

MINUTES OF MEETING OF BOARD OF DIRECTORS OF
GRADY ELECTRIC MEMBERSHIP CORPORATION
HELD JANUARY 3, 2018

The regular meeting of the Board of Directors of Grady Electric Membership Corporation was held at its office in Cairo, Georgia, on the 3rd day of January, 2018. All of the Directors were present. Also present were President Thomas A. "Bo" Rosser Jr., Attorney M. Claire Chason, Pat Reed, Jeff Rehberg, Rex Robinson, Wayne Windham, John Long and Adam Starr.

The Chairman presided, and the minutes were kept under the direction of the Secretary.

The minutes of the previous regular meeting held on December 6, 2017, were read and approved.

The following proceedings were had, all action being first duly moved and seconded and all action being taken upon the unanimous vote of the Board, unless otherwise stated:

1. **New Director.** President Rosser welcomed new Director for District 3, Hestell Donaldson, Jr., to the Board.
2. **Capital Credit Requests.** The Directors approved the Estate Capital Credit Requests submitted in the approximate amount of \$24,608.37.
3. **Bills.** The Directors approved the payment of Bills presented. Director Clyatt cast a dissenting vote.
4. **Bad Debt.** The Directors approved the list of accounts to be written off and authorized the writing off of the bad debt shown on the list as presented at the meeting for the period from September 1 through September 30, 2017.
5. **New Members.** The Directors approved the new members presented.
6. **Resolution.** The Directors voted to adopt a Resolution for outgoing Director H. Lamar Carlton expressing appreciation for his thirty-nine (39) years of dedicated service to Grady EMC. Director Clyatt cast a dissenting vote.
7. **Election of Chairman and Vacant Director Positions.** The following officers were elected for 2018 by a majority of the Directors to fill vacant positions:

Chairman – Earl Stuckey; Vice Chairman – Mark Clark; OPC Member Representative – Earl Stuckey; GEMC Director – Earl Stuckey; Green Power Member Representative – Earl Stuckey

8. **Report from Audit Committee.** It was reported that Director Clyatt resigned and refused to serve on the Forensic Audit Committee. The remaining members recommended that no further action be taken on this matter at this time unless Director Clyatt served on the committee. The recommendation of the Committee was approved by a majority of the Directors. Directors Clyatt, Donaldson and Sellars abstained from the vote.
9. **Report on Meeting Policies.** The President reported on board meeting attendance policies currently in place at Cobb EMC and Blue Ridge EMC.
10. **Easement Discussion.** Discussion was held concerning an easement at issue.
11. **Conflict of Interest Policy.** The Conflict of Interest Policy adopted at the December 2017 board meeting was hand-delivered by Attorney Chason to Directors Clyatt, Sellars and Donaldson. Directors Stucky, Lewis, Clark and Brock had previously acknowledged receipt of said policy in writing.
12. **Motions.**
 - a. A motion by Director Clyatt and seconded by Director Donaldson was made that the agenda package be available for the Directors 54 hours in advance of the regularly scheduled board meetings. Currently the Agenda is made available 54 hours prior to the board meeting and the complete package is prepared and available on the day of the meeting prior to the meeting time. The motion was defeated by a majority of the Directors.
 - b. A motion by Director Clyatt and seconded by Director Donaldson was made that invoices and bid sheets be attached to any expenditures requiring approval, and expenditures exceeding \$500.00 will require a minimum of three bids before it can be approved. After discussion, which included a review of the current bid and purchase procedures, the motion was defeated by a majority of the Directors.
 - c. A motion by Director Clyatt and seconded by Director Donaldson was made that management shall fulfill document requests made by sitting Grady EMC board members within five (5) business days of the request. This motion would require that the current Information and Document Request Policy be amended. Said motion was defeated by a majority of the Directors.
 - d. A motion by Director Clyatt and seconded by Director Donaldson was made that employees shall not be allowed to provide services as a third-party business for Grady EMC or its for profit LLCs. Said motion was approved by a majority of the Directors.
 - e. A motion by Director Clyatt and seconded by Director Donaldson was made to restrict the amount the President or any employee may spend without prior board approval to \$5000.00, including budgeted items, and including a creation of a bid process for goods and services with costs exceeding \$500.00 and that a minimum of three bids be solicited for purchases over \$500.00. Said motion was defeated by a majority of the Directors.

- f. A motion by Director Clyatt and seconded by Director Donaldson was made that Grady EMC Directors shall serve no more than two consecutive 3-year terms, and that neither he nor his immediate or extended family will be allowed to serve on the Grady EMC board for a 48-month period. Attorney Chason informed the Directors that this motion requires a by-law change, and notice provisions required for a by-law change had not be met. The Directors were also reminded that the By-Laws are in the process of being updated, and this issue could be discussed as a part of that process. No action was taken.
- g. Director Clyatt moved that any Director should be given the opportunity to bring any new business to the attention of the board for the discussion near the end of the board meetings, and that motions to adjourn shall not preclude this opportunity. Attorney Chason advised that Robert's Rules controls in this situation. The motion failed.

13. **Operating Report.** The Directors reviewed the Operating Report.

14. **Other Discussion.**

It was announced that a Director Training and Meeting is scheduled at Grady EMC on January 25, 2018 at 1:30 p.m.

The Directors were reminded of the NRECA Annual Meeting scheduled for February 24-28, 2018.

There being no further business to come before the meeting, same was adjourned, and the Directors went into Executive Session.


Chairman


Secretary