

# Egyptian Electric News

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### **New Facility**

From our earliest days in 1938, Egyptian Electric Cooperative Association has gratefully become a thriving electric Cooperative. Future planning for our members was, and always has been, a top priority. Part of the planning process is to evaluate the need of facility space.

The very first meeting place of our Cooperative was held at 1000 Hanson Street in Murphysboro, Illinois. In late 1938, the very first cooperative headquarters was established in Campbell Hill, also known in the news as the Campbell Hill Cooperative. Early Cooperative leaders struggled with the permanent placement of office facilities, eventually deciding on Steeleville and Murphysboro as locations for district offices. In the late 1940s, a district office was established to the outskirts of Murphysboro, the site of a closed chicken factory, that was later rebuilt. Over 60 years ago, and with much controversy, it was voted to relocate the headquarters to the Village of Steeleville, closing Campbell Hill, and not choosing the other front runners of Chester and Sparta. In early 1950, the current Steeleville office building was constructed.

Over the last twenty-five years, Cooperative leaders have discussed various alternatives to address both locations as they have been inadequate in space, functionality and efficiencies. Equipment has grown larger, and technological equipment more important. The Murphysboro facilities have altogether become outgrown, as the southern service territory and new membership continues to develop. Being organized in the same era as the other electric cooperatives nationwide, and going from 500 members to 15,000 members, this situation is not surprising. Today we have come to a cross-road where our

growing needs must be acted upon.

In early 2015, Egyptian Electric's board of directors instructed management to review and assess both office facilities. Upon review of their information, they then requested outside professional assistance in the evaluation process. The Cooperative entered into an agreement with a consulting firm specializing in cooperatives, Cooperative Building Solutions, to evaluate both locations by identifying options to address the needs and problems. The study revealed numerous issues that included lack of vehicle and material storage space, lack of member convenience and privacy, lack of security, lack of critical technology and lack of current ADA requirements. The consulting firm confirmed that something needed to be done. After having described the problems, solutions had to be addressed. They found that both existing facilities faced extreme challenges in an effort to make the facilities adequate and up to code, such as unsecure sites, poor site layout inside and out that are not ADA compliant, and dangerous points of access to name a few. We also found out for ourselves in 2009, the lack of disaster resistant areas for we had for our employees, as well as

the unsatisfactory facilities we had for accommodating the help needed in emergency situations.

By late 2015, the board of directors concluded that a second outside professional assessment should be completed. A collection of local professionals assembled to present to our Cooperative leaders their assessment of our current offices and facility needs. The group was led by White and Borgognoni Architects from Carbondale, engineering was led by Asaturian Eaton and Associates, also from Carbondale, with support from BRIC Partnership Consulting Engineers, located in Belleville, Illinois.

The Cooperative then compared and evaluated the given and available options to address the present and future needs of the Steeleville headquarters facility, and the fast growing needs of our Murphysboro site. Both studies came to the same conclusions, some improvements were feasible, yet with high price tags that would only delay our superseding needs. At Murphysboro, even if upgrades were made to the building, it would not address the hindering issues with vehicle storage, material storage, parking and site access that would remain due to the inability for



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### October is Coop Month

There are Seven Cooperative Principles that give all co-ops guidance

October is National Co-op Month! The time of year when the 29,000 plus coops from all over the United States take a moment to ensure their employees, members, and the general public truly understand the value of the cooperative business that they own. Cooperatives around the world, including Egyptian **Electric Cooperative Association** operates according to the same core principles and values, adopted by the International Co-operative Alliance. All cooperative businesses have at their foundation built upon these seven cooperative principles. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England in 1844. One of the ways co-ops demonstrate that they are different from investor-owned businesses is actually living by the principles.

Dating back to the 1930s, ordinary folks realized they would be better off working together if they wanted to bring electricity to their community. That is how Egyptian Electric Cooperative was established 78 years ago. Once the cooperative networks were established, early co-op pioneers soon realized that if they worked with "sister co-ops", principle #6: cooperation among cooperatives, they could gain control of their power supply. That is why cooperatives, across the county formed over 60 generation and transmission (G&T) cooperatives such as Southern Illinois Power Cooperative (SIPC), your local G&T cooperative. So while we take special note of the value of our cooperative in October, we are delighted to be a part of our community delivering vital services to you all year long.











# Classroom Grants

#### **A Commitment to Our Schools**

Egyptian Electric Cooperative is again offering Touchstone Energy Classroom Empowerment Grants for our local schools located within our Cooperative's territorial footprint. We are aware that adequate funding for many school systems has been a challenge. Commitment to Community is one of our Touchstone Energy core principles, and we are committed to the communities we serve and want to continue to provide assistance to them.

Six \$500 Classroom
Empowerment Grants will be offered and awarded to public and K-12 schools to help them with projects that will improve educational opportunities for students. An impartial panel of judges will evaluate the applications based on the projects that best serve the purpose of improving the learning environment and/or increasing educational resources for the school.

### How do Teachers or School Administrators apply?

- Review the official rules and complete the Grant Application Form found on Page 9 of this magazine, both found on our website homepage, www.eeca.coop, or in one of our offices.
- Attach a double-spaced typewritten request, under three pages, with the following information:

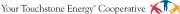
- A description of the project and what it will accomplish.
- The estimated cost of the project.
- An explanation of why funds or additional funds are necessary for the completion of the project.
- Whether other funding options have been pursued and if so, the status of those requests.
- When the project should be completed.
- The number of students impacted by the project.
- If the project's goals are measurable and how they would be measured if the project is successful.
- How does the project tie to our Touchstone Energy core values of: integrity, accountability, innovation and commitment to community.
- Have the completed Grant Application Form and attached type-written request received at either of our offices by 4 p.m. on Monday, November 7.

The grant awards will be announced by Friday, December 2, 2016. For questions regarding the Classroom Empowerment Grants, please contact Brooke Guthman at (618) 684-2143 or bguthman@eeca.coop. It's that simple and straightforward, so don't miss this opportunity!









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property expansion. Meaning it came down to either proposing to make substantial improvements to both sites to last another 50 years, or look at relocating or developing at least one new site.

Our Cooperative leaders then began more seriously evaluating locations for new facilities. Locations were explored that had existing building(s) and sites that did not, from Steeleville - toward Chester and Sparta, and from Murphysboro to Vergennes and Carbondale. Factors of importance included the size of property, location and accessible with our large equipment and trucks. Proximity to our three phase electric service, sufficient water service, and high speed fiber optic services would also be important considerations for the potential property.

Management analyzed member patterns regarding membership growth, payment locations and methods, as well as new construction, service upgrades, and outage restoration. The results of this study indicated members were making payments more by electronic methods, by phone and automatic transactions opposed to face-to-face transactions. Research also showed, when members did decide to travel to an office to make a payment, majority chose the Murphysboro office. This movement was also echoed in the construction world, where approximately 80 percent of the trending service and work orders were being completed out of the Murphysboro office. Understanding that every member is the most important member, the needs of all members have been kept in the forefront of decisions, and the ones yet to have be made.

By mid-2015, Cooperative leaders made the decision to move forward with the conceptual design of one new facility, and for it to be directed by the local architect and engineering group. After years of research, the property would be chosen south of the intersection of Route 4 and Route 13/127. This location would have the same estimated drive time from Lively Grove and Red Bud, to Interstate 57 south and Johnson County, and offers numerous advantages not available at



the existing locations. It is also located in an enterprise zone, with tax incentives, and across the road from one of our substations, meaning that we would now have to ability to provide our own electricity, with minimal line extension costs.

In the new facility discussions, the Cooperative began evaluating the best time for implementation. As a result of the downturn in the U.S. economy in 2008, interest rates were still at an all-time low, and with probability to never be lower. Due to the lack of complete economic recovery in the Midwest, construction costs were projected to still be reasonable, but would likely begin to increase as the economy improves. It was concluded that the most fiscally responsible time for construction, for the membership, was now.

By mid-2016, after management and employee input was provided to the architects from the preliminary plans, a final plan was established and prepared to send out for bids. We strongly feel from start to finish that the overall plans are the most basic and practical to serve its purpose, yet well placed and expandable if ever needed. The proposed building, warehouse, covered garage and site are sized for all current functions and for anticipated future growth. From the beginning, it was envisioned to replace the Murphysboro office, yet as time passed it made sense to build it as the new headquarters, with the space to retain everyone if decided. The office and linemen's area is 16,700 ft2, the mechanics and warehouse

is almost 13,000 ft2, and the vehicle storage is approximately 20,300 ft2.

To this point, confirmation of construction was never absolute or confirmed, because if the total cost and bid prices came in too high, the entire construction project could be halted and therefore reevaluated. Bids were released July 14 and after review, we wish to inform you that the EECA board of directors voted on August 30, 2016 to proceed with the construction of a new headquarters. The bid for the project was approximately \$9.5 million, to be completed by Samron Midwest Contracting, a local contractor and member. It is projected to break ground this fall, with the goal to be ahead of the winter weather. At this time, it has been decided to retain the Steeleville property as an operations center. It will provide better work flow, productivity and efficiencies that will be most beneficial to our members. The average rate impact to the member is expected to be less than 1 percent, due to increased efficiencies and reduced duplicative functions that come with running two office complexes, including interconnection costs, regular monthly bills, duplicate equipment and so on. Your Cooperative is very excited about the construction of a new headquarters facility and how it will help in continuing to provide safe, reliable and affordable electric service for many more decades to come to serve all areas served by Egyptian Electric Cooperative.





