

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION
Minutes of the Regular Meeting of the
Board of Directors
April 19, 2022

Pursuant to due notice thereof, a meeting of the Board of Directors of the Lumbee River Electric Membership Corporation was held at the Corporation's headquarters in Pembroke, North Carolina, beginning at 5:30 p.m., Tuesday, April 19, 2022. Directors present in person were Chairman Rory Eddings, Vice-Chairman Erice Locklear, Secretary Ronald G. Hammonds, Kirk Lowry, Roger Oxendine, Rhonda Goins Dial, Autry Lowry, James Hardin, Sherry Carter, Spencer Locklear, Elaine O. Chavis, Treasurer Anthony Hunt and Ronald Anderson. Also present were the Interim CEO Randall Jones, and Grady Hunt representing Hunt & Brooks, the Corporation's general counsel.

Chairman Rory Eddings called the meeting to order, and prayer was said by Treasurer Anthony Hunt.

1. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE ADOPTION OF THE AGENDA AS AMENDED.
2. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE MINUTES FOR THE MARCH 31, 2022 SPECIAL CALLED BOARD MEETING. ALL VOTED IN FAVOR OF THE MOTION, EXCEPT RONALD G. HAMMONDS AND AUTRY LOWRY VOTED AGAINST THE MOTION.
3. Chairman Rory Eddings administered the oath of office to Board Member Ronald Anderson.
4. Member comments were presented by Ms. Pasty Chavis on behalf of Great Light Community Church concerning the alleged violation of Policy No. 405-Selection of a New Director and by Lynn Locklear concerning enforcing standards with respect to the selection of the new director (see attached comments).
5. Jeff Brown, CEO of Sandhills Utility Services, LLC made a presentation to the Board about Sandhills Utility Services, LLC.
6. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE MINUTES FOR THE MARCH 15, 2022 REGULAR BOARD MEETING.
7. Mr. Mark Walters presented the Safety Report indicating that there were two property damage incidents reported for the month of March 2022. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE SAFETY REPORT.
8. Mr. Ronald G. Hammonds reviewed the secretary report with the directors. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE SECRETARY REPORT.
9. Mr. Anthony Hunt reviewed the Treasurer Report (Form 7) with the directors for the month of March 2022. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE TREASURER REPORT (FORM 7).

10. Mr. Randall Jones reviewed the March 2022 Finances, March Estate Retirements and Inactive Retirements. A MOTION WAS DULY MADE AND RESOLVED TO APPROVE THE MARCH 2022 ESTATE RETIREMENTS AND INACTIVE RETIREMENTS. It was further noted that LREMC received a \$292,353.84 patronage distribution from CoBank.
11. Mr. Walter White gave an update on the LREMC Newsletter.
12. Mr. Randall Jones provided the Board Members updates on relevant topics to include the August 6th and 7th Statewide Annual Meeting, LREMC Safety award presented by RESAP, wage and salary study conducted by NRECA and the Cooperative's Succession Plan.
13. Mr. Rory Eddings and Board Members discussed matters of interest to include upcoming meetings and trainings.
14. A MOTION WAS DULY MADE TO ENTER EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.
15. A MOTION WAS DULY MADE TO LEAVE EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.
16. NO ACTION WAS TAKEN IN EXECUTIVE SESSION.
17. A MOTION WAS DULY MADE TO ADJOURN.


RORY EDDINGS, CHAIRMAN


RONALD G. HAMMONDS, SECRETARY

Roll Call Vote Form

Meeting date: April 19, 2022

Item #/Description: #2A March 31, 2022 Special Called Board Meeting Minutes

Name	Yes	No	Abstain	Not Present
Anderson, Ron				
Carter, Sherry	X			
Chavis, Elaine O.	X			
Eddings, Rory				
Goins Dial, Rhonda	X			
Hammonds, Ronald G.		X		
Hardin, James	X			
Hunt, Anthony "Tony"	X			
Locklear, Erice	X			
Locklear, Spencer	X			
Lowery, Kirk	X			
Lowry, Autry		X		
Oxendine, Roger	X			
TOTALS:	9	2	0	0

	Vote Required: Majority	Action Taken: Motion Carried
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TUESDAY, APRIL 19, 2022 – LREMC BOARD MEETING

TOPIC – POLICY 405 VIOLATION (SELECTION OF NEW DIRECTOR)

Good afternoon.

