

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

May 20, 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, Kyle Eiring, Larry D. Hoozee, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom.

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

APPROVAL OF MINUTES: The Board reviewed the minutes of April 15, 2024, regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of April 15, 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 27521 through 27550 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the Association since the last meeting of the Board.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: None.

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, reviewed the Association safety manual, discussed meter tampering, and underwent various safety training during the preceding month. Manager Frick reported on instances of property damage during the preceding month. The Joint Health & Safety Committee met on May 14, 2024, and discussed the 2024 Safety Improvement Plan, which is near completion, along with MCREA's participation in the Mesa Hotline School and the NRECA Safety Summit. Questions were asked and answered.

STAFF REPORT – HUMAN RESOURCES: Ms. Binder provided updates on forthcoming meetings for organizations affiliated with the Association, in addition to highlighting her attendance at the CREA HR Conference.

STAFF REPORT – ENGINEERING: Mr. Sundet presented the monthly engineering report. Mr. Sundet updated the Board on construction workplan progress of a new substation, photographs were presented. Mr. Sundet also reported on an electric oil and gas drilling rig. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Mr. Mason presented the monthly Operations report. Association crews worked on new construction, pole changeouts, service retirements and upgrades during the preceding month. Mr. Mason reported on the work being performed by Association contractors. Questions were asked and answered.

Mr. Mason requested board authorization to receive a 2025 order in 2024, which will be produced ahead of schedule. The order is for a One-Man Bucket Truck at a cost of \$223,732.

- ◆ **By motion made, seconded, and carried the Board approved the purchase of a one-man bucket truck at a cost of \$223,732.**

STAFF REPORT – MEMBER SERVICES: Mr. Baranowski presented the monthly Member Services report. Mr. Baranowski reported on a large-scale net metering request. Questions were asked, and answered, and discussion followed.

Mr. Baranowski reported that the winners of the youth scholarships were presented to the students during their graduations.

STAFF REPORT – OFFICE SERVICES: Mr. Shaver presented the monthly Office Services report. Questions were asked and answered, and discussion followed.

Mr. Shaver presented the Association’s 2023 audit report, as prepared by Kelso, Lynch. Kelso Lynch issued an unmodified opinion. The Board discussed whether to have Kelso Lynch present its report to the Board and the Board consensus was not to do so, because the Kelso Lynch had issued an unmodified opinion.

- ◆ **By motion made, seconded, and carried, the Board accepted the Association’s 2023 Audit Report prepared by Kelso Lynch as it had been 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. Pabst 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, Vice President Pabst 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 presented staff’s proposed revisions to Policy 1-12 “Association’s Attorney.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 1-12 “Association’s Attorney.”**

Manager Frick presented staff’s proposed revisions to Policy 1-15 “Potential Sale of the Association’s Electric Business, Assets, and Properties.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 1-15 “Potential Sale of the Association’s Electric Business, Assets, and Properties.”**

Manager Frick presented staff’s proposed revisions to Policy 6-8 “Regarding Notification of a Security Breach” and recommended reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy “Regarding Notification of a Security Breach” without revision.**

Manager Frick presented staff’s proposed revisions to Policy 9-10 “Personal Leave Without Pay” and recommended reaffirmation without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 9-10 “Personal Leave Without Pay” without revision.**

Manager Frick updated the Board regarding Morgan County REA’s Rules & Regulations. Manager Frick and the Board discussed an Association master-metered account. Manager Frick updated the Board regarding the marketing of the Prospect Valley property. Lastly, Manager Frick updated the Board regarding Association personnel matters, potential solar project, and reported that the 2024 Member Appreciation Event is June 13, 2024 from 5-7 pm at the Association’s warehouse.

PRESIDENT’S REPORT: None.

TRI-STATE G&T BOARD REPORT: Mr. Hoozee reviewed and discussed happenings at Tri-State Generation & Transmission.

WESTERN UNITED BOARD REPORT: None.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on the CREA Board’s April and May 2024 meetings.

OTHER MEETING REPORTS: Legislative Conference, participation was one of the largest represented meetings to date.

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 2:13 p.m.

Respectfully submitted:

Terry W. Tormohlen, Secretary