

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION
Minutes of Regular Board Meeting
Headquarters Building – Fort Morgan, Colorado

March 25, 2024: 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 at the beginning of the meeting were Dave Arndt, Jim Bostron (by telephone), Kyle Eiring, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom.

Also present were David Frick, General Manager, and Matthew Richardson, General Counsel.

BOARD REORGANIZATION: In accordance with Section 2 of Article VI of the Association’s Bylaws, the Board elected the following officers, each my motion for unanimous ballot made, seconded, unanimously carried:

President: Cary Wickstrom
Vice President: Brian Pabst
Secretary: Terry Tormohlen
Treasurer: Terry Linker

By motion made, seconded, and unanimously carried, the Board appointed Larry Hoozee as the Association’s Tri-State Generation & Transmission Director for one year.

By motion made, seconded, and unanimously carried, the Board appointed Dave Arndt as the Association’s CREA Director for one year.

By motion made, seconded, and unanimously carried, the Board appointed Terry Linker as the Association’s Western United Director for one year.

Members of the Association staff that provide monthly reports to the Board entered the meeting at 9:08 a.m.

APPROVAL OF MINUTES: The Board reviewed draft minutes from the February 26, 2024, regular Board meeting and corrections were proposed.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of February 26, 2024, were approved.**

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

- ◆ **By motion made, seconded, and carried, applications for membership numbered 27469 through 27491 were approved.**

CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the Association since the last meeting of the Board.

MEMBER INPUT: Directors reported on a member feedback including new service connections and an instance of property damage.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Operations Department discussed the CREA and Federated Near Miss Reports and underwent various safety training during the preceding month. Manager Frick advised the Board regarding several instances of damage to Association poles caused by motor vehicles and excavation equipment. The Joint Health & Safety Committee met on March 12, 2024 and discussed the Association’s ongoing internal “RESAP” safety accreditation. Questions were asked and answered.

STAFF REPORT – HUMAN RESOURCES: Ms. Binder reported on upcoming meetings for organizations of which the Association is a member. She reported on the upcoming retirement of an employee and requested that the Board approve the Association’s customary gift to retiring employees.

- ◆ **By motion made, seconded, and carried, the Board approved the customary retirement gift for the retiring employee as requested.**

STAFF REPORT – ENGINEERING: Mr. Mason presented the monthly engineering report. Construction of the Association’s new substation in Stoneham is expected to be completed in June of 2024. Contractor Altitude is performing that work. Mr. Mason also updated the Board regarding an electric oil and gas drilling rig that recently went into service in the Association territory. The Board viewed photographs of the Stoneham construction and the electric drill pad. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Mr. Mason presented the monthly Operations report. Association crews worked on pole new construction, pole changeouts, and service retirements and upgrades during the preceding month, and updated the Board on work being performed by Association contractors. Castle Rock Microwave recently completed a survey of Association tower facilities for necessary maintenance and replacement and Mr. Mason presented the executive summary of that survey. Questions were asked and answered.

STAFF REPORT – MEMBER SERVICES: Mr. Baranowski presented the monthly Member Services report. There are no currently pending applications for new net metered interconnections. The Board discussed Tri-State’s pending rate change. The Board also discussed the Association’s recent 2024 Annual Meeting of the Members. Questions were asked and answered. Mr. Baranowski reported on motor and variable speed drive and air source heat pump rebates that Tri-State is offering as part of its beneficial electrification initiative. The Association’s Lineworker Scholarship application deadline is May 24, 2024.

STAFF REPORT – OFFICE SERVICES: Mr. Shaver presented the monthly Office Services report. Mr. Shaver updated the Board regarding the progress of the Association’s external audit for the 2023 financial year. Mr. Shaver presented an analysis of the variance between Tri-State’s current rates and its proposed rates which FERC has not yet approved. Mr. Shaver also presented data showing the Association’s real property tax liabilities by county and by year from 2019 through 2023. Questions were asked and answered.

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 that staff had reviewed Policy 6-7 “Protection of Personally Identifying Information,” Policy 9-8 “Legal Counsel for Employees,” and Policy 10-7 “Idle Services,” and recommended reaffirmation of those policies without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 6-7 “Protection of Personally Identifying Information,” Policy 9-8 “Legal Counsel for Employees,” and Policy 10-7 “Idle Services.”**

Manager Frick presented data comparing the residential electric service rates of several northeastern Colorado electric cooperatives. Manager Frick discussed his participation on the Tri-State Contract Committee and the Association’s wholesale electric service contract with Tri-State. Discussion followed. Manager Frick asked the Board whether it desired to continue holding the Annual Meeting by telephone town hall. Discussion followed. Manager Frick advised the Board regarding the amount of Association-staff preparation and the potential for interference with Association activities involved with hosting the Morgan Community College Gala. The Board consensus was to leave it to the General Manager’s discretion whether to continue hosting the MCC Gala. Manager Frick updated the Board regarding the marketing and sale of the Association’s residential property in Prospect Valley and proposed an amendment to the listing agreement.

- ◆ **By motion made, seconded, and carried, the Board approved the proposed amendment to the listing agreement.**

Manager Frick updated the Board regarding Association personnel matters. Questions were asked and answered. Lastly, Manager Frick reminded the Board that the Annual Member Appreciation is scheduled for June 13, 2024.

PRESIDENT’S REPORT: None.

TRI-STATE G&T BOARD REPORT: Mr. Hoozee reviewed and discussed happenings at Tri-State Generation & Transmission. Attorney Richardson reported on various regulatory proceedings and litigation involving Tri-State.

WESTERN UNITED BOARD REPORT: Mr. Linker reported on happenings at Western United, its most recent financials, and its new mission statement.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported that the CREA had not yet met for the month. He reported on the agenda for upcoming meetings and on proposed State legislation affecting electric cooperatives.

OTHER MEETING REPORTS: The Board discussed Tri-State’s policies regarding its directors’ service on other entity boards, as well as the recent NRECA Annual Meeting.

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 2:44 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary