

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

April 20, 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 video conference were: Dave Arndt, Randolph D. Graff, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Brian D. Schlagel, Terry Tormohlen, and Cary Wickstrom. Absent: None.

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

APPROVAL OF MINUTES:

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of March 23, 2020 were approved.**

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 25860 through 25900 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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 that he had received complaints regarding the frequency of recent outages occurring during the preceding 90 days, which Manager Frick explained were caused by weather events. Mr. Wickstrom reported regarding a member question related to an MCREA project in the New Raymer area.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health and Safety Committee did not meet in April to comply with social distancing requirements. MCREA staff received education on COVID-19 safety procedures, as well as reviewed Federated Insurance's Injuries, Near Misses, and Damages Report for the preceding month.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported on MCREA's response to COVID-19, including posting of required signage.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report to the Board. Mr. Sundet reported that the Stoneham Substation project has been temporarily placed on hold due to member request. Mr. Sundet also reported to the Board regarding easement acquisition progress for the Last Chance Substation project.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews continued installing new residential and industrial service locations during the preceding month. Lastly, Mr. Brenton presented photographs depicting construction progress at the Last Chance Substation.

STAFF REPORT – MEMBER SERVICES: Dave Henderson presented the monthly Member Services Department report. Mr. Henderson presented options for convening a virtual annual meeting of the membership, which had previously been postponed due to COVID-19 restrictions. After discussion,

- ◆ **By motion made, seconded, and carried, the Board resolved to convene a virtual annual meeting of the members on May 27, 2020 at 9:00 a.m., to comply with executive and health orders related to COVID-19 and in the interest of the health and welfare of MCREA’s membership, staff, and the community.**

Mr. Henderson reported that MCREA received a new net meter application in April and reported to the Board on cancelled member services meetings and events.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver requested approval of 2021 capital purchases of a one-man bucket truck at a cost of \$148,000 and of a two-man bucket truck at a cost of \$250,000.

- ◆ **By motion made, seconded, and carried, the Board approved 2021 capital purchases of a one-man bucket truck at a cost of \$148,000 and a two-man bucket truck at a cost of \$250,000.**

Mr. Shaver also reported on Tri-State Generation and Transmission’s 2019 capital credit allocation and MCREA’s annual audit. Discussion followed.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver presented to the Board regarding the impact of falling oil and gas prices on MCREA’s revenues and discussion followed. 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 showed photographs of that construction progress.

Manager Frick asked for Board reaffirmation of Policy 1-5 entitled “Use and Signage of Checks” and Policy 1-6 entitled “Director’s Expenses and Reimbursement” without changes.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 1-5 entitled “Use and Signage of Checks” and Policy 1-6 entitled “Director’s Expenses and Reimbursement” as presented.**

Manager Frick next directed the Board’s attention to the staff’s recommend revisions to Policy 6-5, entitled “Document and Record Retention,” which had previously been provided for review.

- ◆ **By motion made, seconded, and carried, the Board adopted staff’s proposed revisions to Policy 6-5, entitled “Document and Record Retention.”**

Manager Frick next advised the Board regarding a NRECA Special Early Retirement Resolution. After discussion,

- ◆ **By motion made, seconded, and carried, the Board adopted NRECA’s proposed Special Early Retirement Resolution in the form presented.**

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

PRESIDENT’S REPORT: None.

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. Mr. Schlager advised the Board that he would be moving outside of the MCREA service territory and therefore tendered his resignation from the Board.

- ◆ **By motion made, seconded, and carried, the Board accepted Mr. Schlager’s resignation from the MCREA Board.**

WESTERN UNITED BOARD REPORT: Timothy Peggram 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 reported that the CREA Board meeting is scheduled for April 24, 2020.

OTHER MEETING REPORTS: Attorney Richardson reported on the upcoming CREA attorney group meeting.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: President Graff advised the Board of the need to select a replacement for Mr. Schlager on the Tri-State Generation and Transmission board.

- ◆ **By motion made, seconded, and carried, the Board appointed Randolph D. Graff as interim director to the Tri-State Generation and Transmission Board, until the MCREA Board conducts its reorganization and officer elections after the 2020 annual meeting of the membership.**

There being no further business to consider, the meeting was declared adjourned 11:59 a.m.

Respectfully submitted:

Larry D. Hoozee, Secretary