

# MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

**December 28, 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, Brian Pabst, Jim Bostron, Randolph D. Graff, Larry D. Hoozee, Terry Linker, Timothy Peggram, and Cary Wickstrom. Absent initially: Terry Tormohlen.

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.

Mr. Tormohlen and Mr. Sundet joined at 9:10 a.m. via teleconference.

## **APPROVAL OF MINUTES:**

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of November 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 26164 through 26206 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**CANCELLED MEMBERSHIPS:** The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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. Arndt and Mr. Wickstrom reported on positive member feedback regarding recent capital credit retirements. Mr. Graff reported on feedback from a local bank regarding procedures for estate capital credits. Discussion followed.

**SAFETY & HEALTH REPORT:** Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health and Safety Committee met on December 8, 2020 to discuss Commitment to Safety and reviewed Federated Insurance's Injuries, Near Misses, and Damages Report for the preceding month. Manager Frick reported on instances of damage to cooperative property. Manager Frick reported that MCREA crews will soon finalize their physical inspection of underground equipment in 2021.

**STAFF REPORT – HUMAN RESOURCES:** Kristie Binder advised the Board regarding upcoming meetings, including the NRECA annual business meeting. She also reported on need to appoint the Annual Meeting Credentials & Election Committee.

**STAFF REPORT – ENGINEERING:** Stephan Sundet reported that MCREA has sent requests for proposals for its 2022-2025 Construction Work Plan. He will make recommendations for an award at the January 2021 Regular Meeting of the Board. Mr. Sundet presented maps showing the Association electrical poles which are greater than fifty years old.

**STAFF REPORT – OPERATIONS:** Bobby Brenton presented the monthly operations report to the Board. MCREA crews worked on new residential and industrial construction during the preceding month, as well as on upgrades to existing facilities. Great Plains Power has completed its line rebuild in the Orchard area and is moving onto a 4-mile line rebuild project near Weldona.

**STAFF REPORT – MEMBER SERVICES:** Rob Baranowski presented the monthly Member Services Department report. The 2021 Youth Tour has been cancelled and rescheduled as an in-state event in Denver and Grand County. MCREA published an article in the recent Colorado Country Life to educate its members regarding the Association’s net metering policy. Mr. Baranowski reported on the availability of RENU loans through the Colorado Energy Department available to members for home efficiency updates. Lastly, Mr. Baranowski reported that the Association’s “Whole House Surge” protection program will be discontinued at the conclusion of 2020.

**STAFF REPORT – OFFICE SERVICES:** Robb Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver presented statistics related to the 2020 capital credit retirements. Mr. Shaver presented key ratio trend analysis data, showing MCREA’s financial ratios relative to other electrical cooperatives. He also presented charts showing cooperative debt as a percentage of cooperative assets and other financial ratios. The cooperative is in sound financial condition, helped by its diverse member base. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

**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:** 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.

**MANAGER’S REPORT:** Manager Frick presented his monthly report to the Board. Manager Frick informed the Board that he had been elected as a director to the CREA managers group. Manager Frick proposed that the Association plan to hold its Annual Meeting of the Membership on March 23, 2021 via telephone town hall at 6:00 p.m.

- ◆ **By motion made, seconded, and carried, the Board rescheduled the MCREA 2021 Annual Meeting to March 23, 2021 at 6:00 by telephone town hall conference with the director election held the same day.**

Manager Frick asked the Board for agenda topics for the 2021 Annual Meeting. President Wickstrom asked that a report regarding Tri-State be added to the agenda.

Manager Frick proposed that the Association develop a more streamlined annual meeting procedure and the Board agreed for future meetings.

Manager Frick reported that Tri-State Generation & Transmission would no longer pay for its members’ Basin Electric membership dues after March 2021. Manager Frick reported on the dues costs and the benefits obtained for membership in Basin Electric. MCREA’s dues for Class C

membership in Basin Electric are \$1,450 per month. Manager Frick recommended that the Board remain a member in Basin. Discussion followed.

- ◆ **By motion made, seconded, and carried, the Board resolved to remain a Class C Member of Basin Electric at a monthly dues cost of \$1,450 per month.**

**PRESIDENT’S REPORT:** No report.

**TRI-STATE G&T BOARD REPORT:** Randy Graff 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.

Attorney Richardson updated that Board regarding litigation and regulatory proceedings involving Tri-State Generation & Transmission.

**WESTERN UNITED BOARD REPORT:** Terry Linker reported that Western United had not met since the MCREA Board’s November meeting, but reviewed Western United’s most recent financial reports.

**COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT:** Dave Arndt reported regarding legislative matters affecting electrical cooperative associations. The CREA Annual Meeting is scheduled for March 9, 2021.

**OTHER MEETING REPORTS:** Mr. Linker and Mr. Peggram reported on the Mid-West Electric Consumers meeting. Mr. Hoozee reported on the recent Tri-State Generation & Transmission special meeting.

**CALENDAR OF EVENTS:** None.

**EMERGENCY BUSINESS:** None.

**OLD BUSINESS:** Mr. Linker had questions about updating the Association’s Articles of Incorporation to reflect its new principal office address and the list of current directors. President Wickstrom appointed Larry Hoozee as delegate and Timothy Peggram as alternate for the upcoming NRTC meeting and Timothy Peggram as delegate and Larry Hoozee as alternate for the upcoming NRECA meeting.

**NEW BUSINESS:** None.

There being no further business to consider, the meeting was declared adjourned 12:39 p.m.

Respectfully submitted:

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Larry D. Hoozee, Secretary