

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

September 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 were Jim Bostron, 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.

President Wickstrom introduced newly appointed Director, Jim Bostron, and the Directors introduced themselves to Mr. Bostron.

APPROVAL OF MINUTES: The Board reviewed draft minutes from the August 24, 2020 regular Board meeting. Corrections were proposed.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of August 24, 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 26037 through 26082 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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 a member that had previously complained about service outages thanked him for the Association's identifying and correcting the cause of the outages.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. The Joint Health and Safety Committee did not meet during the preceding month due to Covid-19 restrictions against gatherings. 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 presented the Human Resources report. She asked whether Mr. Linker and Mr. Wickstrom had received emails from NRECA regarding the Association's delegate and alternate for the NRECA Region 7 meeting. They had not. Ms. Binder advised the Board regarding the calendar for the NRECA Region 7 virtual meeting. Ms. Binder presented on the Basin Annual Meeting and CREA Fall Meeting registration procedures. She reminded the Board the Mr. Hoozee is Association delegate and Mr. Linker his alternate for the NRECA Annual Meeting. Mr. Arndt advised the Board regarding the CREA Energy Summit from 9:00-10:00 on October 8th.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly Engineering report to the Board. Troy Baker has been hired as the Association’s new GIS Specialist. He will begin on October 14, 2020 and assumes the vacancy left by Mr. Baranowski’s transfer to the Member Services Department. Mr. Sundet reported on construction work being performed on Association infrastructure and reported on the development of the 2022 RUS Construction Work Plan, which will take the Association through 2025. The Association will solicit consultants in late December or early January to assist with development of the 2022 RUS Construction Work Plan. Mr. Sundet also updated the Board regarding large industrial loads.

STAFF REPORT – OPERATIONS: Mr. Sundet presented the monthly operations report to the Board. MCREA crews continue to work on new service installations and pole changeouts. Mr. Sundet 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 advised the Board regarding his recent meeting with Tri-State Generation & Transmission regarding solar net meter facilities in excess of the statutory limitations. He also reported regarding a recently commissioned 4 kW solar net meter facility. The Member Services Department is making efforts to proactively inform members regarding the Association’s net metering policy.

Mr. Baranowski reported that UAV Recon had recently completed aerial inspection of Association substations. Contracted linemen review and analyze aerial images taken by drones and identify any potential issues. Issues are categorized into critical and noncritical maintenance work and appropriate action taken. Discussion followed.

Mr. Baranowski also reported regarding the Association’s efforts to offer prepaid metering to members that may benefit from the program, NRECA’s “Co-Ops Vote” program to encourage rural voting, and Association coordination with Tr-State Generation & Transmission’s efforts with regard to Beneficial Electrification and Tri-State’s rebates for electric air source heat pumps and hybrid heat pump water heaters.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver advised the Board that his department would present capital credit retirement options to the Board at the October meeting and the 2021 budget at the November meeting and asked the Board to contact him with any specific proposals regarding capital credit retirement options that Directors would like to review in October.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver reported that industrial sales remain below budget in 2020, but that overall sales are positive, and revenues are close to budget. 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. Manager Frick reported that staff had reviewed Policy 6-4 “Identity Theft Prevention Policy and Program,” Policy 9-6 “Employees Expense Reimbursement,” and Policy 9-9 “Extended Medical Insurance Program” and recommended that the Board reaffirm those policies with no revisions.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 6-4 “Identity Theft Prevention Policy and Program,” Policy 9-6 “Employees Expense Reimbursement,” and Policy 9-9 “Extended Medical Insurance Program” as presented.**

Manager Frick reported regarding Tri-State Generation & Transmission’s new Member Services representative. Manager Frick reiterated the Association’s recent efforts to promote prepaid metering accounts. Discussion followed.

Manager Frick reported that a cost of service study would cost around \$16,000 and the Board discussed appropriate timing for conducting such a study.

Manager Frick asked the Board whether it would like to convene a Christmas party for 2020. Discussion followed. It was the consensus of the Board to cancel the Christmas party for 2020 due to restrictions against social gatherings related to Covid-19. Discussion regarding increasing the employee Christmas bonus due to cancellation of employee barbeque and Christmas party.

- ◆ **By motion made, seconded, and carried the Board authorized a donation of Thanksgiving turkeys.**
- ◆ **By motion made, seconded, and carried the Board approved a holiday bonus for employees.**

Manager Frick advised the Board that the children’s Christmas party will not be held in person.

Manager Frick and Attorney Richardson reported on litigation concerning MCREA.

Lastly, Manager Frick asked the Board whether it wanted any deviations from the usual capital credit proposals and the Board consensus was to have staff make similar proposals as the preceding year.

PRESIDENT’S REPORT: President Wickstrom reported that Jerry Wolfswinkel had thanked the Board for considering him for appointment to serve the remainder as Mr. Schlager’s successor.

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 on the most recent Western United Board Meeting.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported regarding CREA’s August 28, 2020 Board Meeting and legislative matters of import to the Association.

OTHER MEETING REPORTS: Mr. Peggram reported on his attendance at that Midwest Electric fall 2020 board meeting in Cheyenne, Wyoming.

CALENDAR OF EVENTS. President Wickstrom reminded the Board that its next regular meeting is scheduled for October 26th at 9:00 a.m.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: President Wickstrom asked for volunteers for delegates for the Basin Electric Annual Meeting, scheduled to be held virtually on November 4. President Wickstrom appointed Mr. Peggram as delegate and Mr. Arndt as alternate. President Wickstrom next asked the Board about succession planning for the Association. Discussion followed with no formal action taken. Questions were asked and answered regarding a recent donation to the scholarship fund. The Board viewed a video from Highline Electric Association about a recently commissioned solar installation.

There being no further business to consider, the meeting was declared adjourned 1:57 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary