

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

Minutes of Regular Board Meeting
Headquarters Building – Fort Morgan, Colorado

November 22, 2021: The regular monthly meeting of the Board of Directors of Morgan County Rural Electric Association was called to order at 9:00 a.m. on the above date. Directors present were Dave Arndt, Jim Bostron, Randolph D. Graff, Terry Linker, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom. Larry D. Hoozee and Brian Pabst were present by telephone.

Also present were David Frick, General Manager, Matthew Richardson, General Counsel, and initially, those members of staff who personally provide monthly staff reports to the Board of Directors.

APPROVAL OF MINUTES: The Board reviewed draft minutes from the October 18, 2021, regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of October 18, 2021, were approved as presented.**

APPLICATIONS FOR MEMBERSHIP: After reviewing the applications for Membership in the cooperative presented at today's meeting for consideration by the Board of Directors,

- ◆ **By motion made, seconded, and carried, applications for membership numbered 26619 through 26660 were approved.**

CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.

MEMBER INPUT: Mr. Peggram reported that a member had recently approached him regarding an Association rate increase. Mr. Peggram explained to the member that the Association is enacting a rate decrease, not an increase.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. Association staff discussed Federated Insurance's Injuries, Near Misses, and Damages Report, CREA's Near Misses Report, and reviewed the Safety Manual Driving & Backing Safety Procedures during the preceding month. Manager Frick reported on instances of property damage during the preceding month. Questions were asked and answered, and discussion followed.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder presented the Human Resources report. Ms. Binder reported to the Board regarding Association personnel changes. Ms. Binder also reported on upcoming meetings for organizations of which the Association is a member. Questions were asked and answered.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. Mr. Sundet reported on initial coordination with RUS on approval of the Association's 2022-2025 Construction Work Plan. Mr. Sundet hopes to have RUS approval of that plan, which includes construction of approximately fifty miles of distribution line, by January 2022. Mr. Sundet presented a list of Association industrial loads on master meters. Mr. Sundet also reported

regarding installation of electric oil and gas drilling rigs in the Association service territory. Questions were asked and answered, and discussion followed.

STAFF REPORT – OPERATIONS: Mr. Brenton presented the monthly Operations report. MCREA crews installed thirty-four new services at a new subdivision in Wiggins during the previous month and seven new single-phase services elsewhere throughout the territory. Mr. Brenton also updated the Board regarding progress of contractors Great Plains Power and Altitude Energy.

STAFF REPORT – MEMBER SERVICES: Mr. Baranowski presented the monthly Member Services report. The Association has engaged in initial discussions with a solar generation company regarding a possible purchase power agreement for solar power. The Association also continues to coordinate with Tri-State on preparation of a request for proposals for a large-scale solar project. Mr. Baranowski reported regarding member-installed net meters on the Association system. There are thirty-eight rooftop solar installations and a single wind net meter on the Association system. Eleven applications for solar net meters are currently pending. Association staff continues to explore beneficial electrification initiatives, including home electric vehicle chargers, Tri-State’s electric home rebate, and electric heat pump installation incentives. Mr. Baranowski reported on the Tri-State-administered end use survey. Lastly, Mr. Baranowski reported on Association rate filings with the Colorado Public Utilities Commission. Questions were asked and answered.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver presented the Association’s October 2021 financial reports. Mr. Shaver next presented the proposed 2022 Operating and Capital Budgets, as well as a 10-Year Financial Forecast, along with detailed analysis of each.

- ◆ **By motion made, seconded, and carried, the Board approved the proposed 2022 Operating Budget, the proposed 2022 Capital Budget, and the proposed 10-Year Financial Forecast as presented.**

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER’S REPORT: Mr. Linker presented the monthly Treasurer’s report, with attention paid to the monthly accounts payable check register reflecting checks issued during the previous month. Following review and consideration of the register of accounts payable, President Wickstrom ordered that the check register be filed.

Members of staff exited the meeting.

MANAGER’S REPORT: Manager Frick presented his monthly report to the Board. Manager Frick reported on an upcoming employee retirement and requested that the Board approve the customary employee retirement gift.

- ◆ **By motion made, seconded, and carried, the Board approved making the Association’s customary retirement gift as proposed by Manager Frick.**

Attorney Richardson presented a proposed By-law revision to the Board. Recently enacted cooperative governance legislation changed the deadline for submitting a director nomination petition from forty-five days to sixty days prior to the election and the proposed amendment would re-set the availability date for director election nomination petitions to correspond to with the statutory deadline changes.

- ◆ **By motion made, seconded, and carried, the Board adopted the proposed By-law amended as presented.**

Manager Frick and Attorney Richardson presented proposed revisions to Policy 2-6 “Nomination, Balloting & Election of Directors.” Attorney Richardson advised the Board that the changes were necessary to comply with new election deadlines under recently enacted cooperative governance legislation.

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 2-6 “Nomination, Balloting & Election of Directors.”**

Manager Frick reported that staff had reviewed Policy 9-14 “Employees Serving on Boards of Directors in Associated Organizations” and recommend reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 9-14 “Employees Serving on Boards of Directors in Associated Organizations.”**

Manager Frick reported that staff had reviewed Policy 9-15 “Security of Protected Health Information” and recommend reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 9-15 “Security of Protected Health Information.”**

Manager Frick presented staff’s proposed revisions to Policy 9-16 “Transitional Duty.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 9-16 “Transitional Duty.”**

Manager Frick updated the Board regarding preparations for the Board’s 2022 Strategic Planning Meeting, the Association’s 2022 Annual Meeting, and a Customer Appreciation Event on June 16, 2022.

PRESIDENT’S REPORT: President Wickstrom designated Manager Frick and Mr. Linker as the Association’s nominees for the Tri-State Generation & Transmission Rate Committee.

TRI-STATE G&T BOARD REPORT: Mr. Graff reviewed and discussed happenings at Tri-State G&T as the Cooperative’s delegate on the Tri-State G&T board.

WESTERN UNITED BOARD REPORT: Mr. Linker reported on happenings at Western United, including review of its October 2021 Financial Report, which had previously been provided.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported that the CREA Board had not met since the Association's October meeting but that he had forwarded CREA's most recent legislative report to the other Directors.

OTHER MEETING REPORTS: Mr. Arndt reported on his attendance at Basin Electric Power Cooperative's recent annual meeting.

CALENDAR OF EVENTS: None.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: Manager Frick discussed with the Board re-sodding the grass at the Association Headquarters.

There being no further business to consider, the meeting was declared adjourned 2:15 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary