

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

June 28, 2021: The regular monthly meeting of the Board of Directors of Morgan County Rural Electric Association was called to order at 1:00 p.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 May 24, 2021 regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of May 24, 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 26406 through 26449 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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. Pabst reported complimentary feedback from a member regarding member services assistance. Mr. Arndt reported regarding a member concern regarding delay in time to restore service after causing damage to a pole. Discussion followed.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health & Safety Committee met on June 8, 2021, and discussed Commitment to Safety, reviewed Federated Insurance's Injuries, Near Misses, and Damages Report, and discussed Safety Improvement Plans and CREA's RESAP certification program. The Association has completed the marking tape portion of its Safety Improvement Plan. CREA was on site June 7th through 10th conducting training on bloodborne pathogens and pole top and bucket truck rescue. Manager Frick reported regarding a bird electrocution and damage to a meter pole caused by a motor vehicle during the preceding month.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder presented the Human Resources report. She updated the Board regarding hires, promotions, and departures. Ms. Binder presented to the Board regarding upcoming director conferences. Ms. Binder reported regarding a scheduling conflict with the Board's regular October 2021 meeting. Discussion followed.

- ◆ **By motion made, seconded, and carried, the Board rescheduled its regular October 2021 meeting from October 25, 2021 to October 18, 2021 at 9:00 a.m.**

STAFF REPORT – ENGINEERING: None.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews are working on new construction. Great Plains Power is performing Construction Work Plan construction near the Prospect area and Altitude Energy is working on new service installations.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski presented the monthly Member Services Department report. Member Services is conducting initial research on the feasibility of large-scale solar installations under Tri-State Board Policy 115. Mr. Baranowski reported that the Association currently has nine pending applications for member net meters. Demand for net-metered interconnections is increasing. Additionally, two members have contacted the Association regarding rebates from home electrical vehicle charges. The Association has also seen a recent increase in larger energy efficiency rebate requests, and Mr. Baranowski reported on several such recent applications. Mr. Baranowski presented a promotional grass roots initiative video the Association produced in conjunction with Tri-State.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver reported on June 17, 2021 correspondence from the USDA regarding RUS's recent Loan Fund and Accounting and Review audit. The audit determined that \$125,370 of \$40,172,175 in loan funds had been improperly accounted for. The Association transferred \$125,370 from its General Fund to its Special Construction Fund and then back into the General Fund to correct the error and the USDA has been notified. 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 began by presenting the Association's organizational chart and advised the Board regarding succession planning for anticipated Association retirements.

The Board discussed whether to conduct its annual membership meetings via telephone town hall in the future with no formal action taken.

Manager Frick reported that the Association has begun supplying data to Robert Scrivner for purposes of a cost-of-service study. He anticipates receiving a draft summary in August, followed by an executive summary and final report in September. Manager Frick outlined the direction given to Mr. Scrivner for the study parameters.

Manager Frick reported that CREA has solicited sponsorship letters for the upcoming CARE auction. The Board consensus was to contribute to that auction.

Manager Frick reported that he is preparing for union negotiations and discussion followed.

It was moved and seconded that the Association hold its 2022 annual meeting of the membership virtually. Discussion followed.

- ◆ **Following discussion, by motion made, seconded, and carried by a vote of six to two, with Mr. Pegram and Mr. Tormohlen opposed, the Board resolved to hold its 2022 annual meeting of the membership virtually.**

PRESIDENT'S REPORT: President Wickstrom appointed Mr. Graff as the Association's delegate for Tri-State's annual meeting and Mr. Bostron as alternate delegate.

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, the Cooperative's delegate to the Western United Board, presented Western United's most recent Sales and Financial Report.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on happenings at CREA, including recent and pending legislation before the state legislature.

OTHER MEETING REPORTS: Mr. Arndt reported on his attendance at CFC's annual meeting. Mr. Pegram reported on his attendance at Mid-West Electric's board 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 4:54 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary