

## REGULAR MEETING OF MEMBERS OF THE BOARD

June 22, 2020

A regular meeting of the members of the Board of Trustees of Fairfield Electric Cooperative, Inc., was held on Monday, June 22, 2020, at 12:30 p.m. at the cooperative headquarters in Blythewood, South Carolina. The following board members were present:

Mitchell D. Rabon  
William C. Good  
Peggy B. Jeffcoat  
John E. Roberts, III

Robert Entzminger  
Allen L. Beer  
Joseph E. Sharpe

Robert K. Miles  
Timothy L. Hopkins  
Donald Keith Lewis  
Cynthia E. Able

Attorney Ken DuBose was present.

President Mitch Rabon called the meeting to order and Robert Entzminger gave the invocation.

Staff members Doug Payne and Steve Davidson presented and discussed proposed staff recommendations for hosting a virtual annual meeting providing for several days of drive through early registration and early voting as allowed under the new governance laws effective August 1, 2020. Attorney DuBose presented and discussed legal requirements and recommendations for the Annual Meeting of Members, Voting for Trustee Positions, Voting for Single Member Districts Question to Members, and Voting for Required Bylaw Revisions. After lengthy discussion and following much deliberation, upon motion made by Allen Beer, seconded by Keith Lewis, motion carried, the following resolution was adopted:

**RESOLUTION BY THE BOARD OF TRUSTEES OF FAIRFIELD ELECTRIC COOPERATIVE, INC. SETTING THE PLACE, DATE, AND HOUR OF THE ANNUAL MEETING, PROVIDING FOR MEMBER VOTING FOR TRUSTEE POSITIONS, PROVIDING FOR MEMBER VOTING FOR BYLAW REVISIONS AND THE QUESTION OF SINGLE-MEMBER VOTING DISTRICTS, AND MATTERS RELATED THERETO**

**WHEREAS**, the governance and operation of Fairfield Electric Cooperative, Inc. is subject to the duly enacted bylaws by its members; and

**WHEREAS**, the bylaws are subject to and governed by the statutory law of the State of South Carolina the Electric Cooperative Act; and

**WHEREAS**, the Electric Cooperative Act (Act) and the bylaws provide for an annual meeting of the members; and

**WHEREAS**, the Act provides for notice requirements for the annual meeting and provides for quorum requirements, required voting on bylaw contents, required early voting, required voting of the day of the meeting, required voting of the question of single member voting districts and required voting of Board of Trustee positions by the general membership; and

**WHEREAS**, the Electric Cooperative Act and the bylaws (to the extent not inconsistent with the Act) contain requirements as to the Board of Trustees, voting by the membership, nominations for Trustee positions, notice, as well as other matters; and

**WHEREAS**, by letter dated May 26, 2020 the General Counsel for The Electric Cooperatives of South Carolina wrote in part:

As you know, S.C. Code Section 33-49-420 requires electric cooperatives to hold annual meetings of their consumer-members. These meetings are important because our members, as cooperative owners, annually elect trustees to govern their cooperative and, when necessary, approve bylaws. In fact, the recently approved governance legislation requires members to vote on important bylaw amendments as well as a question regarding voting districts. Under the new S.C. Code Section 33-49-621, the referendum on voting districts must be held by November 16.

## MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

However, the ongoing pandemic has forced many cooperatives to indefinitely postpone their annual meetings until it is safe to hold them.

Absent some unforeseen change, it will be difficult for cooperatives to hold annual meetings this year, notwithstanding the requirements of state law.

The new governance law, however, provides a potential solution that enables cooperatives to hold annual meetings that are focused on early voting instead of the usual mass gatherings. Starting with its effective date on August 1, Section 33-49-430 will provide that “[a] vote cast by a member at an early voting site counts for purposes of determining the presence of a quorum at the meeting where the election is to be held” (emphasis added). We believe this language will allow our cooperatives to conduct the required business during their annual membership meetings using the following procedures.

A cooperative would establish one or more early voting sites for members. The sites would need to comply with the new S.C. Code Section 33-49-440, which allows that “[t]he method for this alternative early voting should allow for voting by cooperative members from the hours of 7 a.m. to 7 p.m. and should include reasonable accommodations for elderly, disabled, or infirmed members as permitted by this section.” There is no limit on the number of early voting days or early voting sites, and ORS has previously advised us by letter that it believes a cooperative could allow early voting over multiple days at multiple sites. On the day of the actual business meeting (described below), S.C. Code Section 33-49-430 mandates that “[f]or meetings that include the election of cooperative trustees, polling locations must be open for a minimum of four hours.”

The cooperative would still hold a business meeting after the early voting period, but it would be attended in person by only key staff and trustees. During this business meeting, which would be live streamed to the members, cooperative leaders would provide the usual reports to the members and announce voting results.

If early voting failed to achieve a quorum, the annual meeting could be adjourned until a later date, with additional days of early voting in between until a quorum is reached.

**WHEREAS**, the Office of Regulatory Staff by letter dated June 4, 2020 responded as follows (in part):

The South Carolina Office of Regulatory Staff (“ORS”) has reviewed your May 26, 2020 letter outlining procedures some electric cooperatives are considering as part of their efforts to hold annual meetings during the current Covid-19 pandemic. We appreciate your association’s and the cooperatives’ efforts to find ways to hold annual meetings under the present constraints that exist. Your letter asks whether ORS agrees that early-voting focused annual meetings are consistent with the law.

ORS does not object to or oppose the early-voting focused procedures described in your letter, which seem to constitute reasonable precautions at the current time. ORS agrees procedures that make it easier for members to vote while preserving the integrity of the voting process should be encouraged. ORS also agrees effective August 1, 2020, S.C. Code § 33-49-430 provides that a vote cast by a member at an early voting site counts for purposes of determining the presence of a quorum at the meeting where the election is to be held (emphasis added).

**WHEREAS**, the May 26, 2020 letter (referenced in its entirety) provides:

## MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

The cooperative would still hold a business meeting after the early voting period, but it would be attended in person by only key staff and trustees. During this business meeting, which would be live streamed to the members, cooperative leaders would provide the usual reports to the members and announce voting results.

If early voting failed to achieve a quorum, the annual meeting could be adjourned until a later date, with additional days of early voting in between until a quorum is reached.

**WHEREAS**, the Office of Regulatory Staff (which has jurisdiction over certain pertinent Electric Cooperative Act provisions) letter dated June 4, 2020 is referenced in its entirety as is the May 20, 2020 letter to the Office of Regulatory Staff by the General Counsel of the Electric Cooperatives of South Carolina.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of Fairfield Electric Cooperative that:

1. The letter dated May 26, 2020 to the Office of Regulatory Staff (contained in the record for the June 22, 2020 Board of Trustees meeting) is referenced in its entirety.
2. The letter dated June 4, 2020 from the Office of Regulatory Staff (contained in the record for the June 22, 2020 Board of Trustees meeting) is referenced in its entirety.
3. The communication to Fairfield Electric Cooperative from J. Kennedy DuBose, Jr., Attorney (contained in the record for the June 22, 2020 Board of Trustees meeting) is referenced in its entirety.
4. Due to safety concerns for members and staff no venue is available to hold a large gathering of members and comply with CDC COVID-19 guidelines.
5. The following provisions are adopted:
  - (a) An early voting focused procedure (by drive through voting and drive through registration) by required voting by the members is adopted and approved.
  - (b) The annual business meeting for staff and trustees and other necessary persons will be a virtual meeting live streamed at the Blythewood Cooperative office on August 28, 2020 at 6:00 PM.
  - (c) The ballot question as to the bylaw revisions and single-member districts previously adopted and approved is in the form of a ballot question on Exhibit 1 as is the ballot question of voting for Trustee positions.
  - (d) The order of business for the virtual business meeting on Exhibit 2 is adopted and approved in substantially the form included.
  - (e) The manner of conducting drive through member registration and the ballot question and the manner, time, and place of early drive through voting and drive through voting on day of the annual meeting as shown on Exhibit 3 (in substantially the form attached) is approved and adopted subject to approval as necessary by the Credentials and Election Committee.
  - (f) The notice of the meeting shall be provided as required by state law (and bylaws subject to state law).
  - (g) No campaigning on behalf of candidates or placing campaigning signs within 200 feet from the point of registration and voting.
  - (h) The Chief Executive Officer and the pertinent bylaw committees are authorized to cause to be performed all acts necessary to accomplish the holding of the virtual annual business meeting and voting by the membership.

**IT IS SO RESOLVED** by Fairfield Electric Cooperative, Inc. this 22<sup>nd</sup> day of June, 2020.

## MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

Upon motion made by Tim Hopkins, seconded by John Roberts, motion carried, the minutes of the meetings held on May 18, 2020, were approved as presented.

Upon motion made by Cynthia Able, seconded by Kenny Miles, motion carried, 270 new consumers for the month of May were accepted as members of Fairfield Electric Cooperative, Inc.

Vicky Melvin, Controller, presented and discussed the financial and statistical reports for the month of May 2020 and provided an update on delinquent accounts due to COVID-19.

Bruce Bacon reported Operation Round Up's board met June 15<sup>th</sup> and made donations to two needy families, Midlands Foundation for Foster Children, and the Elgin Benevolence Fund.

Bruce Bacon reported four new security systems were sold and installed, one system was converted from another company, and forty five service calls were completed during May.

Bruce Bacon reported on the upcoming July 4 holiday and advised ACRE / ECHO campaigns are underway.

Bruce Bacon and John Roberts provided an update on the Touchstone Energy Scholarship awards.

Bruce Bacon advised NRECA has cancelled all 2020 Regional Meetings and is exploring hosting virtual meetings due to COVID-19.

Bruce Bacon reported as of now CEE-US's equipment show remains scheduled for October 7<sup>th</sup>.

Bruce Bacon provided an update regarding Central's exit process.

Bruce Bacon reported the Nominating Committee will meet on Thursday, June 25, at 11:00 a.m. followed by the Credentials & Election Committee meeting that afternoon at 2:00 p.m.

A list of delinquent accounts totaling \$3,544.13 for the month of May was presented for consideration for write off as uncollectible. Upon motion made by Keith Lewis, seconded by Tim Hopkins, motion carried, authorization was granted to write these off against the cooperative's reserve for uncollectible accounts.

A list of deceased patron's estates requesting payment of their capital credits was presented for consideration. After discussion and upon motion made by John Roberts, seconded by Allen Beer, motion carried, the following resolution was adopted:

The estates of 15 deceased members have requested the Board of Directors give consideration to approving the retirement of \$9,966.32 as an administrative convenience to the estates. After reviewing the Cooperative's financial statements and determining such retirement will not adversely impact the Cooperative's financial condition, Management recommends capital credits totaling \$9,966.32 be approved for payment. In addition, it should be noted that such approval does not obligate this Board or any future Board to retire the capital credits of the estates of deceased members presented at any future date.

Upon motion made by Cynthia Able, seconded by Kenny Miles, motion carried, the 2020-2021 Affirmative Action Plans for Minorities and Females, Individuals with Disabilities, and Protected Veterans having been previously provided to the board were approved.

## MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

The 2020 Board & Management Policy Manual having been previously provided to the board was approved upon motion made by Joe Sharpe, seconded by Tim Hopkins, motion carried.

Upon motion made by Keith Lewis, seconded by Joe Sharpe, motion carried, the August board meeting was rescheduled to August 28, 2020, immediately following the virtual annual meeting of members at the Blythewood Office in Richland County.

The Board Retreat scheduled in September was discussed. The Wampee facility is currently not available to outside groups due to COVID-19 restrictions. Upon motion made by Cynthia Able, seconded by John Roberts, motion carried, the Board Retreat was cancelled and the September board meeting was rescheduled for Monday, September 28, at 12:30 p.m. at the Blythewood Office location.

President Rabon discussed letters from Elliott Davis addressing the scope of their audit and a Letter of Engagement for auditing services for 2020. Both letters having been previously provided to board members were approved and the President was authorized to execute the Engagement Letter upon motion made by Kenny Miles, seconded by Keith Lewis, motion carried.

John Roberts presented an update on behalf of the Trustee Association.

Under old business, President Rabon reported he is currently serving on a broadband subcommittee of The Electric Cooperatives of SC. He provided an update on the rural need for broadband and reported financing is currently under legal review.

There was no new business to come before the Board.

There being no further business to come before the Board, upon motion made, seconded, and carried, the meeting was adjourned.

Signed: \_\_\_\_\_  
Peggy B. Jeffcoat, Secretary  
APPROVED

ATTEST: \_\_\_\_\_  
Mitchell D. Rabon, President



MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

2020 ANNUAL MEETING OF FAIRFIELD ELECTRIC COOPERATIVE, INC.  
BOARD OF TRUSTEES ELECTION - **OFFICIAL BALLOT**  
**EXHIBIT 1**-AUGUST 28, 2020

**District 1**

**Vote for One by placing an X in the box ( ☐ )**

☐ Allen Beer

☐ Peggy Swearingen

**District 2**

**Vote for One by placing an X in the box ( ☐ )**

☐ Kenny Miles

**District 3**

**Vote for One by placing an X in the box ( ☐ )**

☐ Peggy Jeffcoat

☐ Derial Ogburn

**At Large District**

**Vote for One by placing an X in the box ( ☐ )**

☐ Robert Entzminger

**9 SINGLE-MEMBER DISTRICTS AND 2 MEMBERS ELECTED AT LARGE**

**Ballot Introduction and Question:**

“In 2019, the South Carolina General Assembly passed governance reform legislation for the state’s electric cooperatives. The recommended bylaw changes, that were presented in the Official Notice and a copy provided at registration, are designed to comply with that legislation. In addition, the General Assembly passed a law requiring cooperative members to consider single-member voting districts. The Board of Trustees of the Cooperative proposes to divide the service territory into nine geographic districts with each district represented by one trustee on the board. We also propose to have one at-large district which encompasses all nine geographical districts and represented by two trustees on the board. This structure would allow you to vote for candidates in the district where you reside as well as candidates in the at-large district. Your Cooperative’s board recommends that you vote “Yes” for the bylaw changes and the structure recommended for single member voting districts.”

**“Do you approve the Board’s recommendation to adopt the proposed bylaw changes and the structure recommended for nine (9) single member voting districts for trustees and an at large district with two (2) trustee positions?” Vote for One by placing an X in the box. ( ☐ )**

☐ Yes  
☐ No



## MEETING OF MEMBERS OF THE BOARD CONTINUED

June 22, 2020

### **EXHIBIT 2**

#### Bylaws 3.07 – Order of Business

1. Registration of Members - Will take place at early voting days and on the day of the annual meeting as set by the board.
2. Early voting to elect board members
3. Secretary's Report – Announcement of quorum, reading Notice of Early Voting, Notice of Voting on the Day of the Meeting, Notice of the Virtual Annual Business Meeting, and proof of mailing.
4. Announce Members - Credentials & Election Committee who counts the votes
5. Approval of minutes from 2019 Annual Meeting by the Board of Trustees
6. Presentation of Information - Reports of officers, trustees, and committees
7. Unfinished Business
8. New Business
9. Announcement of Election Results
10. Adjournment
11. Drawing & Announcement of Prize Drawings from registered members

(Not withstanding the foregoing, the Board of Trustees may from time to time establish a different order of business.)

### **EXHIBIT 3**

#### Registration and Early Voting Procedures

1. Members will be required to present a photo i.d. in order to be validated a member and then allowed to register.
2. Pre-Registration cards will be bar-coded and electronically scanned at early drive through registration lines.
3. Members without the pre-registration form will be validated by cooperative records.
4. Registered members will be given a pen, an "Official Ballot," and a summary explanation of proposed bylaw changes and the single member district question.
5. Registered member proceeds to the drive through voting station, deposits their ballot into a secured ballot box at which time they will be provided their registration gift.

#### Early Registration & Early Voting - Drive Through Sites Schedule

- \* Early voting will not begin before August 18, 2020.
- \* Hours 7:00 a.m. to 7:00 p.m. except for annual meeting day  
Monday through Thursday
- \* Registration & Voting will be held in one county each day  
Fairfield County -Fairfield Electric's Winnsboro Office  
Richland County – Fairfield Electric's Blythewood Office  
Kershaw County -Site TBD  
Chester County - Site TBD
- \* Virtual Annual Business Meeting - August 28 – 6:00 p.m. - Fairfield Electric's Blythewood Office attended by trustees and staff only.
- \* Drive Through Registration and Drive Through Voting on Annual Meeting Day – August 28 at Fairfield Electric Winnsboro Office (7:00 a.m. to 12:00 noon only)
- \* Members may register and vote at any location on established dates.



## THE ELECTRIC COOPERATIVES OF SOUTH CAROLINA

808 KNOX ABBOTT DRIVE, CAYCE, SC 29033-3318 • P: (803) 796-6060 F: (803) 796-6064 • ECSC.ORG SCLIVING.COOP

May 26, 2020

Ms. Nanette S. Edwards  
Executive Director  
Office of Regulatory Staff  
State of South Carolina  
1401 Main Street, Suite 850  
Columbia, SC 29201

Dear Nanette:

Thank you for a helpful call on May 21 about electric cooperative annual meetings. We are writing to outline a new approach for achieving quorum for these meetings. Our goal is to continue corporate governance during the pandemic while safeguarding the health and welfare of our members. We would appreciate learning the position of ORS on these issues, and since many cooperatives need to make decisions soon, there is some urgency to this request.

As you know, S.C. Code Section 33-49-420 requires electric cooperatives to hold annual meetings of their consumer-members. These meetings are important because our members, as cooperative owners, annually elect trustees to govern their cooperative and, when necessary, approve bylaws. In fact, the recently approved governance legislation requires members to vote on important bylaw amendments as well as a question regarding voting districts. Under the new S.C. Code Section 33-49-621, the referendum on voting districts must be held by November 16.

However, the ongoing pandemic has forced many cooperatives to indefinitely postpone their annual meetings until it is safe to hold them. Under current law, an annual meeting quorum requires at least 5% of the members to be “present in person” (S.C. Code Section 33-49-430), which requires large attendance numbers—hundreds or thousands of people. Under the current orders from Governor McMaster, we are not able to hold such mass gatherings. Even if the orders were lifted, we would be unable to hold annual meetings in a way that guarantees recommended social distancing, especially for at-risk individuals. This is especially true for cooperatives that hold their annual meetings in enclosed spaces, such as high school gymnasiums. Absent some unforeseen change, it will be difficult for cooperatives to hold annual meetings this year, notwithstanding the requirements of state law.

The new governance law, however, provides a potential solution that enables cooperatives to hold annual meetings that are focused on early voting instead of the usual mass gatherings. Starting with its effective date on August 1, Section 33-49-430 will provide that “[a] vote cast by a member at an early voting site counts for purposes of determining the presence of a quorum at the meeting





where the election is to be held.” We believe this language will allow our cooperatives to conduct the required business during their annual membership meetings using the following procedures.

A cooperative would establish one or more early voting sites for members. The sites would need to comply with the new S.C. Code Section 33-49-440, which allows that “[t]he method for this alternative early voting should allow for voting by cooperative members from the hours of 7 a.m. to 7 p.m. and should include reasonable accommodations for elderly, disabled, or infirmed members as permitted by this section.” There is no limit on the number of early voting days or early voting sites, and ORS has previously advised us by letter that it believes a cooperative could allow early voting over multiple days at multiple sites. On the day of the actual business meeting (described below), S.C. Code Section 33-49-430 mandates that “[f]or meetings that include the election of cooperative trustees, polling locations must be open for a minimum of four hours.”

A cooperative would need to take appropriate measures to protect the health of its employees and members. Assuming that can be accomplished, the early voting sites would likely allow for drive-up voting, and members would be allowed to vote for board candidates, bylaw changes, the district voting referendum, and any other business that must come before them. Again, in order to achieve a quorum, at least 5% of the cooperative’s members must vote early in this process.

The cooperative would still hold a business meeting after the early voting period, but it would be attended in person by only key staff and trustees. During this business meeting, which would be live-streamed to the members, cooperative leaders would provide the usual reports to the members and announce voting results. Most cooperatives have a bylaw stating that members must have prior notice of any matter they may be asked to vote on during the annual meeting. As a result, this approach should not deprive members of any rights or decisions that they would otherwise enjoy during a mass gathering. Nonetheless, cooperatives could facilitate a web-based process for allowing members to submit comments during the online broadcast. If early voting failed to achieve a quorum, the annual meeting could be adjourned until a later date, with additional days of early voting in between until a quorum is reached.

Importantly, this option might not be right for all cooperatives this year. Factors such as geography, territory size, available technology and staff resources must be considered, and of course the health of our members must take priority. However, if the pandemic persists or reoccurs, it might be necessary to achieve a quorum this way in future years as well. For these reasons, we think early voting is a critical new tool to ensure good, continued cooperative governance.

Does ORS agree that early-voting focused annual meetings are consistent with the law? As always, we appreciate your feedback.

Very truly yours,



Christopher R. Koon  
Senior Vice President and General Counsel



**CHRISTOPHER M. HUBER**  
**Deputy General Counsel for ORS**

Office of Regulatory Staff  
1401 Main Street  
Suite 900  
Columbia, SC 29201  
(803) 737-0800  
ORS.SC.GOV

June 4, 2020

**VIA EMAIL ONLY**

Mr. Chris Koon  
The Electric Cooperatives of South Carolina, Inc.  
808 Knox Abbott Drive  
Cayce, South Carolina 29033  
chris.koon@ecsc.org

Dear Mr. Koon:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed your May 26, 2020 letter outlining procedures some electric cooperatives are considering as part of their efforts to hold annual meetings during the current Covid-19 pandemic. We appreciate your association's and the cooperatives' efforts to find ways to hold annual meetings under the present constraints that exist. Your letter asks whether ORS agrees that early-voting focused annual meetings are consistent with the law.

ORS does not object to or oppose the early-voting focused procedures described in your letter, which seem to constitute reasonable precautions at the current time. ORS agrees procedures that make it easier for members to vote while preserving the integrity of the voting process should be encouraged. ORS also agrees effective August 1, 2020, S.C. Code § 33-49-430 provides that a vote cast by a member at an early voting site counts for purposes of determining the presence of a quorum at the meeting where the election is to be held.

ORS understands there is no one size fits all approach to the current challenges and that recommendations and circumstances related to the pandemic are changing constantly. We further understand there are other approaches cooperatives may take that are different than what you describe in your letter but also comply with applicable laws and orders from the Governor's Office. We also do not want to discourage cooperatives from opening their annual meetings to allow a limited number of members to attend in person, provided the cooperatives feel they can safely and legally do so in a manner that complies with applicable social distancing recommendations.

Again, thank you for your efforts during these difficult times on behalf of the cooperatives your association represents.

Sincerely,

*s/ Christopher M. Huber*

# SMITH ROBINSON

Forward thinking. Results driven.

Smith Robinson Holler DuBose and Morgan, LLC

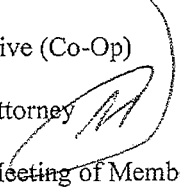
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SUMTER 126 N. Main Street, Sumter, SC 29151  
P: 803.778.2471 F: 803.778.1643

CAMDEN 935 Broad Street, Camden, SC 29020  
P: 803.432.1992 F: 803.432.0784

DATE: June 11, 2020

TO: Fairfield Electric Cooperative (Co-Op)

FROM: J. Kennedy DuBose, Jr., Attorney 

SUBJECT: Requirement for Annual Meeting of Members and Voting for Trustee Positions and Voting for Single Member Districts Question and Voting for Required Bylaw Revisions

## Objective:

Hold an annual meeting of the members as mandated by state law (Section 33-49-420) and by the Co-Op bylaws (Section 3.01)

- To be compliant with state law as to early voting (Section 33-49-440 effective August 1, 2020) and four hours minimum voting on the meeting date.
- To be compliant with state law Section 33-49-621 to “put the question of single-member districts to its membership at an annual meeting” and to amend the bylaws to be compliant with state law.
- To be compliant with state law (and the bylaws) by holding trustee position elections and to provide for a fair and accessible method of early voting (Section 33-49-440).
- To ensure the annual meeting and voting for trustees and as well as voting on the mandated bylaw changes and mandated single member district question is safe for the employees and members in regard to the declared South Carolina State of Emergency and DHEC and CDC guidelines regarding gathering of persons. (COVID-19 Social Distancing)

## Requirements:

1. Bylaw provisions
2. State law provisions
3. COVID-19 guidelines and requirements

## Discussion:

State law and the Co-Op bylaws require an annual meeting of members to conduct elections of trustees and vote on matters requiring the vote of members.



1. Trustee election
2. Bylaw changes
3. Single member district question

However, COVID-19 requirements recommend (and in some instances) require social distancing, and no large gathering where the COVID-19 distancing requirements cannot be met- particularly for at risk persons including those over 70.

State law which applies and dictates the operation of the Co-Op provides that as to annual meeting requirements and voting requirements for trustees and mandated issues in state law that “The Office of Regulatory Staff is granted authority and jurisdiction over electric cooperatives that provide only wholesale services with regard to any of the foregoing statutory provisions to the extent that those provisions are applicable to the wholesale electric cooperatives”. (Section 33-49-150).

The statutory provisions that dictate voting at annual meetings and apply to holding an annual meeting of members are among the statutory provisions the Office of Regulatory Staff has authority and jurisdiction over.

By letter dated May 26, 2020, Christopher R. Koon, Senior Vice President and General Counsel of The Electric Cooperatives of South Carolina wrote to the Office of Regulatory Staff as follows (in part):

As you know, S.C. Code Section 33-49-420 requires electric cooperatives to hold annual meetings of their consumer-members. These meetings are important because our members, as cooperative owners, annually elect trustees to govern their cooperative and, when necessary, approve bylaws. In fact, the recently approved governance legislation requires members to vote on important bylaw amendments as well as a question regarding voting districts. Under the new S.C. Code Section 33-49-621, the referendum on voting districts must be held by November 16.

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ORS does not object to or oppose the early-voting focused procedures described in your letter, which seem to constitute reasonable precautions at the current time. ORS agrees procedures that make it easier for members to vote while preserving the integrity of the voting process should be encouraged. ORS also agrees effective August 1, 2020, S.C. Code § 33-49-430 provides that a vote cast by a member at an early voting site counts for purposes of determining the presence of a quorum at the meeting where the election is to be held.

Conclusion:

Fairfield Electric Cooperative, Inc. through its Board of Trustees could:

- Establish an annual meeting place, date, and time. This has traditionally been at Fairfield Central High School which is unavailable due to the COVID-19 concerns.<sup>1</sup> The annual meeting would be a virtual meeting with Trustees and staff only.

An alternate site in Fairfield County could be the Co-Op office in Winnsboro.

The meeting would observe social distancing for the Board and staff and would be live-streamed for reports and election results.

A minimum of four hours voting would be provided on that annual meeting date probably via drive through voting and registration. The four hours need not necessarily conclude at the start time for the business portion of the annual meeting. This would allow the votes to be counted prior to the start time for the annual business meeting.

Early voting sites (using drive through registration and voting) could be established on different days in Kershaw County, Chester County, Fairfield County, and Richland County (in compliance with statute – 7:00 a.m. to 7:00 p.m.).

Other bylaw provisions including those as to Notice to Members, Nomination by Committee, and Credentials and Election Committee would be complied with.

#### Timeline:

Possible timeline to be bylaw and statutory compliant for annual meeting and voting on single member districts and bylaws.

- Board of Trustees (Trustees) establish annual meeting place, time, and date on June 22.
- Modified Order of Business adopted (this could possibly be done at July meeting)
- Trustees establish early voting, voting on meeting day, virtual meeting, and other meeting requirements on June 22.
- Annual meeting on August 28, with business meeting at 6:00 p.m.
- Early registration and voting by drive through in Kershaw County, Chester County, Richland County, and Fairfield County (7:00 a.m. to 7:00 p.m.). Could use four different days but should if possible be within two weeks of the annual meeting
- Annual business meeting at Winnsboro office at 6:00 p.m., and voting on that day 7:00 a.m. to 12:00 p.m.
- Votes counted after voting concludes at annual meeting day and prior to business meeting

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<sup>1</sup> It appears no other site is available during the annual meeting time frame due to COVID-19 concerns.



