

REGULAR BOARD OF DIRECTORS MEETING
ANZA ELECTRIC COOPERATIVE, INC.
SEPTEMBER 22, 2022

DIRECTORS PRESENT

Ryall Stewart, President
Stephan Lauzier, Vice President
Stephen P. Silkotch, Sr., Secretary
Harold Burdick, Treasurer
W.A. (Chilli) Ainsworth
Diane Sieker
Michael Machado

STAFF PRESENT

Kevin Short, General Manager
Debbie Winger, Member Services Manager
Shawn Trento, Telecommunications Manager
Laura Snider-Manseau, Office Services Manager
Yuri Gudino, Administrative Assistant
Jennifer Williams, Gov. Relations / HR Dir.
Brian Baharie, Operations Manager

OTHERS PRESENT

Mike Searcy, Guernsey Engineering Consultants
Delaine Orendorff, MBA, SPHR, CCP, Sr. Principal/Director, Human Capital Planning, NRECA

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in person at the cooperative on September 22, 2022.

The meeting was called to order by President Ryall Stewart at 8:02 a.m. Upon calling roll, Directors Ryall Stewart, Stephan Lauzier, Stephen P. Silkotch, Sr., Harold Burdick, W.A. (Chilli) Ainsworth, Michael Machado and Diane Sieker were present thereby constituting a quorum.

President Stewart called for approval of agenda. After discussion of the agenda, Director Ainsworth made a motion to approve the agenda as presented. Director Lauzier seconded the motion. Motion carried with unanimous vote.

President Stewart called for approval of the minutes of the Regular Board Meeting of August 25, 2022. After discussion of the minutes, Director Ainsworth made a motion to approve the minutes as presented. Director Machado seconded the motion. Motion carried with unanimous vote.

President Stewart called for member comments.

President Stewart gave the presidents report.

Director Ainsworth presented the Member & Public Relations Committee Meeting report.

Mike Searcy from Guernsey Engineering Consultants presented the Cost-of-Service Study and Rate Study.

At 9:10 a.m. Mike Searcy, Guernsey Engineering Consultants left the Board Meeting.

Office Services Manager presented and discussed the Cost-of-Service Study effects on Member Bills. After discussion, Director Ainsworth made a motion to approve the following resolution,

“WHEREAS, Anza Electric Cooperative, Inc. (AEC) exists to provide reliable utility services for its members at the lowest possible cost as a not-for-profit entity, and,

WHEREAS, AEC's mission is to operate consistent with the Cooperative Principles, and,

WHEREAS, AEC has contracted with Guernsey Engineering Consultants to provide a Cost-of-Service Study (COSS) and a Rate Study to determine the necessity for revenue increases to cover rising costs and,

WHEREAS, the Board of Directors, having determined that the COSS thus performed has indicated a shortfall in revenues for 2023 and the necessity of a general rate increase and modification.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors hereby approves the Executive/Staff Summary describing this COSS and Rate Study and attached herein, and duly authorizes the General Manager to execute all documents associated with this transaction and to implement the new rate structure effective October 1, 2022."

Director Silkotch, Sr. seconded the motion. Motion carried. Director Machado opposed.

General Manager presented and discussed the AEC Solar Production Report for August 2022, Hoover Dam Update and Lake Mead Water Levels Report, EV Charger Report, U.S. Drought update, Work Plan update and other Business.

Government Relations Liaison presented and discussed Update 1-CA Lawmakers Extend Life of Nuclear Plant, Approve Slate of Climate Bills, Thousands in Lane County Spending Weekend without Power; Lane Electric Starting to Return Power, To Decarbonize Industry, DOE Road Map Focuses on Efficiency, Electrification, and Low-Carbon Fuels, Rural Energy is Especially Dirty and in Debt. Enter the Inflation Reduction Act.

At 10:20 a.m. the Board entered Executive Session to discuss the Employee Relations Committee Meeting Report.

Human Resources Director presented and discussed the 2023 NRECA Group Benefits, 2022 Medical / Dental / Vision, Aflac Benefits and Retirement Security.

At 10:54 a.m. staff left the Executive Session. General Manager, Human Resources Director and administrative Assistant remained.

At 11:00 a.m. Delaine Orendorff, MBA, SPHR, CCP, Sr. Principal/Director, Human Capital Planning, NRECA entered the Executive Session to discuss the Compensation Analysis.

Delaine Orendorff, MBA, SPHR, CCP, Sr. Principal/Director, Human Capital Planning, NRECA presented the Wage Structure.

At 11:14 a.m. Human Resources Director and Administrative Assistant left the Executive Session. General Manager remained.

Delaine Orendorff, MBA, SPHR, CCP, Sr. Principal/Director, Human Capital Planning, NRECA presented and discussed General Manager's compensation Analysis.

