

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION
Minutes of the Regular Meeting of the
Board of Directors
September 23, 2024

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., Monday, September 23, 2024. Directors present in person were Chairman Rory Eddings, Anthony Hunt James Hardin, Mary Beth Locklear, Ronald G. Hammonds, Sharon M. Burnette, Secretary Elaine O. Chavis, Vice Chairman Roger Oxendine, Treasurer Kirk Lowery, Erice Locklear, Sherry Carter, Rhonda Goins Dial and Ronald Anderson. Also present were Grady Hunt representing Hunt & Brooks, the Corporation's general counsel and President and CEO Jonathan T. Locklear.

Also present were the VP of Member Service & Community Relations Ruby Clark Quick, Executive Assistant Kim Chavis, VP of Eng. & Operations Matt Epps, Chief Operations Officer John Dyson, Chief Financial Officer Daniel Leonard, Vice President of Human Resources Marie Hussey, Vice President of Information Technology Craig Davis. Joshua Locklear, Manager of Key Accounts and Director of Corporate Safety Mark Walters were not present.

The Chairman called the meeting to order and prayer was said by Jonathan T. Locklear.

1. A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD ADOPTED THE AGENDA BY AMENDING THE AGENDA TO ADD VOTER SUPPRESSION AS AN ITEM IN EXECUTIVE SESSION. THE VOTE WAS CARRIED UNANIMOUSLY.
2. Vice President of Human Resources, Marie Hussey, introduced new employee, Fiber Accountant, Marlana Gilmore.
3. A MOTION WAS DULY MADE BY BOARD MEMBER RONALD G. HAMMONDS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE MINUTES FOR THE AUGUST 20, 2024 REGULAR BOARD MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE MINUTES FOR THE SEPTEMBER 9, 2024 POLICY COMMITTEE MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ERICE LOCKLEAR AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE MINUTES FOR THE SEPTEMBER 17, 2024 LOAN & ED COMMITTEE MEETING MINUTES. THE VOTE WAS CARRIED UNANIMOUSLY.

4. Chief Operations Officer John Dyson presented the Safety Report for the month of August 2024. Mr. Dyson noted that there was one avoidable vehicle incident and one first aid incident reported for August 2024. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE AUGUST 2024 SAFETY REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.

5. Ms. Elaine O. Chavis presented the Secretary's Report to the directors for the month of August 2024. A MOTION WAS DULY MADE BY BOARD MEMBER ELAINE O. CHAVIS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE AUGUST 2024 SECRETARY'S REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.
6. Mr. Kirk Lowery presented the Treasurer's Report (Form 7) to the directors for the month of August 2024. A MOTION WAS DULY MADE BY BOARD MEMBER KIRK LOWERY AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE AUGUST 2024 TREASURER'S REPORT (FORM 7). THE VOTE WAS CARRIED UNANIMOUSLY.
7. Chief Financial Officer Daniel Leonard presented the LREMC Financial Report for August 2024.

A MOTION WAS DULY MADE BY BOARD MEMBER RONALD G. HAMMONDS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE AUGUST 2024 ESTATE RETIREMENTS. THE VOTE WAS CARRIED UNANIMOUSLY.

8. President and CEO Jonathan T. Locklear noted that he attended the Statewide Meeting. Statewide has approved the budget for the new year anticipating a 4.8 percent increase in power costs for 2025. LREMC will need to look at making adjustments for 2025. There was a brief discussion about the power supply agreements. There was a discussion about microgrids. There are five in the state. There have been discussions with NCEMC to have microgrids in LREMC's territory. It's important to educate the members on microgrids interconnecting to our system.

VP of Eng. & Operations Matt Epps gave a brief presentation on renewable generations connecting to our system. Renewables are less than 20 megawatts in our system. LREMC needs to know about those renewables mainly for safety. Statewide is encouraging microgrids and we want to continue to have conversations with NCEMC concerning microgrids.

Sandhills is doing extremely well. They are on pace to do better this year than last year. They have lots of good projects going on and LREMC is expecting a 1.5M dollar payout this year plus additional funding in March 2025 from the investment fund. LREMC is working with Sandhills to maintain our generators. It makes sense because LREMC owns 30% of Sandhills.

Jon T. briefly discussed LREMC's energy services division. It was created because our customers were getting scammed and we wanted that division to be the experts in renewables to be able to assist our membership.

Ruby Clark Quick provided an update on the Annual Meeting of the Members. Ruby covered the schedule of events, the official notice given to members, C & E Committee decisions, the zone map & campaign area, member voting documents and other miscellaneous information.

9. Mr. Rory Eddings noted matters of interest to Directors to include the following:
 - a. Mailing of Official Notice for the LREMC Annual Meeting is Tuesday, September 24, 2024.

- b. Candidate Meeting will be held on Monday, September 30, 2024 at LREMC Headquarters, Pembroke, NC.
- c. All LREMC offices will be closed in observance of Labor Day on Monday, September 2, 2024.
- d. LREMC Annual Meeting will be held on Thursday, October 10, 2024 at LREMC Headquarters, Pembroke, NC.
- e. 2024 Fall Planning Session will be held Friday-Sunday, November 1-3, 2024 at Hilton Myrtle Beach at Kingston Resort, Myrtle Beach, SC.
- f. 2024 Winter School will be held Friday-Tuesday, December 13-17, 2024 in Nashville, TN.
- g. 2025 NRECA Directors Conference will be held on January 25-28, 2025 (also Online) in Ponte Verde Beach, FL.
- h. 2025 PowerXchange will be held Friday-Wednesday, March 7-12, 2025 in Atlanta, GA.

10. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD ENTERED EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.

BOARD MEMBER ROGER OXENDINE LEFT THE MEETING AFTER THE OPEN SESSION.

11. A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN TO LEAVE EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.

12. A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD CONFIRMED ALL ACTIONS TAKEN IN EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried. All votes were reaffirmed without discussion as follows:

A MOTION WAS DULY MADE BY BOARD MEMBER ERICE LOCKLEAR AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE LOAN REQUEST BY OLD MAIN STREAM ACADEMY, INC. FOR \$300,000.00. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND THE BOARD RESOLVED TO AMEND AND APPROVE POLICY BULLETIN NO. 106, APPROVE POLICY BULLETIN NO. 116, APPROVE POLICY BULLETIN NO. 203, APPROVE POLICY BULLETIN NO. 214, AMEND AND APPROVE POLICY BULLETIN NO. 221, APPROVE BOARD GOVERNANCE POLICY NO. 409, APPROVE BOARD GOVERNANCE POLICY BULLETIN NO. 410, APPROVE BOARD GOVERNANCE POLICY NO. 415, APPROVE BOARD GOVERNANCE POLICY NO. 432, APPROVE POLICY BULLETIN NO. 505, AMEND AND APPROVE POLICY BULLETIN NO. 513. THE VOTE WAS CARRIED UNANIMOUSLY.

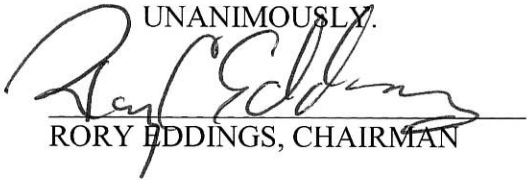
A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE ENGAGEMENT AGREEMENTS FOR LEGAL SERVICES OF HUNT & BROOKS AND SMITH & CHRISTENSEN, PLLC FOR 2025. ALL VOTED IN FAVOR EXCEPT FOR BOARD MEMBER RONALD G. HAMMONDS.

A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THAT THE 2025-2027 SUBSTATION MOWING CONTRACT BE AWARDED TO S & S BROTHERS LAWN CARE SERVICES. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER RONALD G. HAMMONDS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THAT THE ROCKFISH OCB REPLACEMENT BE AWARDED TO SERVICE ELECTRIC. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE PURCHASE OF A MOBILE SUBSTATION FROM DELTA STAR.

15. A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED TO ADJOURN THE MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.


RORY EDDINGS, CHAIRMAN


ELAINE O. CHAVIS, SECRETARY