

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

March 23, 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 by telephone were: Dave Arndt, Randolph D. Graff, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Brian D. Schlager, Terry Tormohlen, and Cary Wickstrom. Absent: None.

Also present were David Frick, General Manager, Matthew Richardson, General Counsel, by telephone, and initially, those members of staff who personally provide monthly staff reports to the Board of Directors.

RULES OF ORDER: President Graff thanked the other members of the Board for attending by telephone and requested that people mute their microphones unless speaking.

APPROVAL OF MINUTES:

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of February 24, 2020 were approved.**

The Board reviewed the minutes from the March 16, 2020 special meeting and noted that the time of commencement for that meeting was 8:00 a.m., not 9:00 a.m.

- ◆ **By motion made, seconded, and carried, the minutes of a special meeting of the Board of Directors of March 16, 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 25837 through 25859 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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 and Mr. Schlager reported on member input about recent outages caused by a snowstorm. Mr. Linker reported that apparent variations between Excel and MCREA irrigation billings rates observed by a member and which Mr. Linker had previously reported on may be due to an issue with irrigation pumps and equipment and not electric billing rate variations.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health and Safety Committee met on March 10, 2020 and reviewed the Commitment to Safety Program; Federated Insurance's Injuries, Near Misses, and Damages report; and reviewed MCREA's Safety Improvement Plans for 2020, Manager Frick also reported instances of damage to cooperative-owned property.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported that most upcoming conferences and events have been cancelled due to concerns surrounding transmission of COVID-19. Questions were asked and answered.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report to the Board. Mr. Sundet presented to the Board regarding the Stoneham Substation project. The area has been aerially surveyed and MCREA continues work to acquire easements necessary to complete that project. The transformer for the Stoneham Substation has been ordered and is scheduled to ship on August 28, 2020. Mr. Sundet also reported that MCREA is also currently working to secure real property interests necessary for a line extension project near the Last Chance area.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews continue to work at installing new residential and industrial service locations. Additionally, MCREA crews worked on new service installations for State interstate highway signs. Mr. Brenton also reported on contractor Altitude’s Construction Work Plan progress. Lastly, Mr. Brenton reported that MCREA crews replaced seventeen poles damaged during a recent snowstorm, with contractor Altitude’s assistance.

STAFF REPORT – MEMBER SERVICES: Dave Henderson presented the monthly Member Services Department report. Mr. Henderson reported on alternatives for holding the recently postponed annual meeting of the members. The Board asked that the Member Services Department report back to the Board at its April meeting regarding possibilities for a virtual meeting of the membership, in order to comply with executive and health orders and restrictions related to COVID-19. Mr. Henderson also reported that the MCREA lineman scholarship committee had selected three recipients of the scholarship. Questions about that fund were asked and answered.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver reported regarding a recent executive order from the Governor’s office which places a temporary moratorium on disconnects for nonpayment on certain types of accounts, due to COVID-19.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver reported that the Association’s annual audit is being continued primarily by email, due to COVID-19. He also advised the Board that it may be beneficial to do a loan drawdown soon due to favorable interest rates. Lastly, Mr. Shaver informed the Board that Tri-State had made an adjustment to its most recent capital credit allocation and MCREA would revise its books accordingly. After questions, answers and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER’S REPORT: Brian 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, President Graff ordered that the check register be filed.

MANAGER’S REPORT: Manager Frick presented his monthly report to the Board. COVID-19 has not negatively impacted construction progress at the Association’s new mechanic’s shop facility. Manager Frick also reported to the Board regarding a recent meeting with Gary Harms to follow up on a previous meeting regarding MCREA’s lease on the mechanic’s shop at the cooperative’s former Highway 34 location. Lastly, Manager Frick informed that Board that a recently filed union grievance had been abandoned.

Attorney Richardson updated to Board on legal matters involving the Association.

PRESIDENT'S REPORT: President Graff thanked everyone for attending the Board meeting by telephone.

TRI-STATE G&T BOARD REPORT: Brian Schlager reviewed and discussed at length the contents of the monthly written report he prepared and presented as the Cooperative's delegate director to the board of directors of Tri-State G&T.

WESTERN UNITED BOARD REPORT: Timothy Pegram advised that the Western United Board had not met but reported on the most recent financial reports.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Dave Arndt had no report.

OTHER MEETING REPORTS: Mr. Pabst, Mr. Pegram, and Mr. Schlager all reported on their attendance at the NRECA annual meeting.

EMERGENCY BUSINESS: None.

OLD BUSINESS: Mr. Hoozee posed questions to Manager Frick regarding the Association's ability to communicate with members regarding estimates for restoration of service during unplanned outages and discussion followed. Attorney Richardson reported regarding Colorado PUC litigation involving distribution cooperatives and Tri-State Generation & Transmission.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 11:17 a.m.

Respectfully submitted:

Larry D. Hoozee, Secretary