At 11:30 a.m. Delaine Orendorff, MBA, SPHR, CCP, Sr. Principal/Director, Human Capital Planning, NRECA left the Executive Session.

General Manager presented and discussed the Wage Structure for Cooperative Employees.

At 11:53 a.m. Kevin Short, General Manager was dismissed from the Executive Session Meeting so that the board could discuss the General Manager's Annual Review.

At 12:24 p.m. General Manager entered the Executive Session.

At 12:30 p.m. the Board returned to Regular Session.

Member Services Manager presented and discussed FIND Food Distribution, CCP/LIHEAP Distributions, ACP Benefit Program, United Way Distributions, and Member Statistics.

Telecommunications Manager presented and discussed ConnectAnza Subscriber Connections update, Additional Projects, Service Reports, August System Outages, and monthly bandwidth graph.

Operations Manager presented and discussed the safety meeting for the month of August, loss time due to accidents/outages, new services/construction costs, operational time allotments, the Mountain Center daily peaks and low temperatures and other business for the month of August. After discussion, Director Silkotch, Sr. made a motion to acknowledge the safety meeting for the month of July. Director Burdick seconded the motion. Motion carried with unanimous vote.

Office Services Manager presented and discussed the RUS Combined Form 7- Revenue Comparisons for the month of August, the Operations/Variance Reports for Anza Electric Cooperative and ConnectAnza, the August AEPCO billing information, the investment report, the cash flow report, and Construction Work Plan Loan Report. After discussion, Director Machado made a motion to receive and file the RUS Form 7- Revenue Comparisons for the month of August as presented. Director Sieker seconded the motion. Motion carried with unanimous vote.

Director Burdick presented and discussed the General Manager's expenses for the month of August 2022 in the amount of \$388.17. After discussion, Director Sieker made a motion to receive and file the General Manager expenses for the month of August. Director Ainsworth seconded the motion. Motion carried with unanimous vote.

Director Burdick presented and discussed the following Directors' expenses for the month of August 2022:

Director Ainsworth	\$ 853.09
Director Burdick	\$ 832.46
Director Lauzier	\$ 1,057.29
Director Machado	\$ 836.46
Director Sieker	\$ 846.21
Director Silkotch, Sr.	\$ 840.71
Director Stewart	\$ 890.21

After discussion, Director Machado made a motion to receive and file the Directors' expenses for the month of August 2022 in the amount of \$6,156.43 combined total. Director Sieker seconded the motion. Motion carried with unanimous vote.

Director Burdick presented and discussed the expenditures for the month of August 2022 in the amount of \$1,756,854.72. After discussion, Director Ainsworth made a motion to receive and file the expenditures as presented. Director Sieker seconded the motion. Motion carried with unanimous vote.

Director Silkotch, Sr. presented and discussed the Bylaw and Policy Committee report. After discussion, Director Machado made a motion to approve the following policies as presented,

- Policy No. 404 – “Employee Harassment in the Workplace”
- Policy No. 404.1 – “Workplace Violence”
- Policy No. 405 – “Consultative Management”
- Policy No. 406 – “Employment Practices”
- Policy No. 406.1 – “Method of Handling Employee Grievances”
- Policy No. 406.2 – “General Manager Misconduct Allegations”
- Policy No. 406.3 – “Alternative Work Schedule”

Director Burdick seconded the motion. Motion carried with unanimous vote.

Director Silkotch, Sr. reviewed Bylaw Article IX.

Director Burdick and General Manager presented the AEPCO report.

General Manager presented and discussed the Golden State Power Cooperative Report, September 2022 Newsletter, Letter to Governor Newsom and White House IRA FAQ-CA.

General Manager presented and discussed Golden State Power Cooperative proposed 2023 budget. After discussion, Director Silkotch, Sr. made a motion to approve the Golden State Power Cooperative proposed 2023 Budget. Director Sieker seconded the motion. Motion carried with unanimous vote.

General Manager presented and discussed the NRECA Board Update.

President Stewart presented and discussed approval of Director attendance for the NRECA Winter School for Directors for December 9-13 in Nashville, TN. After discussion, it was the consensus of the Board to refer to next month.

General Manager presented and discussed the General Pacific, Inc. dividend payment.


President Stewart presented the donations report.

President Stewart called for any additional business.

There being no further business to come before this meeting, the meeting was duly adjourned at 10:25 a.m.


Stephen P. Silkotch, Sr., Secretary

ATTESTED:


Ryall Stewart, President

CERTIFICATION

I, Stephen P. Silkotch, Sr. do hereby certify that I am the duly elected and qualified Secretary of the Board of Directors of the Anza Electric Cooperative, Inc., and that the above is a true and correct copy of the minutes of the Regular Meeting of the Board of Directors held on September 22, 2022, at which time a quorum was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as the Secretary and affixed the Corporate Seal of said Cooperative this 27th day of October 2022.


Stephen P. Silkotch, Sr., Secretary