- Nominating Committee meets by conference call on or before June 29 so can post nominees (Bylaw Section 4.06) at least 40 days prior to annual meeting
- All other requirements as to annual meeting and notice are met



## Memo

June 19, 2020

To: Bruce Bacon  
From: Doug Payne  
Subject: Annual Meeting Available Sites

As a follow up to our conversation concerning the 2020 Annual Meeting, I have inquired with several locations about reserving a facility.

I talked to Dr. Green with the Fairfield County School District and he does not see the school district allowing large groups to gather anytime in the near future. I ask about later in the year in November or December and he did not think that would be possible with the predictions of the second wave.

I also talked to Eddie Baughman with White Oak Conference Center and they are not currently booking any large groups at their facility.

I did reached out to the Gateway Conference Center in Richburg. They are limiting the number of people at their facility at this time. Even without limitations, they do not have a facility large enough either. The large room they have will seat 1,000 auditorium style seating.

With the ongoing COVID-19 pandemic going on, it does not look like we will be able to find a facility to accommodate us.

# Coronavirus Disease 2019 (COVID-19)

## Considerations for Events and Gatherings

As some communities in the United States begin to plan and hold events and gatherings, the CDC offers the following considerations for enhancing protection of individuals and communities and preventing spread of coronavirus disease 2019 (COVID-19). Event planners and officials can determine, in collaboration with [state and local health officials](#), whether and how to implement these considerations, making adjustments to meet the unique needs and circumstances of the local community. Because COVID-19 virus circulation varies in communities, these considerations are meant to supplement—**not replace**—any state, local, territorial, or tribal health and safety laws, rules, and regulations with which gatherings must comply. Organizers should continue to assess, based on current conditions, whether to postpone, cancel, or significantly reduce the number of attendees for gatherings.

### Guiding Principles

- A gathering refers to a planned or spontaneous event, indoors or outdoors, with a small number of people participating or a large number of people in attendance such as a community event or gathering, concert, festival, conference, parade, wedding, or sporting event.
- The *more people* an individual interacts with at a gathering and the longer that interaction lasts, the higher the potential risk of becoming infected with COVID-19 and COVID-19 spreading.
- The *higher the level of community transmission* in the area that the gathering is being held, the higher the risk of COVID-19 spreading during a gathering.
- The size of an event or gathering should be determined based on state, local, territorial or tribal safety laws and regulations.

The risk of COVID-19 spreading at events and gatherings increases as follows:

**Lowest risk:** Virtual-only activities, events, and gatherings.

**More risk:** Smaller outdoor and in-person gatherings in which individuals from different households remain spaced at least 6 feet apart, wear cloth face coverings, do not share objects, and come from the same local area (e.g., community, town, city, or county).

**Higher risk:** Medium-sized in-person gatherings that are adapted to allow individuals to remain spaced at least 6 feet apart and with attendees coming from outside the local area.

**Highest risk:** Large in-person gatherings where it is difficult for individuals to remain spaced at least 6 feet apart and attendees travel from outside the local area.

### Targeting COVID-19's spread

SARS-CoV-2, the virus that causes COVID-19, is thought to be mostly spread by respiratory droplets released when people talk, cough, or sneeze. It is thought that the virus may also spread to hands from a contaminated surface and then to the nose, mouth or eyes, causing infection. Therefore, personal prevention practices (such as [handwashing](#), [staying home when sick](#), [maintaining 6 feet of distance](#), and [wearing a cloth face covering](#)) and environmental prevention practices (such as [cleaning and disinfection](#)) are important ways to prevent the virus's spread.

These prevention principles are covered in this document. They provide event planners and individuals with actions to help lower the risk of COVID-19 exposure and spread during gatherings and events.