I was not able to attend the special called meeting March 31, 2022; however, I understand Directors, by unanimous vote, filled the vacant Director's position although interviews were not held as policy 405 states.

During the March 15 meeting Chairman Eddings stated four applicants had applied for the vacant Director's position. He recognized the interview committee and stated interviews would be held and a recommendation made to the Board.

Several comments were made such as...will the committee be able to interview before April's meeting due to conflicting schedules? Will the committee be able to make a selection before April's meeting in order to present the name to the Board for a vote to be taken?

The Chairman stated if necessary, a special called meeting could be held to vote on the interview committee's recommendation and the new Director could possibly be present at April's meeting. A Director voiced a concern about the cost of a special called meeting as training expenses have been curtailed due to budget concerns.

A member of the interview committee assured the Board a name would be submitted by April's meeting.

There was quite a bit of emphasis on interviewing applicants and the Board, applicants and Co-Op members were led to believe interviews would be conducted per policy. What happened between March 15 and March 31? If the intent of the Board WAS NOT to conduct interviews, why post a notice about the vacancy and state applications would be accepted through March 14? Why discuss interviews during the March meeting? Why lead applicants, the Board and members to believe interviews would be held?

Allow me to remind the Board of these facts. During the May, 2021 meeting Directors talked at length about a Church's demand charge and I asked to speak. Mr. Spencer Locklear was the Chairman and he stated I could not speak as policy does not allow members to speak during open discussion. To your credit Mr. Eddings you stated "I think we need to allow Ms. Chavis to speak" however, Mr. Locklear again refused to allow me to speak per policy.

During the October, 2021 meeting, Mr. Eddings was the newly appointed Chairman and Directors again discussed a Church's demand charge. I asked to speak but was denied, per policy by the Chairman, the one that wanted me to speak at May's meeting.

It appears policy is sometimes followed and policy is sometimes NOT followed. Is this not a concern of any Director? Is this not a concern of the Policy Committee? Is this not a concern of the Chairperson who is responsible for ensuring the Board follows policy?

Thank you.

A copy of my comments are submitted to be included with the minutes.

Patsy Chavis
Patsy Chavis

04-19-22
Date

Representing Great Light Community Church

POINTS LREMC BOARD MEETING

April 2022

It's apparent to all here tonight that the Committee selected to search for candidates to fill the District 5 vacancy failed to follow policy. Since the Committee was formed IAW policy, then one can only conclude the Committee willfully and with negligence ignored policy. In fact, it is abundantly clear that it was never the committee's intent to follow policy but to continue with what has been historically called the gentlemen's agreement. This being the case, why form a committee, solicit applicants, and not follow through with interviews?

As far as the gentlemen's agreement, two names were in play to fill the vacancy; one early on and one a couple of months ago. It appears that a gentlemen's agreement is not a trustworthy method and justifies the approved policy the committee ignored.

Some observations during the special called board meeting to vote:


1. The full board appeared unprepared for the work at hand.
2. When issues were raised concerning the lack of interviews and a conflict of interest, no board members demonstrated any initiative to learn why there were no interviews nor questioned the conflict of interest such as how, when and who fixed it.
3. No board members questioned the Committee as to the basis of their recommendation in the absence of interviews.
4. In my opinion as a Member-Owner, the board was derelict in their duties by not enforcing standards by ending the meeting and sending the Committee back to complete their work. The end result may have been the same, but at least the Committee would have followed policy and I would have no right to speak on this tonight.

The board finds itself in a dilemma; does it take the hard right or the easy wrong? Furthermore, each board member has to make a choice to uphold a wrong or choose to do what's right. It's never too late to do the right thing.

I know factually that many of you in here ran campaigns stating "I want to do what's right and in the best interest of the membership". The question now is who on this board has the courage of their convictions and is willing to stand for the hard right instead of the easy wrong? It's your call, your term, your legacy.

If Board Directors cannot uphold a higher standard and follow policy with all eyes watching, then how can member-owners entrust you to do what's right when we are not watching?

Mr. Chairman, from one fellow retired Soldier to another, do you recall a key tenet in leadership from your years of leadership training? Always choose the hard right over the easy wrong!


Lynn E. Locklear
LREMC Member Owner
Red Springs, NC