

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

Minutes of Regular Board Meeting

Headquarters Building – Fort Morgan, Colorado

August 24, 2020: 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 Randolph D. Graff, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom. Dave Arndt appeared by telephone. Absent: none.

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 July 27, 2020 regular Board meeting. Corrections we made.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of July 27, 2020 were approved as amended.**

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 26002 through 26036 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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. Hoozee reported regarding a member complaint related to recent service outages. Mr. Brenton explained that the causal issue has been identified and corrected.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health and Safety Committee met and reviewed the Federated Insurance Near Misses and Litigation Reports for July. Manager Frick also reviewed the Association's safety inspections and assessments to date for the year and reported on instances of damage to MCREA property.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported that the NRECA 2021 Annual Meeting will be conducted virtually in light of the uncertainty surrounding the COVID-19 pandemic. Ms. Binder advised the Board regarding registration procedures for the upcoming NRECA Region 7 Meeting. She also reminded the Board of the need to select voting delegates for that meeting and explained procedures for doing so. Ms. Binder reported that NRECA-sponsored employee health insurance premiums will not increase in 2021.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report to the Board. The Engineering Department has finished interviews for the open GIS Specialist position. The candidate for the position is undergoing preemployment screening and testing. Mr. Sundet reported that his department is compiling preliminary information for the 2022 RUS Construction Work Plan. He also reported regarding upcoming contractor rebuild activities in connection with the 2020 RUS Construction Work Plan. Mr. Sundet reported regarding a new

service location for an industrial member, which is expected to go into service this fall. Lastly, Mr. Sundet reported on recent load peaks for Association industrial members.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews installed thirteen new residential and commercial service locations during the preceding month. MCREA crews also installed a new regulator station at the Chalk Bluffs Substation. MCREA Crews continue to work on retiring old service locations as well. Mr. Brenton closed by updating the Board regarding progress of contractors and Altitude and Great Plains Power.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski presented the monthly Member Services Department report. Mr. Baranowski presented to the Board regarding the “Co-op Connections” program, through which MCREA members can receive discounts for various goods and services. Discussion followed.

Mr. Barinowski reported regarding a possible solar generator coming into the Association service territory and regarding an initial request for information related to a 25 kW net meter installation. Discussion followed.

Mr. Baranowski reported on that MCREA sponsored a meal at the at the Morgan County Fair’s livestock sale. MCREA had a contractor conduct twenty-two substation inspections on July 27th through 29th. Lastly, Mr. Baranowski reported that the Association has asked its outside employees to send photos of wildlife, agriculture, and landscape photos, for use on the Association website.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver presented data regarding electronic payment accounts from 2013 through the present. Almost half of the Association membership uses electronic bill pay, up from 23% of members in 2013. Discussion followed.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver reported that industrial sales are down in 2020, likely due largely to tumult in the oil and gas industry. Irrigation account power consumption is up however, and operating margins are ahead of budget. Mr. Shaver also reported that the Association had received a scholarship donation of \$11,000.00 from community members that had conducted a benefit golf tournament due to the cancellation of the 2020 MCREA Invitational Golf Tournament. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER’S REPORT: Terry 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. Attorney Richardson reported on various regulatory proceedings impacting the Association. Manager Frick reported that moving forward, the Member Services Department will focus greater efforts on engaging membership at grassroots levels on issues affecting the Association.

PRESIDENT'S REPORT: No report.

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 that the Western United Board had not met since the previous MCREA Board Meeting but is scheduled to meet on August 27th. Mr. Linker presented Western United's July 2020 Sales and Financial Report.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt regarding Air Quality Control Commission's recommendations regarding sector-based strategies to meet the State's climate and emission goals.

OTHER MEETING REPORTS: Mr. Linker reported on his attendance as the Association's delegate at a recent National Cooperative Services Corporation. Mr. Peggram reported that Midwest Electric is planning to have its fall 2020 board meeting in Cheyenne, Wyoming.

CALENDAR OF EVENTS. President Wickstrom reminded the Board that its regular September meeting is scheduled for September 21 at 9:00 a.m. Discussion followed.

- ◆ **By motion made, seconded, and carried, it was RESOLVED that the Board's regular September 2020 Board Meeting be held on September 28, 2020 at 9:00 at the Association Headquarters.**

EMERGENCY BUSINESS: None.

OLD BUSINESS: President Wickstrom reminded the Board of the need to appoint Mr. Schlagel's successor on the Board. Jim Bostron and Jerry Wolfswinkel have both expressed interest in that position. Discussion followed.

- ◆ **By motion made, seconded, and carried, the Board appointed Jim Bostron as Brian Schlagel's successor as the Association's Director from District 1 for the unexpired remainder of Mr. Schagel's original term.**

President Wickstrom directed the Board's attention to a previously provided sample policy regarding Director travel expenses policy. Discussion followed regarding revisions to the Association's Director travel expense policy with no formal action taken.

NEW BUSINESS: The Board discussed procedures for attending NRECA virtual meetings and educational offerings. President Wickstrom appointed Mr. Graff as alternate and Mr. Linker as delegate for the NRECA Region 7 Meeting.

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

Respectfully submitted:

Larry D. Hoozee, Secretary