summary - 02/19/2020

Base Project Before Options	Available Options	Option Select	Recommended Scope
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Initial Proposed HQ Project Budget (Net of Office Sale)	\$ 2,210,000			\$ 2,210,000
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Project Cost Categories

Tom Howard Base Proposal	\$ 1,866,772			\$ 1,866,772
Tom Howard Storm Water	\$ 247,800			\$ 247,800
Tom Howard Initial Proposal Sub-Total	\$ 2,114,572			\$ 2,114,572

External/Soft Cost Categories (Not Tom Howard)

CWC Funding	\$ (123,900)			\$ (123,900)
NYSEG Energy Efficiency Grant*	\$ (5,000)			\$ (5,000)
SEI Soft Costs Post Bid Award	\$ 30,000			\$ 30,000
Schoolhouse Soft Costs Post Bid Award	\$ 120,000			\$ 120,000
Delete Schoolhouse Redundant Project Management Services (SEI)	\$ -	\$ (100,000)	1.0	\$ (100,000)
3rd Party Testing Fees	\$ 10,000			\$ 10,000
Train Depot Salvage/Removal & Wickham Shed Demolition/Removal	\$ 19,000			\$ 19,000
Village of Delhi Building Permits	\$ 4,500			\$ 4,500
3" Crusher Run, Clean, Compacted - Shop Side of Perimeter Fence (34,000 sq ft) by Paul Beisler, received \$20,000 quote for \$46,000 sq ft verbally by phone to Director Pick on 2/19/2020 (DCEC direct expense to Beisler)		\$ 30,000	0.74	\$ 20,000
Warehouse racking/reel storage (DCEC direct expense to racking seller)	\$ 11,000			\$ 11,000
Security - Video/Audio Monitoring	\$ 35,385			\$ 35,385
Security - Access Control	\$ 28,759			\$ 28,759
Security - Intrusion Detection / Alarming	\$ 8,446			\$ 8,446
Radio system 3xbase station installs, 2xhandset installs, 3xantenna & coax installs	\$ 4,582			\$ 4,582
Radio system 2xhandset installs (fleet sick bay and Kiff extension)	\$ 2,200			\$ 2,200
Otsego Telephone PBX Cut-Over	\$ 1,500			\$ 1,500
ISD , IT 122 rack install, ladder racking, configure, Server/Workstation Cut-Over	\$ 3,000			\$ 3,000
Rig/Move Existing Safe from 39 Elm Street	\$ 1,500			\$ 1,500
NYSEG Service Upgrade Fees	\$ 1,500			\$ 1,500
Village of Delhi Water/Sewer Connection Fees	\$ 2,000			\$ 2,000
Furnishings & Equipment Including Install	\$ 70,000			\$ 70,000
Contingency / Change Orders	\$ 80,000			\$ 80,000

HQ Project Cost Estimate Summary - 02/19/2020

	Base Project Before Options	Available Options	Option Select	Recommended Scope
Base Project Total with External and Soft Costs	\$ 2,419,044			\$ 2,339,044

