

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

September 27, 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, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom.

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 August 23, 2021 regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of August 23, 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 26551 through 26575 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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: None.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. Manager Frick reported on instances of property damage during the preceding month. The Joint Health & Safety Committee met on September 10, 2021, and discussed Commitment to Safety, reviewed Federated Insurance's Injuries, Near Misses, and Damages Report, and CREA's RESAP certification program.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder presented the Human Resources report. Ms. Binder presented to the Board regarding upcoming director conferences. She reminded the Board of the need to select a voting delegate for Federated Rural Electric Insurance's director election at the September 29, 2021 NRECA Region 7 Meeting and President Wickstrom appointed Jim Bostron as the Association's voting delegate for that election. The Board discussed whether to reschedule the Association's October 18th, 2021 regular board meeting to October 25th due to the cancellation of the CoBank Energy Director's Conference. The Board had previously rescheduled its October meeting from the 25th to the 18th, due to a conflict with the CoBank Energy Director's Conference. After discussion, the Board consensus was to hold the meeting on the 18th, as previously decided. Ms. Binder informed the Board of the upcoming flu clinic.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. Stanley Consultants, Inc. has submitted an initial draft of the Association's 2022-2025 Construction Work Plan, which Mr. Sundet reviewed with the Board. Questions were asked and

answered, and discussion followed. Mr. Sundet updated the Board regarding prospective new large loads. One industrial member is considering implementing a 2500 kW electric drilling rig. Mr. Sundet also discussed possible installation of biofuel digesters in the Association service territory.

STAFF REPORT – OPERATIONS: Mr. Sundet presented the monthly Operations report. MCREA crews changed out eight poles and built to nine new service locations during the preceding month. MCREA crews also installed underground line to serve a new subdivision in Wiggins. Great Plains Power is near completion of Construction Work Plan projects in Prospect and Hoyt. Great Plains Power will commence a seven-mile line rebuild project once the Prospect and Hoyt projects are complete. Mr. Sundet reported to the Board regarding repair to a double circuit line in Woodrow after recent storm damage. Mr. Sundet showed photographs of a new Association bucket truck and reported on various used Association equipment that will be sold at auction.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski presented the monthly Member Services report. CREA has increased its prices for the Colorado Country Life due to postage costs increases. The Association is in initial talks with Tri-State Generation & Transmission regarding a request for proposals for a large-scale solar project. Manager Frick reported that Tri-State was conducting a member survey and had offered to permit member cooperatives to submit survey questions to gauge interest in solar projects. After discussion, the Board directed Manager Frick to request that Tri-State poll members to gauge interest in and support for an Association solar project. Mr. Baranowski also reported to the Board regarding residential solar development in the service territory. Mr. Baranowski reported that the Association’s supplier will no longer stock Marathon water heaters and therefore the Association will no longer offer those for sale. The Association’s social media posts are showing increased engagement. A recent Facebook post regarding a storm outage reached over 4,600 people. Forty-four members have signed up for the Association grassroots program. The Colorado Energy Office has implemented a DC fast charger plaza grant program with increased funding.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver presented an initial draft of the Association’s Cost of Service Study prepared by Robert Scrivener. Mr. Shaver presented a proposed rate reduction spurred due to Tri-State’s recent rate reduction. Questions were asked and answered, and discussion followed.

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.

Mr. Linker and Mr. Tormohlen exited the meeting at 12:38 p.m.

MANAGER’S REPORT: Manager Frick presented his monthly report to the Board. Manager Frick and Attorney Richardson presented proposed revisions to Policy 6-1 “General Business Ethics.” Attorney Richardson advised the Board that the changes were necessary to comply with recently enacted cooperative governance legislation.

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 6-1 “General Business Ethics.”**

Next, Manager Frick presented proposed revisions to Policy 9-7 “Employee Benefits,” which revisions are necessary to comply with recently enacted legislation.

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 9-7 “Employee Benefits.”**

Manager Frick reported that staff had reviewed Policy 9-12 “Sexual Harassment” and recommend reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 9-12 “Sexual Harassment.”**

Manager Frick presented staff’s proposed revisions to Policy 9-17 “Cellular Phone Policy.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 9-17 “Cellular Phone Policy.”**

Manager Frick reported that staff had reviewed Policy 10-10 “Upgrading and Downgrading Association Facilities” and recommend reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 10-10 “Upgrading and Downgrading Association Facilities.”**

Manager Frick presented staff’s proposed revisions to Policy 10-12 “Procedure Governing Member Complaints.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 10-12 “Procedure Governing Member Complaints.”**

Manager Frick next presented a proposed Construction Services Contract with Altitude Energy, LLC. Questions were asked and answered.

- ◆ **By motion made, seconded, and carried, the Board approved as presented the proposed Construction Services Contract with Altitude Energy, LLC.**

Manager Frick asked the Board for direction regarding an Association Christmas party. The Board consensus was for staff to plan a Christmas party. Manager Frick also presented regarding initial plans for the Association’s 2022 budget.

PRESIDENT’S REPORT: None.

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: President Wickstrom directed the Board's attention to Western United's August 2021 Financial Report, which had previously been provided.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on happenings at CREA as the Cooperative's delegate on the CREA board.

OTHER MEETING REPORTS: None.

CALENDAR OF EVENTS. None.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 2:07 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary