

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

December 27, 2021: 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 at the beginning of the meeting were Dave Arndt, Brian Pabst, Jim Bostron, Larry D. Hoozee, Terry Linker, Timothy Peggram, and Cary Wickstrom. Randolph D. Graff was present by telephone.

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.

Terry Tormohlen entered the meeting at 9:22 a.m.

APPROVAL OF MINUTES: The Board reviewed draft minutes from the November 22, 2021, regular Board meeting and corrections were proposed.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of November 22, 2021, 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 26661 through 26691 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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: Various directors reported on being thanks by members for the recent rate reduction.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. Manager Frick reported on an internal promotion to an Association journeyman lineman. Manager Frick reported on instances of property damage during the preceding month. The Joint Health & Safety Committee met on December 14, 2021, and discussed the Association's 2022 Safety Improvement Plan, Ground and Stick Testing, and ordering the Hotline Display trailer. Questions were asked and answered, and discussion followed.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder presented the Human Resources report. Ms. Binder also reported on upcoming meetings for organizations of which the Association is a member. Questions were asked and answered.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. The Association is awaiting a final report from Stanley Consultants in connection with the Association's 2022-2025 Construction Work Plan. The Association's annual pole inspections have been completed. Fifty-seven of the three thousand eighty-seven inspected poles must be replaced. The Association's Arc Flash certification must be renewed in 2022 in connection with the Association's CREA RESEAP certification. The Association Spill Prevention Control and

Countermeasure Plan is also due to be updated 2022. Mr. Sundet reported that the Engineering Department is soliciting applications for an open staking technician position. Questions were asked and answered, and discussion followed.

STAFF REPORT – OPERATIONS: Mr. Brenton presented the monthly Operations report. MCREA crews constructed nine new single phase service locations during the preceding month. Crews also downsized several transformers for an industrial member and worked on various other service retirements and upgrades. Mr. Brenton updated the Board regarding progress of contractors Great Plains Power and Altitude Energy.

STAFF REPORT – MEMBER SERVICES: Mr. Baranowski presented the monthly Member Services report. Mr. Baranowski presented regarding initial planning for a large-scale solar project and development of a request for proposals in coordination with Tri-State Generation & Transmission. Questions were asked and answered, and discussion followed. Mr. Baranowski reported on an industrial member request to purchase renewable energy credits. Mr. Baranowski presented regarding a request from a member for a large solar project, in excess of the 25-kilowatt maximum under the Association policy and statute. The Board consensus was to deny the request for a solar installation in excess of the 25-kilowatt maximum. Mr. Baranowski presented a map depicting location of solar and wind net meters in the Association territory. There are forty-two such net meters currently, with more applications pending. Mr. Baranowski reminded the Board that nomination petitions for the upcoming director elections will be available in early January and due back January 21, 2022.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver presented the Association’s November 2021 financial reports. Mr. Shaver presented the proposed 2022 Tariff Sheets. Questions were asked and answered.

- ◆ **By motion made, seconded, and carried, the Board approved the proposed 2022 Tariff Sheets as presented and directed that President Wickstrom and Manager Frick are authorized to sign the same.**

Mr. Shaver next presented 2021 capital credit retirement statistics, showing breakdown and analysis of the \$4,000,000.00 in capital credits retired by the Association in 2021.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. Mr. Shaver requested that the Board allow the Association to deposit a certificate of deposit with High Plains Bank in Wiggins, Colorado. Mr. Shaver reported to the Board regarding Association loan interest rates and loan advance deadlines, and discussion followed. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER’S REPORT: Mr. 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 to the Board regarding various cyber security recent attacks on several electric

cooperatives. Manager Frick reported regarding the Association's approach to cyber security. Questions were asked and answered, and discussion followed. Manager Frick next reported to the Board regarding the Morgan County Community College Gala event, which will be hosted at the Association warehouse building on February 25, 2022. Manager Frick reported on preparations for the Association's Annual Meeting, scheduled for March 22, 2022. Association staff continues preparations for a Customer Appreciation Day at the Association Headquarters on June 16, 2022. Manager Frick solicited input from the Board regarding topics of discussion for the Board's upcoming strategic planning meeting.

PRESIDENT'S REPORT: President Wickstrom appointed Dave Arndt as the Association's voting delegate for the NRECA PowerXchange Meeting and Timothy Peggram as alternate.

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. Manager Frick reported that he has been appointed to the Tri-State G&T Rate Committee.

WESTERN UNITED BOARD REPORT: Mr. Linker reported on happenings at Western United, including review of its November 2021 Financial Report, which had previously been provided.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on CREA's December 3, 2021 board meeting, including a presentation from Senator Bob Rankin of Carbondale. Manager Frick reported on a joint meeting between the CREA Managers Group and the CREA Board of Directors.

OTHER MEETING REPORTS: Mr. Arndt, Mr. Peggram, and Mr. Tormohlen reported on their attendance at the Midwest Electric Annual meeting.

CALENDAR OF EVENTS. None.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 1:44 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary