

**CHOPTANK ELECTRIC COOPERATIVE, INC.
MINUTES OF
ANNUAL MEMBER MEETING**

APRIL 26, 2016

The 78th Annual Member Meeting of Choptank Electric Cooperative, Inc. ("Cooperative") was held at The Milestone, in Easton, MD, on Tuesday, April 26, 2016. Registration and voting by Members in person began at 4:30 p.m., followed by refreshments for all in attendance.

Mr. Robert Behlke, Vice President of Member Affairs, called the meeting to assemble at 5:50 p.m. He announced to the Members that the time for voting was about to end and that any qualified Member who wished to vote in the election of Directors should promptly complete and sign his ballot and turn it in to the Credentials & Election Committee ("C & E Committee").

The meeting was called to order at 6:00 p.m. by Olin S. Davis, III, Chairman of the Board of Directors of the Cooperative. All Cooperative Directors were in attendance, as were President & CEO, Michael I. Wheatley, Recording Secretary, Dawn M. Bowie, and Attorney, H. Michael Hickson.

The National Anthem was played.

Jeffrey D. Rathell, Sr., Director from the Talbot County Director District, led everyone in the Pledge of Allegiance.

Mr. Carl R. Widdowson, Director from the Somerset County Director District, gave the invocation and asked for a moment of silence for Cooperative employees and members who have passed away during the past year.

Chairman Davis welcomed everyone to the 78th Annual Member Meeting.

The Chairman announced that there were more than 50 registered Members present in person at the meeting, and declared that a quorum was present.

After inquiring if there was any qualified Member who wished to vote and who had not voted, and hearing no response, Chairman Davis declared the polls closed.

Chairman Davis introduced the Board of Directors and others on stage.

Michael I. Wheatley, President & CEO of the Cooperative, introduced his staff and employees, and commended them for their hard work and dedication to the Cooperative.

A motion was made, seconded and duly carried by the Members to dispense with the reading of the notice of the 2016 annual Member

meeting. Chairman Davis received a certification from Mr. Behlke that the notice of the 2016 annual Member meeting had been sent to all qualified Members as required by the Cooperative's bylaws.

Chairman Davis noted that the minutes of the 2015 annual Member meeting had been approved by the Board, as recommended by Robert's Rules Of Order, and had been posted on the Cooperative's website since May of 2015.

President & CEO Michael I. Wheatley recognized guests and dignitaries.

Katie Joy, National Youth Leadership Council (NYLC) Representative and North Carolina High School student, was invited to speak about her Youth Tour experiences. Katie enjoyed her time in Washington, DC. Katie was also invited to attend the NRECA Annual Meeting to New Orleans, Louisiana in February 2016. She thanked Choptank Electric for sponsoring her trips. If it had not been for Choptank's generosity she would not have had such memorable experiences traveling on behalf of the NYLC.

Mr. Wheatley then introduced and asked the members of the Maryland General Assembly who were present, Senator Addie Eckardt, Delegate Johnny Mautz and Delegate Chris Adams, to give a few remarks. Each legislator present was also a Cooperative Member, and complimented the Cooperative on the service it provides to its Members.

Director John J. Burke, Jr., Secretary/Treasurer, then presented the Treasurer's Report for the year ended December 31, 2015. After the financial presentation, a motion was made, seconded and carried by the Members to approve the financial statements as presented.

Mr. Wheatley then presented his annual report, including a power point presentation, that described some of the ways in which the Cooperative contributed in 2015 to meeting its goals of providing safe, reliable, and cost effective electricity to its Members with service excellence. Mr. Wheatley shared that the Cooperative had replaced 16 miles of underground and seven (7) miles of overhead lines. With the help of Asplundh, vegetation was trimmed along 586 miles of line. Mr. Wheatley reported the average interruption of service during an outage was 1.57 hours. The average residential bill amount for 2015 was \$141.00, the same as it was in 2009. In 2015 there was a capital credit payout of \$2.4 million. Mr. Wheatley also touched on the Wildcat Point Generation Plant, under construction in Cecil County. The Choptank Trust awarded \$300,000 in 2015 to various individuals and organizations. Since 2003 the Trust has awarded \$3.4 million, including \$2,000 scholarships. Mr. Wheatley commented on the various benefits of the AMI meters, including proactive maintenance based on AMI reports to completely avoid some outages, remote controlled transfer of service, members can review their usage on line, just to name a few. The Regional Service Center will be opened in May. The building will have solar panels and Choptank hopes to offer community solar to interested Members. In the environmental area, the Cooperative's first electric vehicle is located in the St. Michaels

district, and there are plans to install more charging stations throughout the Cooperative's service territory. The Bloomfield Substation now has an oil containment system, protecting the nearby wetland areas. The Cooperative will continue to install containment near wetland and water way areas. Mr. Wheatley then recognized his Senior Staff.

Chairman Davis called on Mr. William Edwards, Chairman of the C& E Committee, to present the C & E Committee Report regarding the election results, including ballots received by mail and electronically and counted by the election contractor, Survey & Ballot System, Inc., and the ballots cast by members in person at the meeting.

Mr. Edwards then read the following vote totals for the election from the C&E Committee Report:

From the Caroline County Director District:

Virginia Legg Albers	835 votes
Francis ("Sonny") Addison Callahan, Jr.	1,400 votes

From the Wicomico County Director District:

Matthew Ross Holloway (unopposed)	2,086 votes
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From the Worcester County Director District:

David William Bruning, Sr. (unopposed)	2,158 votes
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Mr. Edwards delivered the C & E Committee Report, including the original certified count of votes received by Survey & Ballots, Inc., to Chairman Davis.

Based on the C & E Committee Report, Chairman Davis declared that Francis ("Sonny") Addison Callahan, Jr., Matthew Ross Holloway, and David William Bruning, Sr., were elected from their respective Director Districts as members of the Board of Directors for a three (3) year term or until their successors shall have been elected or appointed and qualified.

There was no unfinished business to come before the Members.

There was no new business to come before the Members.

The Chairman called for questions from the floor. There were questions concerning capital credits, replacing the trees that were removed with vegetation, and the long term plan for upgrading the infrastructure.

Based on the amount of students that attended the meeting because of their interest in the "Luck of the Draw" Scholarship Awards Program, the Board of Directors called an impromptu meeting, in which it was duly moved, seconded and unanimously carried to increase the number of \$1,000 scholarships to be awarded at the meeting from five (5), as planned, to ten (10). Following an announcement of the Board's action, the names of ten (10) qualified applicants for the scholarships were drawn on the stage. Congratulations to the following scholarship winners: Ethan King, Megan Watts, Matthew Elliott, Zac Brown, Phillip

Whitby, Bridget Jenkins, Rachel Richardson, Nicholas Koski, Joseph Burack and Abigail Barcus

Door prize numbers were drawn on the stage, and door prizes were distributed to the winners by Cooperative employees. In addition, every Member who attended the meeting received a \$10.00 credit on their electric bill.

There being no further business, the meeting was adjourned by Chairman Davis at 7:11 p.m.



**John J. Burke, Jr.
Secretary/Treasurer**