Alternates & Options Through Tom Howard and Subs

Paving Budget - Street Side of Perimeter Fence		\$ 97,800	1.0	\$ 97,800
Paving - Shop Side of Perimeter Fence (46,000 sq ft)		\$ 200,600	0.26	\$ 52,330
3" Crusher Run, Clean, Compacted - Shop Side of Perimeter Fence (46,000 sq ft) By Howard Construction		\$ 138,000	0.0	\$ -
60' Flag pole / related including lighting		\$ 10,532	0.0	\$ -
24' Flag pole / related including lighting		\$ 4,000	1.0	\$ 4,000
Substitute 2x22 kW generators instead of 1x22 kW + 1x11 kW		\$ 5,961	0.0	\$ -
Upgrade pole storage from pre-cast to custom		\$ 81,739	0.0	\$ -
Delete pre-cast pole storage		\$ (28,000)	0.0	\$ -
Add, Outside DCEC Signage on Member Canopy and Over Lobby Window		\$ 3,995	1.0	\$ 3,995
Add, Inside Lobby DCEC Signage over member services lobby window		\$ 1,234	0.0	\$ -
Add, Mezzanine 200, Wall Separating New (201) & Existing (200) Mezzanine w/Door		\$ 3,867	0.0	\$ -
Add, Mezzanine 200, switch and 2 lights		\$ 466	0.0	\$ -
Add, Mezzanine 200, 2 windows, both between Mezzanine and 111A		\$ 1,000	0.0	\$ -
Delete, existing doors 114, 115, and 116, leave in place instead of replacing?		\$ (14,990)	1.0	\$ (14,990)
Add, Lobby 101, 2-120V outlet, 2 data ports, 1 phone port, for info displays		\$ 470	1.0	\$ 470
Add, Mail 104, 2nd 120-V outlet, 2 data boxes, 1 phone port		\$ 470	1.0	\$ 470
Add, Meeting 109, separate lights 2 groups, dimmers on both		\$ 210	1.0	\$ 210
Add, Meeting 109, add 2-port data box, phone box and 120-V outlet for front display		\$ 470	1.0	\$ 470
Add, Ops 112, 1 data box and 120-V outlet for wall displays		\$ 120	1.0	\$ 120
Delete, Ops 112/113, Fin Heat in Operations if subfloor heating looks sufficient		\$ (2,450)	0.0	\$ -
Add, Ops 113, 1 data box, 1 phone port		\$ 170	1.0	\$ 170
Add, Bill 114, 1 data box and phone port opposite wall to existing		\$ 170	1.0	\$ 170
Add, GM 115, 1 data box and phone port opposite wall to existing		\$ 170	1.0	\$ 170
Add, Fin 116, 1 data box and phone port on same wall as existing toward corridor		\$ 260	1.0	\$ 260
Add, Admin 117, 2 more data boxes and phone ports on river/street wall		\$ 820	1.0	\$ 820
Delete, Corr C1, 3 man doors and hardware		\$ (3,900)	0.0	\$ -
Delete, Room 111A Existing Bays, LED lights replacement		\$ (3,736)	0.0	\$ -
Add, 111B Pole Structure Addition, 1/2 zip to exterior, 2" foam layer w/blanket to comply with 2017 energy code		\$ 9,232	1.0	\$ 9,232
Add, Locker 125, replace door 125.2 instead of re-use, due to poor door condition		\$ 1,300	1.0	\$ 1,300

HQ Project Cost Estimate Summary - 02/19/2020

	Base Project Before Options	Available Options	Option Select	Recommended Scope
Add, DCEC Shop 126, complete insulation and Wall Liner to existing DCEC shop		\$ 43,384	0.0	\$ -
Add, DCEC Shop 126, partial steel wall liner to 7' height (no insulation changes)		\$ 18,000	1.0	\$ 18,000
Add, DCEC Shop 126, install conduit and highboy lighting to 50x60 section of shop		\$ 9,480	0.0	\$ -
Add, DCEC Shop 126, install conduit and highboy lighting to 50x20 section around fleet mechanic's bay		\$ 3,634	1.0	\$ 3,634
Add, DCEC Shop 126, install wall-mounted pressure washer w/all supplies		\$ 6,052	1.0	\$ 6,052
Add, DCEC Shop 126, install second ice machine in addition to ice machine already included in 111A		\$ 550	1.0	\$ 550
Add, DCEC Shop 126, 1 data box and phone port in Fleet sick bay		\$ 170	1.0	\$ 170
Delete boiler from 111C Steel Addition		\$ (12,000)	1.0	\$ (12,000)
Delete, DCEC Addition 111C, wall and ceiling foam/steel liner, Add 111C foam/barrier		\$ (47,696)	1.0	\$ (47,696)
& need to confirm joint between buildings accounts for addition sway under 10-yr storm conditions.		\$ -	1.0	\$ -
Night deposit box		\$ 378	1.0	\$ 378
Add, Vest-V2, add 2 data box, 1 phone port, and 2 120-V outlet for time clock/security panel		\$ 260	1.0	\$ 260
Add, Fore 128, 4 additional quad 120-V outlets above 29" built-in counter surface		\$ 480	1.0	\$ 480
Add, Fore 128, 4 desk pedestals for under built in desk counter 29" to 30"		\$ 1,000	1.0	\$ 1,000
Add, IT 122, 7 quad 120-V outlets, location to specified by owner		\$ 840	1.0	\$ 840
Substitute, IT 122, 1/2" plywood backer instead of drywall walls and ceiling		\$ -	1.0	\$ -
Add, IT 122, 2nd light fixture for excellent working light in IT closet		\$ 300	1.0	\$ 300
labeled in IT 122 with office jack identifiers, terminated in jacks at office ends. Tom Howard and subs responsible to bring data cable bundle and phone cable bundle into IT 122, each through 2" sleeve location designated by owner. Tom Howard and subs responsible to provide 2 each 2" sleeves to security vendor: 1 for video monitoring POE cabling and 1 for door access control wiring. Tom Howard to provide low voltage conduit space to security vendor between DCEC Main Shop 126 and Maintenance Poll barn, under concrete pad. Tom Howard and subs to provide low voltage conduit space and pull a network cable and a phone cable to Maintenance Pole barn, home run to IT 122. Tom Howard and subs to bring Delhi Tel low voltage from rear courtyard underground into Linking Structure and ultimately down through IT 122 ceiling sleeve. Tom Howard and subs to provide penetration from Linking Structure to rear courtyard to allow 3 coax cable runs by Tri County Communications for antenna mounting on wooden pole.		\$ 3,000	1.0	\$ 3,000

HQ Project Cost Estimate Summary - 02/19/2020

	Base Project Before Options	Available Options	Option Select	Recommended Scope
Add, outside break room wall to Warehouse 111A, 3/4" plywood, frp, 16x8, with 2 GFI outlets		\$ 1,209	1.0	\$ 1,209
Add, outside Locker 125 wall to DCEC Shop 126, 3/4" plywood, frp, 12x8, with 2 GFI outlets		\$ 983	1.0	\$ 983
Add - Prepare for future EV charging station, conduit/pedestal only, no wire runs		\$ 1,860	1.0	\$ 1,860
Add, Corridors OC switches with manual light switches		\$ 720	1.0	\$ 720
Add, Fuel Canopy Island, extra 1" conduit for low voltage		\$ 360	1.0	\$ 360
Add, motion switches at all F2 exterior lighting at each exterior door		\$ 960	1.0	\$ 960
Confirm, Site Plan, Bollards, 1 on each side of every new OH door for a total of 2 per OH door (24 bollards)		\$ -	1.0	\$ -
Add, Site Plan, Bollards, 14 locations (2 man doors on 111B, 1 @ SE corner of 111B, 1 @ SW corner of 111B, 1 man door back of 111A, 1 @ man door 111C/SE corner of 111C, 1 @ man door on S side of 111C, 1 @ SW corner of 111C, 1 corner of pesticide storage protecting step to man-door, 5 in rear courtyard to protect mechanicals, all as shown on Galen's 2/18/2020 site plan sketch)		\$ 6,000	1.0	\$ 6,000
Delete, Fuel Canopy Island, 8 bollards (only 4 corner bollards remaining as shown on Galen's 2/18/2020 site plan sketch)		\$ (3,000)	1.0	\$ (3,000)
Add - Budgetary TBD - Door hardware allowance		\$ 16,500	1.0	\$ 16,500
Add - Maintenance Pole Barn, addition of man door PB1 to open pole barn area		\$ 1,300	1.0	\$ 1,300
Demo existing Train Depot & Haul to Walton (by Tom Howard and subs)		\$ 8,400	0.0	\$ -
Total Project Cost w/Selected Options	\$ 2,419,044			\$ 2,497,901

Budget Variance Compared to Initial Proposed Budget

Under/(Over) Initial Proposed Budget	\$ (209,044)			\$ (287,901)
Percentage Under/-Over Initial Proposed Budget	-9%			-13%

Yellow costs still have some degree of uncertainty. They are estimated instead of being based on quoted prices.

Gray costs have been confirmed with quote from vendor.

heat pump grants.



RESOLUTION

HQ Project – Approval of Construction Budget and Authorization to Proceed

February 25, 2020

WHEREAS, the Delaware County Electric Cooperative, Inc. (the “Cooperative”) has a strategic goal to consolidate the Cooperative’s headquarters (“HQ”), both “office” and “field” functions, into a single location; and

WHEREAS, the Cooperative’s highest priority objectives of the HQ project are to provide a safe and effective warehouse function, to provide a welcoming and secure member service area, and to bring all employees into a single campus to facilitate an integrated employee culture; and

WHEREAS, the Cooperative previously approved HQ project budget, net of offsetting project revenues, of \$2.0 million; and

WHEREAS, the Cooperative has signed a contract with a buyer to sell its property at 39 Elm Street for \$210,000 in 2020 resulting in a previously approved project budget of \$2.21 million, net of other offsetting revenues such as Catskill Watershed Corporation funding and NYSEG economic development grants, and NYSEG energy efficiency funds; and

WHEREAS, the board of directors created an ad hoc HQ project team (the “Core Project Team”) including 2 Cooperative directors, 2 Cooperative managers, 2 members of the Schoolhouse Construction Services team, and 3 members of the SEI Design group, to contribute to the development of the project; and

WHEREAS, the Core Project Team has completed an 80% design drawing set that meets the fore mentioned highest priority objectives; and

WHEREAS, the Cooperative engaged Tom Howard Construction as an advisory member of the Core Project Team for the purposes of assisting with value engineering and schedule compaction; and

WHEREAS, the Core Project Team, with help from Tom Howard, has utilized value engineering to modify the 80% design drawing set and create a project scope and design that can be constructed for \$2,497,901 inclusive of hard construction costs, soft costs, and an \$80,000 contingency fund; and

WHEREAS, the Board of Directors acknowledges that this project cost represents a change in net project cost from the originally approved amount, in accordance with the table below:

	Previously Approved Budget	Proposed Project Budget
Base Project Funding	\$2,000,000	\$2,000,000
Sale of Elm Street	\$210,000	\$210,000
Project costs net of other revenues including CWC	\$2,210,000	\$2,497,901
Additional funds required	\$0	\$287,901

; and



WHEREAS, the Board of Directors acknowledges that the aforementioned change in project budget will have the following impacts in the key financial ratios of the Cooperative:

Key Financial Ratio	Previously Approved Budget	Previously Approved Budget
Year-End Margin	\$616,001	\$610,205
TIER (1.25 required)	2.15	2.13
OTIER (1.1 required)	2.03	2.01
Debt Service Coverage – DSC (1.25 required)	1.53	1.52
Operating DSC (1.1 required)	1.46	1.47
Modified DSC (1.35 required)	1.49	1.48
Equity as % of Assets	36.56	35.95
Total New Debt (not accounting for principal payoffs)	\$2,500,000	\$3,000,000
Increase in Total Debt (excludes Cushion of Credit offset)	\$1,600,000	\$2,100,000
HQ Project Debt Service per Member per Month	\$1.41	\$1.76

; and

WHEREAS, the Core Project Team recommends utilizing the services of Schoolhouse Construction Services, LLC of Delhi, NY and Riordan Group LLC of Binghamton, NY to vet and verify that construction pricing is an honest, best value and fair pricing for the Cooperative and its membership; and

WHEREAS, the Schoolhouse Construction Services, LLC and Riordan Group LLC are:

- construction services companies with expertise in evaluating and estimating project costs,
- independent, third-parties with no prior business relationship with Tom Howard Construction, and
- free of any actual or perceived conflict of interest with respect to their ability to evaluate pricing provided by Tom Howard Construction; and

WHEREAS, Tom Howard Construction is available to begin construction as early as March 16, 2020; and

WHEREAS, the Tom Howard Construction is willing and able to provide construction management services for all construction site activity and inspections; and

WHEREAS, the following additional contractors, service providers, and vendors are available to provide the necessary services for the construction project and have provided price quotations for their scope of work:

- Paul Beisler, pole yard crusher run installation
- Eastern Security Services, video monitoring, access control, intrusion detection, alarming
- ISD, server and business network installation
- Scott Lenci, Salvage/Demolition
- Otsego Telephone, phone system transfer
- Tri County Communications, radio installations.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorizes the CEO/General Manager to negotiate and execute contracts with Tom Howard Construction and the other contractors/service providers listed above to renovate and build the consolidated headquarters project in a



manner consistent with the drawings presented to the board of directors at this meeting, consistent with the scope description provided to the board of directors at this meeting, and for a total cost not to exceed \$2,497,901; and

BE IT FURTHER RESOLVED, that the Board of Directors authorizes the CEO to substitute other contractors and service providers for any portion of the project scope, after consultation with the board members on the Core Project Team, and as long as the price for the reassigned work is no greater than the price listed in the price/scope document presented to the board of directors at this 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 February, 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 February, 2020.

(Seal)

(Signature of Secretary)



POLICY

SUBJECT: Clothing for Employees working on or near exposed Energized Parts

POLICY: It shall be the policy of the Cooperative to comply with OSHA Federal Register 29 CFR Part 1910.269 (L) (6) Apparel; *"The employer shall ensure that each employee who is exposed to the hazards of flames or electric areas does not wear clothing that, when exposed to flames or electric areas, could increase the extent of the injury that would be sustained by the employee."*

Delaware County Electric Cooperative Inc. will require the following:

1. Employees who are exposed to the hazards of flames or electrical arcs shall remove all exposed conductive articles such as keys, watch, chains, rings, cell phones, wristwatches or bands.
2. Employees who are exposed to the hazards of flames or electrical arcs will not wear clothing that, when exposed to flames or arcs, could increase the extent of injury that would be sustained by the employee.
 - a) Employees exposed to flames or electric arcs will wear only fire retardant rain-suits. The Cooperative will supply these rain-suits.
 - ~~a)~~ b) Employees exposed to flames or electric arcs will wear only fire retardant high visibility vests. The Cooperative will supply these high visibility vests.
 - b) Clothing made from the following types of fabrics, either alone or in blends, is prohibited unless the fabric has been treated to withstand the conditions that may be encountered or unless the employee wears the clothing in such a manner as to eliminate the hazard: acetate, nylon, polyester or rayon. As a minimum, in order for the employee to wear the clothing in such a manner as to eliminate the hazard, the clothing containing the banned fabric types cannot be an outer most layer and cannot be an inner most layer.
 - ~~c) In addition to rain-suits, clothing made from natural fabrics such as 100% wool or cotton may be worn from the waist down.~~
 - c) All OUTER garments ~~worn above the waist~~ must be with ONLY flame resistant fabric.



- d) All flame resistant garments/fabric shall meet the minimum calorie requirements established in the Cooperative's Arc Flash Hazard Assessment in effect at the time the employee performs work. Copies of the Cooperative's most recent Arc Flash Hazard Assessment are available on the secure portion of the Cooperative's website and paper copies may be requested from the Operations Manager or System Coordinator. Employees should also refer to Section 406 ("Clothing") of the Cooperatives Safety Manual for more information about fire retardant clothing and appropriate application thereof. Every employee is issued their own copy of the Cooperative's Safety Manual. Replacement copies are available upon request to the Operations Manager or System Coordinator.
- e) The employee is responsible for maintaining clothing in clean and laundered state, per the manufacturer's instructions for the garment. Tattered clothing shall not be worn.

