

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

September 28, 2026: 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, Jim Bostron, Kyle Eiring, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom.

Also present were David Frick, General Manager, and Matthew Richardson, General Counsel.

APPROVAL OF MINUTES: The Board reviewed draft minutes of the August 24, 2026, regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of August 24, 2026 were approved.**

APPLICATIONS FOR MEMBERSHIP: The Board reviewed the applications for Membership in the Association presented at today's meeting for consideration by the Board of Directors.

- ◆ **By motion made, seconded, and carried, applications for membership numbered 28257 through 28282 were approved.**

CANCELLED MEMBERSHIPS: The Board reviewed the monthly list of members who had withdrawn from the Association since the last meeting of the Board.

MEMBER INPUT: The Board discussed member feedback regarding service restoration after recent weather events and line rebuild work.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. Manager Frick reported on an instance of damage to Association property during the preceding month. Manager Frick reported on the most recent meeting of the Association Joint Health & Safety Committee. Questions were asked and answered, and discussion followed.

STAFF REPORT – HUMAN RESOURCES: Ms. Ogley reported on Association personnel matters and upcoming meetings for organizations of which the Association is a member. Questions were asked and answered.

STAFF REPORT – ENGINEERING: Manager Frick presented the monthly engineering report. Manager Frick reported regarding the Association's deployment of SCADA upgrades, reported regarding Tri-State and the Association's planned upgrades to the Lost Creek Substation, and two new large load requests. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Mr. Mason presented the monthly Operations report. Mr. Mason updated the Board regarding work being performed by Association crews and contractors. Mr. Mason reported regarding pole testing and replacement, system improvements, and recent outages. Mr. Mason updated the Board regarding progress on the Association's Four-Year Construction Work Plan. Mr. Mason presented service reliability metrics and staff overtime hours. Questions were asked and answered.

STAFF REPORT – COMMUNICATIONS: Ms. Pollart presented the monthly Communications report. Ms. Pollart presented the upcoming Colorado Country Life and reported on recent and

upcoming member and community engagement events. The Association's redesign of its website is still in progress. Ms. Pollart reported that CREA has launched its statewide grassroots network for electric cooperative members, the Colorado Electric Co-op Advocates Grassroots Network. Questions were asked and answered.

STAFF REPORT – OFFICE SERVICES: Manager Frick reported that the Association drew down the \$11,318,766 balance of its RUS AN45 loan on September 1, 2026, with an initial five-year interest rate of 4.49%.

FINANCIAL REPORT: Manager Frick reviewed the details of the Association's customary monthly financial statements and reports. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER'S REPORT: Mr. Bostron 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 Pabst ordered that the check register be filed.

Members of staff, with the exception of Ms. Ogley, exited the meeting.

STAFF REPORT – HUMAN RESOURCES CONT'd: Ms. Ogley presented to the Board regarding employee and Director health coverage options. Questions were asked and answered, and discussion followed.

The Board discussed amendments to Policy 1-7B, "Extended Group Medical Insurance Program for Directors Initially Election or Appointed to the Board of Directors After January 1, 2013." Following discussion,

- ♦ **By motion made, seconded, and carried by a vote of five to four, the Board amended Policy 1-7B, "Extended Group Medical Insurance Program for Directors Initially Election or Appointed to the Board of Directors After January 1, 2013)," to provide that Directors elected to the Board after January 1, 2013 may choose to receive a monthly cash allowance of \$1,500 in lieu of participation in the Association's group medical insurance program.**

Ms. Ogley exited the meeting.

MANAGER'S REPORT: Manager Frick presented his monthly report to the Board. Manager Frick presented staff's proposed revisions to Policy 5-4, "Hazzard Communication."

- ♦ **By motion made, seconded, and carried, the Board adopted the proposed revisions to Policy 5-4, "Hazzard Communication."**

Manager Frick reported that staff had reviewed Policy 6-1, "General Business Ethics," and recommended reaffirmation without revision.

- ♦ **By motion made, seconded, and carried, the Board reaffirmed Policy 6-1, "General Business Ethics," without revision.**

Manager Frick presented staff's proposed revisions to Policy 10-6, "Member Power Quality Requirements."

- ◆ **By motion made, seconded, and carried, the Board adopted the proposed revisions to Policy 10-6, “Member Power Quality Requirements.”**

Manager Frick reported regarding the Association’s participation in Tri-State’s Bring Your Own Resource Program. After discussion, the Board consensus was for Manager Frick to move forward with negotiation of a power purchase agreement and other necessary agreements under Tri-State’s Bring Your Own Resource Program. Manager Frick reported on Tri-State’s 2027 7.8% rate increase and Tri-State’s High Impact Load program. Questions were asked and answered. Manager Frick updated the Board regarding a member issue.

Mr. Eiring exited the meeting at 3:00 p.m.

PRESIDENT’S REPORT: President Pabst informed the Board that he had received a request regarding a scholarship which he forwarded to Association staff and regarding a member satisfaction survey request from Tri-State.

TRI-STATE G&T BOARD REPORT: Mr. Hoozee reviewed and discussed happenings at Tri-State Generation & Transmission. Questions were asked and answered and discussion followed.

WESTERN UNITED BOARD REPORT: Mr. Linker reported on happenings at Western United and its most recent financials.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Tormohlen reported on happenings at CREA. Questions were asked and answered.

OTHER MEETING REPORTS: None.

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 3:46 p.m.

Respectfully submitted:

Kyle Eiring, Secretary