

**MINUTES**  
**SOUTHSIDE ELECTRIC COOPERATIVE**  
**MEETING OF THE BOARD OF DIRECTORS**  
**JULY 16, 2020 @ 1:30 P.M.**  
**HEADQUARTERS BOARD ROOM**

- PRESENT:** Frank W. Bacon (Chair)  
Earl C. Currin, Jr. (Vice Chair)  
Paul S. Bennett (Secretary)  
Charles J. Friedl (Treasurer)  
Brenda H. Johnson  
Kristie Martin-Wallace  
Clive C. Pettis, Sr.  
Sarah W. Sanders  
William T. White  
  
Frank F. Rennie (General Counsel)  
Christine Marston (Minute Taker)
- STAFF:** Jeffrey S. Edwards, President/CEO  
Bradley V. Furr, VP of Operations  
George A. Felts, VP of Engineering  
Jason Loehr, VP of Finance & Corporate Services  
Jacob McCann, VP of Human Resources
- GUEST:** Lloyd Lenhart, Director of Community Relations

Dr. Frank Bacon presided, and Jacob McCann gave the invocation.

**PREVIOUS MINUTES**

On motion made and seconded:

**The Minutes of the June 18, 2020 Board Meeting are approved.**

**MOTION CARRIED**

**ODEC REPORT**

The ODEC report was given by Earl Currin.

**PRESIDENT/CEO'S REPORT**

1. The SEC Financial and Statistical report for June 2020 was reviewed and is attached to and made a part of the Minutes.
2. The Board was provided information regarding cybersecurity events during the month of June 2020.
3. The Institute of Electrical & Electronics Engineers (IEEE) outage data and safety report for June 2020 were reviewed in detail:

### IEEE Outage Data

- a. System SAIDI and CAIDI were all below historical values for the month.
- b. System SAIFI was above historical values for the month.
- c. There were no Appalachian Power Company (APCO) or SEC supply outages for the month.
- d. Dominion Energy (DE) had one supply outage on Evergreen substation caused by a tree on DE's circuit
- e. There were no Major Event days during June.

### Safety Report

- a. There were no lost-time injuries in June.
- b. As of June 30<sup>th</sup>, employees have worked 792 days without a lost time injury.

### Staking Workload Summary

- a. New service appointments were up for the month
  - b. Miscellaneous appointments were up for the month
  - c. Average business days to next appointment is approximately 6 days
  - d. Total Work Orders remain steady
4. Reams Pole Replacement Bid Activity:
- a. Patterson & Dewar Engineering prepared the design package and circulated the bid.
  - b. Pre-bid meeting was held by online meeting on March 30<sup>th</sup>.
  - c. Bid opening was conducted May 15<sup>th</sup>.
  - d. 20 poles (12 structures)
  - e. Material requisition released March 3<sup>rd</sup>.
  - f. Expected pole delivery September 15<sup>th</sup>.
  - g. A total of three bids were received out of the nine submitted.
  - h. Winning bid was submitted by Lee Electrical Construction at \$327,095.
5. Southside Opportunity Fund Scholarships:
- a. There were 28 applications received.
  - b. Two applicants received a VMDAEC scholarship, reducing the total applicants to 26.
  - c. The SOF Board approved three \$2,000 scholarships and fifteen \$1,000 scholarships, for a total of \$21,000.
  - d. Also approved was \$3,000 for the Virginia Line Workers Training Program.

- e. Fundraising activities:
  - Skeet Shoot raised \$14,200 in 2019
  - Golf Tournament raised \$14,800 in 2019
  - Anticipate receiving donations in 2020 from the skeet and golf sponsors; estimated \$5,000.
- f. Six member-students from each of SEC's districts were awarded scholarships.
- g. Recommendation was made for SEC to donate \$25,000 to the SOF for scholarships due to the pandemic and the lack of fundraising capabilities.

On motion made and seconded:

**The Board approved donating \$25,000 to the SOF for scholarships.**

**MOTION CARRIED**

6. Operations Update:

- a. New service activity was down 13.8 % for the month.
- b. New service activity work orders were down for the month.
- c. Outage activity (minutes) with major event days removed were in line with historical data:
  - Central – 135
  - Eastern – 71
  - Northern – 52
  - Western – 79
- d. June outage causes:
  - Trees 37% or 122 outages; 88 outside the right-of-way
  - Weather 20% or 66 outages
  - Animals 10% or 35 outages
  - Unknown 10% or 33 outages
  - Fault/Failure 9% or 31 outages
  - Decay/Age 5% or 18 outages
  - Public 5% or 17 outages
  - Maintenance/Planned 4% or 13 outages
- e. Tree related outages from 2014 through June year-to-date with Major Event Days:
  - 2014 = 870 outages
  - 2015 = 1,066 outages
  - 2016 = 1,025 outages
  - 2017 = 1,029 outages
  - 2018 = 2,314 outages

- 2019 = 1,759 outages
  - 2020 = 727 outages
- f. June outages by District:
- Central 25% (135 outages affecting 4,182 members)
  - Eastern 18% (71 outages affecting 2,330 members)
  - Northern 38% (52 outages affecting 3,710 members)
  - Western 17% (79 outages affecting 3,097 members)
- g. June SAIDI switching savings:
- Realized 28.3 minutes (70%)
  - Saved by automation (SCADA) switching 10.5 minutes (26%)
  - Saved by manual switching 1.4 minutes (4%)
- h. June SAIDI per District:
- Central 8.3 minutes
  - Eastern 5.3 minutes
  - Northern 8.2 minutes
  - Western 6.6 minutes
- i. June SAIFI per District:
- Central 0.11 events
  - Eastern 0.04 events
  - Northern 0.08 events
  - Western 0.06 events
- j. June CAIDI per District:
- Central 77 minutes
  - Eastern 137 minutes
  - Northern 100 minutes
  - Western 116 minutes
- k. There were 69 circuit outages in June
- l. Fleet service orders completed in June were 75 at an average cost of \$331 per service order
- m. June fleet expenses were \$86,372; YTD total expense \$536,467.
7. A request was made to increase the Right of Way budget by 3.8% or \$205,000 for additional brush cutting and danger tree removal.

On motion made and seconded:

**The Board approved increasing the Right of Way budget by \$205,000.**

**MOTION CARRIED**

8. The Virginia, Maryland & Delaware Association of Electric Cooperatives (VMDAEC) Annual Meeting will be held virtually on July 27<sup>th</sup> beginning at 9 a.m. Notify Chris Marston if interested in attending and she will handle the registration.

9. COVID-19 update:

- a. There has been an increase in positive tests in our area.
- b. No members, guests or vendors are allowed in the office.
- c. If COVID-19 spikes, the Cooperative will have employees return to working from home.
- d. On track for holding the August Board meeting in person at the Central District Training Center; will continue to monitor.
- e. Face masks are required in all common areas of the Cooperative. Once in an office or conference room where social distancing can occur, face masks are no longer required to be worn.
- f. If employees voluntarily choose to vacation in area that is a COVID-19 hot spot, they will be required to self-quarantine and use their vacation or sick leave and will not be eligible for reimbursement by the Cooperative.

**NEW BUSINESS**

1. NRECA Benefits Waiting Period Change & Resolution:

- a. Enhancing and refining benefits package for new hires.
- b. Medical, Vision, HSA and Dental benefits to begin the first of the month following the hire date.
- c. 401(k) employee contribution to begin first of the month following one full month of service effective August 1, 2020 pending Board approval.
- d. These changes will enable competitive recruiting, closer alignment of various benefit start dates and better alignment with best practices.
- e. 401(k) amendment reduces discrimination risk for SEC's plan.

On motion made and seconded:

**“The NRECA benefit waiting period change and associated Resolution on 401(k) employee contributions are approved as presented.”**

**MOTION CARRIED**

**LEGAL REPORT**

1. A member in Charlotte County who the Cooperative had to take to court regarding access to equipment has denied employees access once again. SEC was able to use a drone to access the property to inspect the equipment. A letter was sent to this member notifying them that SEC would ask the court to hold them in contempt and would file court proceedings if access was continued to be denied.
2. The Appeal on the O'Connell case was put on hold until the property damage case is finalized.

**DIRECTOR COMMENTS/CONCERNS & ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 2:39 p.m. The next meeting of the Board of Directors is scheduled for Thursday, August 20, 2020 at 1:30 p.m.

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Paul S. Bennett, Secretary

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Frank W. Bacon, Chair

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Christine Marston, Minute Taker