PROCEDURE: The Line Foreman and Operations Manager shall ensure compliance of this policy. The Cooperative will provide benefits related to the supply of clothing as outlined in the relevant collective bargaining agreement(s).

RESPONSIBILITY: General Manager and employees working near exposed energized parts.

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by the Board of Directors	Jun 27, 1995
Revised by Board of Directors	Sep 28, 1999
Revised by Board of Directors	Apr 23, 2002
Revised by Board of Directors	Aug 23, 2011
Revised by Board of Directors	Mar 24, 2015
Revised by Board of Directors	Dec 27, 2016
<u>Revised by Board of Directors</u>	<u>Feb 25, 2020</u>



POLICY

SUBJECT: Whistleblower

POLICY: It shall be the policy of the Delaware County Electric Cooperative (the "Cooperative") to maintain an effective, easy-to-use mechanism for employees to raise concerns regarding potentially unlawful or unethical behavior within the organization and that ensures protection against retaliation for the whistleblower.

PROCEDURE:

It is Cooperative's policy that no retaliation shall occur against any employee who internally reports a concern about potentially unlawful or unethical conduct ("Whistleblower"). Each employee has an obligation to report in accordance with this Whistleblower Policy: (a) questionable or improper accounting or auditing practices, (b) suspected unlawful conduct, and (c) violations or suspected violations of the Cooperative's Articles of Incorporation, Bylaws, or policies (collectively referred to as "Concerns" from this point forward).

A. No Retaliation

This policy is intended to encourage and enable employees to raise Concerns for prompt internal investigation and appropriate action. **No employee who in good faith reports a Concern shall be subject to retaliation in any form for making the report.** An employee who retaliates against someone who has made a good faith report about a Concern is subject to the Cooperative's progressive disciplinary process up to and including termination of employment.

B. Reporting Concerns

In most cases, employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the Whistleblower continues to have reasonable grounds to believe the Concern is valid and the supervisor is not responsive, the Whistleblower should then report the Concern to the CEO/General Manager.

If the supervisor is a subject of the Concern, or if the Whistleblower is uncomfortable speaking with his or her supervisor for any reason, or if the CEO/General Manager is the subject of the Concern, the Whistleblower should report his or her Concern to the Cooperative's attorney or a Director of the Board.



C. Handling of Reported Concerns

1. Investigation Procedure: All Concerns will be dealt with promptly and in a manner intended to protect confidentiality, consistent with the need to conduct a full and fair investigation.

- a. Concerns Not Involving the CEO/General Manager: Following a preliminary assessment, if the individual initially receiving the Concern believes the Concern warrants further investigation, then the Cooperative's attorney shall be responsible for investigating the Concern and reporting the results of this further investigation to the referring supervisor/manager or to higher level management or the Board as appropriate.

Regardless of whether the individual receiving the Concern believes the Concern warrants further investigation, the individual receiving the Concern is required to notify the CEO/General Manager of the complaint and its proposed disposition. This step is intended to provide a second, independent review, and to ensure that bias is avoided.

If the investigation indicates that there has been or likely has been a violation of law, accounting or audit standards, or Cooperative Articles of Incorporation, Bylaws, or policy, then the individual who receives the report of the results of the investigation shall consult with the CEO/General Manager to determine the appropriate follow-up action and conclusion.

- b. Concerns Involving the CEO/General Manager: If the CEO/General Manager is the subject of Concern, the Cooperative's attorney or Director who initially receives the Concern, shall conduct a preliminary assessment. If the preliminary assessment reveals that the Concern warrants further investigation, then the Cooperative's attorney or Director shall report the Concern directly to the Board President. The Board President will then report to the full Board and engage the Cooperative's attorney to further investigate the Concern and report back to the Board on the results of the investigation for appropriate follow-up action and conclusion.

2. Follow-Up with Whistleblower. The Whistleblower will be informed of the progress and/or outcome of the investigation unless: (1) the Whistleblower indicates his or her preference not to be informed, (2) this would be detrimental to the Whistleblower, Cooperative or the investigation, or (3) there are other, sound reasons not to inform the Whistleblower. The CEO/General Manager is responsible for determining whether follow-up with the Whistleblower would be detrimental or whether other reasons exist not to inform the Whistleblower unless the General Manager is the subject of the concern. If the CEO/General



Manager is the subject of the concern, then the Cooperative's attorney is responsible for determining whether follow-up with the Whistleblower is appropriate. This individual is also responsible for informing the Whistleblower if the Concern has been settled or closed.

3. Cooperation. All employees are required to cooperate in the investigation of Concerns, which may include steps such as personal interviews and requests for and review of documents. Employees must not discuss the investigation, including any interviews or document requests, with anyone unless specifically instructed that they may do so.

D. Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information provided in a reported Concern indicates a violation of law, accounting or audit standards, or Cooperative Articles of Incorporation, Bylaws, or policy.

E. Confidentiality

Reports of Concerns, and any investigations regarding Concerns, shall be kept confidential to the extent possible and lawful, consistent with the need to conduct an adequate investigation.

F. Responsibility

The CEO/General Manager shall ensure that this policy is implemented. It is the responsibility of all directors, officers and employees to comply with this policy and report Concerns in accordance with this policy. The Board shall review this policy periodically.

RESPONSIBILITY: CEO/General Manager

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Dec 23, 2008
Revised by Board of Directors	May 27, 2014
Revised by Board of Directors	July 26, 2016
<u>Revised by Board of Directors</u>	<u>Feb 25, 2020</u>



POLICY

SUBJECT: Estate Capital Credits

POLICY: It is the policy of the Cooperative to refund estate capital credits, upon request from an authorized representative of the deceased member's estate, on the following terms and conditions;

1. If the authorized representative is an executor/administrator, the same shall submit to the Cooperative a notarized affidavit attesting that he/she is the right and true executor/administrator of the deceased member's estate. If formal estate proceedings are not required, the request may be made by a person submitting a notarized non-probated estate affidavit.
2. Estate capital credits will be paid on a discounted basis. The discount period is equal to the time between the actual payment date and the normal expected retirement date of those capital credits. For purposes of this paragraph, normal expected retirement date shall be established by the Billing Specialist based on the then current schedule by which the Cooperative is retiring capital credits;
3. The discount rate is equal to the prime rate quoted in the Wall Street Journal on the first day of business in the month in which refunded, plus 3% (a percentage adder).
4. The total amount of estate capital credits paid to a single deceased member's estate under this policy shall not exceed \$10,000.00 annually in any event. In circumstances where estate capital credits exceed \$10,000, the balance of the payment may be made in the following year(s) on a first earned, first retired basis;
5. Estate capital credits will not be paid until after the closing and final financial reports have been issued for the fiscal year in which the deceased member had an active account.
6. Notwithstanding the above, capital credits shall in all instances be distributed only in accordance with applicable state, federal and local law, currently including but not limited to New York State Rural Electric Cooperative Law §60, and further shall be distributed only in instances in which, in the Board of Directors discretion, such distribution shall not impair or adversely affect the financial condition of the Cooperative or violate any financial obligations or other covenants of the Cooperative.

RESPONSIBILITY: Billing Specialist

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Sep 28, 1993
Revised by Board of Directors	Aug 27, 1996
Revised by Board of Directors	Dec 17, 2001
Revised by Board of Directors	May 27, 2002
Revised by Board of Directors	Jul 6, 2004
Revised by Board of Directors	Aug 23, 2011
Revised by Board of Directors	Nov 27, 2012



Revised by Board of Directors	Mar 2, 2015
Revised by Board of Directors	Feb 23, 2016
Revised by Board of Directors	Mar 7, 2017
Reviewed by Board of Directors	Feb 26, 2019
<u>Reviewed by Board of Directors</u>	<u>Feb 25, 2020</u>