

To The Members Of Clay Electric Co-operative:



*John E. Meng,
Executive V.P./
Gen. Mgr.*

This winter has been a time of severe winter storms in the Midwest that Clay Electric Co-op had the good fortune to miss. That all changed on Feb. 1, 2011. Ice began to build on the lines from mid-morning

through the afternoon hours. The ice build up on the lines in the Co-op's service territory ranged in thickness from hardly any ice in Wayne County to approximately 1 to 1 ½ inches in the southern part of Effingham County.

Before the wind started to blow most all of the people that called in reported lines being down which was caused by the weight of the ice. When the wind started to blow reports of poles being broken, cross-arms being broken and conductor galloping came into the office. The weight of the ice, and the galloping of the conductors, resulted in some of the worst damage to the pole line structures on the Coop's system that had been experienced in more than 30 years.

Early on Tuesday, Feb. 1 a call was made to the Association of Illinois Electric Cooperatives (AIEC), that coordinates the Illinois Electric Cooperative Emergency Work Plan, to let them know that the Co-op would be requesting help at some point during the day. At approximately noon it was reported that due to the winter storm being so widespread, the effect on the state of Illinois and on neighboring states, that it was unlikely that the Co-op would be able to get any

additional help any time soon.

Wayne-White Electric Cooperative was contacted and they were able to provide two linemen in the afternoon on Feb. 1. They also said that it was possible that two more linemen could be provided the next day. Southern Illinois Power Cooperative (SIPC), the Co-op's power supplier was contacted and arrangements were made for eight linemen employed with a contractor would help the Co-op. Another contractor was contacted and they were able to supply five additional linemen to help with the restoration of service. The work force consisted of six Co-op linemen and 17 linemen from Wayne-White and the contractors. Also, two tree trimmers that work for a contractor were utilized during the restoration of service.

Not only was the restoration of service complicated and slowed by the ice, snow, and bitter wind chill factors, the transmission lines owned by Ameren, which supplies power to the Co-op's substations, were affected by the same weather problems. On Wednesday, Feb. 2, Ameren had no power to three of the Co-op's substations for approximately 10 hours. This combined with a fourth substation that the transformer in the substation had failed, gave a total of approximately 2,600 accounts being without service.

After Ameren restored service to the substations, switching of load from the substation with the failed transformer gave the capability of energizing most of the accounts. On Sunday afternoon, Feb. 6, a tree fell into an Ameren transmission line causing an interruption of approximately two hours for three of the four substations

that were off on Wednesday.

At this time the estimate for this storm is in excess of \$300,000 and this number does not include the cost of repair or replacement of the failed substation transformer. The estimated cost of service restoral has been supplied to the Illinois Emergency Management Agency in an effort to obtain a disaster declaration. If this effort is successful, then there should be funds made available to help reduce this cost.

The longest outage lasted from 1 p.m. Tuesday, Feb. 1 until 1:30 p.m. Monday Feb. 7. All outages that occurred were responded to as quickly as possible. The situation could have been much worse had it not been for the dedicated effort of the people involved in working long hours in restoring the service, the additional vegetation clearance along the right-of-ways that have been obtained in the last few years, and the ceasing of the ice build up when it did.

The number of thank you notes, hot beverages, homemade sweets, and other acts of kindness received from members for the work that was done during the storm were greatly appreciated by the employees of Clay Electric. The Board of Directors and employees want to thank you the Members for your patience and understanding during the extended time of the outages during this ice storm. The Board and employees also want to thank the tree trimmers, and all of the linemen from Wayne-White Electric Cooperative and the contractors for their hard and safe work in helping restore power to the Members of Clay Electric Co-operative.

Minutes of Board of Trustees Meeting

Regular January meeting postponed to Feb. 7, 2011

Trustees present were: Frank Czyzewski, Bill Croy, Neil Gould, Frank Herman, Kevin Logan, Bob Pierson, Richard Rudolphi, Danny Schnepper and Greg Smith. Also present were Executive Vice President/General Manager John Meng, and Cooperative Attorney Melanie Pearce. The invocation was given by President Czyzewski.

Approved the minutes of the regular meeting held December 20, 2010 and the Special Meeting minutes of January 10, 2011.

Accepted 14 new members for service.

Canceled 16 members no longer receiving service.

Approved work orders in the amount of \$69,191.46.

Accepted the disbursement list for the month of December, 2010.

Approved the financial and maintenance reports for the month of December, 2010 as presented by Gen. Mgr. Meng.

Heard a report concerning the February 1st ice storm response given by Gen. Mgr. Meng.

Heard a report by Trustee Logan concerning the recent AIEC monthly Board meeting, including several handouts, and the recent Strategic Planning Meeting.

Heard a report by Trustee Herman concerning the recent SIPC Board meeting, including financial information, the status of financing sources and terms of loans, and the strategic planning meeting.

Appointed John Meng as Delegate and Doug Hockman as Alternate for the Workers Compensation and Rochdale Services Annual Meeting.

Discussed and **Approved** the Budget for 2011 as presented.

Discussed and **Approved** the Annual Meeting date of September 8, 2011.

Heard and Approved a report by Gen. Mgr. Meng regarding the retirement of capital credits to the estates of 2 deceased members pursuant to Cooperative Policy.

Informed and Discussed the malfunction of the transformer at the Sailor Springs Substation.

Adjournment.

Celebrating 30 years

Karen Forth, Billing Clerk at Clay Electric Cooperative in Flora, Ill., celebrated her 30th year at the Cooperative on Feb. 2, 2011. She was presented with a token of appreciation for her years of service. Karen handles the monthly billing process of accounts, and several other responsibilities. She lives in Flora with her husband, John.



Karen Forth is presented a token of appreciation for her years of service by Exec. V.P. / Gen. Mgr. John Meng



Clay Electric Co-operative, Inc.

A Touchstone Energy® Cooperative 

7784 Old Hwy. 50, P.O. Box 517, Flora, Illinois 62839

618-662-2171 • 800-582-9012

Office hours: 7:30 a.m. — 4:00 p.m.

Nominating Process As Approved By Members At 2010 Annual Meeting

ARTICLE III TRUSTEES

SECTION 1. – General

Powers. The Board of Trustees shall consist of nine members. Except as otherwise provided by law, the certificate of incorporation of the Co-operative, or by these bylaws, the Board of Trustees shall manage the business affairs and property of the Co-operative, authorize contracts, fix charges for its services for furnishing electric energy to its members, and for other services rendered for and to its members, and shall otherwise manage the affairs of the Co-operative in such manner as may be necessary, convenient or proper in order to carry out its objectives and purposes; provided, however, that the Co-operative shall not be operated for pecuniary profit either to itself or to its members.

SECTION 2. – Qualifications and Tenure.

(a) The persons named as Trustees in the certificate of incorporation of the Co-operative shall compose the Board of Trustees until the first annual meeting or until their successors shall have been elected and shall have qualified. At each annual meeting of the members beginning with the year 1941, Trustees shall be elected by ballot, by and from the members, as hereinafter provided, to serve until the next annual meeting of members or until their successors shall have been elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of Trustees. No member shall be eligible to become or remain a Trustee, or to hold any position of trust in the Co-operative who is not a member and is not presently residing in the area served or to be served by the Co-operative, and in addition thereto is not a bona-fide

resident of the district from which he is elected, or who is in any way employed by or financially interested in a competing enterprise or a business enterprise or a business selling electric energy or supplies to the Co-operative, or a business primarily engaged in the selling of electrical or plumbing appliances, fixtures or supplies to the members of the Co-operative. When a membership is held jointly by a husband and wife, either one, but not both, may be elected a Trustee; provided, however, that neither one shall be eligible to become or remain a Trustee or to hold a position of trust in the Co-operative unless both shall meet the qualifications hereinabove set forth. Nothing in this section contained shall be construed to affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Trustees. **(As amended July 14, 1978)**

(b) At the first Annual Meeting of Members following the meeting held in the year 1947, three Trustees shall be elected for a term of one year; three for a term of two years; and three for a term of three years; and all nominations made for Trustees to be elected at this meeting, regardless of the method by which said nominations are made, shall specify for what terms said person is being nominated, and no person shall be nominated for more than one of the alternative terms. Thereafter, at each Annual Meeting of the Members, three Trustees shall be elected each for a term of three years, to succeed those Trustees whose term is then expiring. **(As amended February 11, 1947)**

SECTION 3. – Nominations.

(a) For the purposes of

nomination of candidates for the office of Trustee, and to determine the number of Trustees elected to represent each district, the following districts and number of Trustees representing each district are established as follows:

District	Number Of Trustees
District IV to include Pixley Township, Clay County; and Noble Township and Denver Township, Richland County	1
District V to include Hoosier Township and Louisville Township, Clay County	1
District VII to include Clay City Township and Stanford Township, Clay County; and Keith Township, Wayne County	1

(As amended July 14, 1978)

(b) Any qualified member, a member meeting the requirements of Article III, Section 2 of these Bylaws, from the required District, may be nominated for Trustee by official petition of not less than fifteen (15) members of the Co-operative from the required District. Official petition forms will be available at the Co-operative Headquarters no more than one hundred twenty (120) days prior to the date of the meeting for

Continued on page 16d ►

◀ *Continued from page 16c*

the calendar year in which Trustee's terms expire.

(c) All candidates' nomination petitions, together with such additional information as may be requested by the Secretary of the Co-operative, shall be submitted by the prospective candidate to the Secretary at the Co-operative headquarters building, not less than forty-five (45) days prior to the date of the meeting at which Trustees will be elected. At the time of delivering the signed written petition to the Secretary, the prospective candidate shall also deliver to the Secretary a completed Statement of Qualifications demonstrating that he or she is qualified to serve as a Trustee under the terms of Article III, Section 2 of the bylaws. All petitions filed by persons waiting in line as of 8:00 a.m. on the first day for filing, or as of the normal opening hour of the headquarters building on that day, shall be deemed filed as of 8:00 a.m. or the normal opening hour, as the case may be. Petitions filed by mail and received after midnight of the first day for filing and in the first mail delivery or pickup of that day shall be deemed as filed as of 8:00 a.m. of that day or as of the normal opening hour of such day, as the case may be. All petitions received thereafter shall be deemed as filed in the order of actual receipt. Where 2 or more petitions are received simultaneously, the Secretary shall break ties and determine the order of filing, by means of lottery or other fair and impartial method of random selection approved by the Secretary. Such lottery shall be conducted within nine (9) days following the last day for petition filing and shall be open to the public. Seven (7) days written notice of the time and place of conducting such random selection shall be given by the Secretary and such notice shall be posted at the Co-operatives headquarters building.

(d) The Secretary shall review all candidate nomination petitions to insure that the candidate is qualified to be a Trustee and to insure that the

requisite number of qualified signatures (signatures of members residing in the required District) are contained in the petition.

(e) The Secretary shall cause to be posted a list of all qualified nominations at the Co-operative's headquarters building thirty (30) days before the meeting and shall cause to be mailed with the notice of meeting or separately, but at least five (5) days before the date of the meeting at which Trustees are to be elected, a statement of the number of Trustees being elected, the names and addresses of the candidates, and the Districts in which they are candidates. The ballot to be used at the election, if needed, shall list the names of the candidates nominated and the District in which they are candidates. Further, the order of candidates on the ballot shall be determined as follows: for each district, all candidates shall be listed in the order in which their petitions have been filed; where candidates have filed simultaneously, they shall be listed in the order determined by lot and prior to candidates who filed for the same District at a later time.

(f) In the event petitions are received only for the number of Trustees to be elected in a District and the Secretary determines the petitions are in order and the candidates qualified, no further election process shall be held and those candidates nominated shall be declared elected as Trustees at the meeting.

(g) Nominations by petition is the only means or method of becoming a candidate for Trustee. No nominations shall be made by nominating committee nor from the floor of a meeting at which trustees are to be elected.

(h) In the event the term of Secretary of the Co-operative expires at an upcoming meeting, the duties of the Secretary for the nominating process will be assumed by the President or Vice-President of the Co-operative. If all three officers' terms expire in the same year, another Trustee will be appointed to oversee the nominating process. **(As amended September 2, 2010)**

**Petitions available May 23, 2011
Deadline to return petitions
July 26, 2011**

Clay County Water Update

Clay County Water, Inc. has received word from USDA Rural Development, that the funds have been obligated for the Phase 3 project. The Phase 3 project includes about 50 miles of water line located in Southeast Xenia, South Stanford, South Harter, South Clay City Townships and a few other short line extensions in the area.

We are now finalizing the map of where exactly the line will go. If you have not been contacted, or would like to sign up for water service to your location, please call. Do not put this off any longer.

Doug Hockman 662-6666, Sue Pettit 662-4305,
Bob Pierson 662-7471, Kye Hemphill 662-4590,
Bill Seelman 662-8479, Dwight Edgington 678-2782
Kevin Henry 618-838-6123, or Hank Hilmes 662-2388.