

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

December 19, 2023: The regular monthly meeting of the Board of Directors of Morgan County Rural Electric Association was called to order at approximately 9:00 a.m. on the above date. Directors present were: Dave Arndt, Jim Bostron, Kyle Eiring, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, and Cary Wickstrom. Absent was Terry Tormohlen.

Also present were David Frick, General Manager, Matthew Richardson, General Counsel, who prepared these minutes at the request of the Secretary, and initially, those members of staff who personally provide monthly staff reports to the Board of Directors.

APPROVAL OF MINUTES: The Board reviewed the minutes of its November 27, 2023 regular meeting.

- ♦ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of November 27, 2023 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 27398 through 27416 were approved.**

CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.

MEMBER INPUT: None.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. MCREA staff reviewed CREA's Near Miss Reports, Federated Insurance's Litigation and Near Miss Reports, and underwent other safety training over the preceding month. Manager Frick reported on the December 12, 2023 meeting of the Association Joint Health & Safety Meeting. The Association is beginning preparations for its 2025 RESAP re-certification.

STAFF REPORT – HUMAN RESOURCES: Ms. Binder presented proposed dates for the Board's 2024 Regular Meetings. Following discussion, upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, that the Association's 2024 Regular Board Meetings be held on the following dates and times at the Association's Fort Morgan Headquarters location:

January 22, 2024 at 9:00 a.m.
Feb 26, 2024 at 9:00 a.m.
March 25, 2024 at 9:00 a.m.
April 15, 2024 at 9:00 a.m.
May 20, 2024 at 9:00 a.m.
June 24, 2024 at 9:00 a.m.

July 22, 2024 at 9:00 a.m.
August 26, 2024 at 9:00 a.m.
September 23, 2024 at 9:00 a.m.
October 21, 2024 at 9:00 a.m.
November 25, 2024 at 9:00 a.m.
December 16, 2024 at 9:00 a.m.

Ms. Binder reported regarding upcoming education and training seminars and other meetings, conferences, and events. Questions were asked and answered.

President Wickstrom appointed Brian Pabst as the Association's delegate and Cary Wickstrom as alternate for the 2024 NRECA PowerXchange. President Wickstrom appointed Terry Linker as delegate and Timothy Peggram as alternate for the 2024 Western United Annual Meeting. President Wickstrom appointed Timothy Peggram as Association delegate and Larry Hoozee as alternate for NRECA.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. Mr. Sundet reported on the responses received for an open-ended 2024 construction contract and recommended that the Association accept the bids of Altitude Energy, Bighorn Utilities, and Mountainside Power to perform construction services for the Association in 2024. Questions were asked and answered.

- ♦ **By motion made, seconded, and carried, the Association accepted the bids of Altitude Energy, Bighorn Utilities, and Mountainside Power to perform construction services in 2024 on an as-needed basis.**

Mr. Sundet also reported on bids received in response to a request for proposals for construction of a new substation. Mr. Sundet recommended that the Association accept the bid from Altitude Energy. Questions were asked and answered.

- ♦ **By motion made, seconded, and carried, the Association accepted the bid of Altitude Energy for the construction of a new substation.**

Mr. Sundet reported that the Association will solicit a request for proposals for transmission line construction in early 2024. Mr. Sundet advised the Board regarding several industrial loads. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Alan Mason presented the monthly operations report. Association crews built two single-phase locations, four new three-phase locations, and performed four service upgrades during the preceding month. Mr. Mason updated the Board regarding Construction Workplan services being performed by Altitude Energy and work being performed by contractors Mountain Side and Big Horn. Mr. Mason presented photographs of a newly installed substation circuit breaker. The Association now utilizes vacuum reclosers, which require less maintenance than the previously used oil reclosers. Mr. Mason reported regarding Operations personnel changes. Questions were asked and answered.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski provided the Member Services report. He directed the Board's attention to previously provided information regarding installed and pending net metered accounts. The Association presently has 81 solar net meters, one wind net meter, and 13 pending applications for new solar meters. Mr. Baranowski reported regarding member outreach to publicize the Association's 2023 capital credit retirement, and the notice of the February 1, 2024 rate change. Mr. Baranowski informed the Board that petitions for nomination for director elections are available January 2nd and due back January 19th. Mr. Baranowski polled the Board regarding the Association's continued sponsorship of the Bobstock Music Festival. Discussion followed.

- ♦ **By motion made, seconded, and carried, the Association resolved to continue its support of the Bobstock Music Festival in 2024.**

Mr. Baranowski reported on declining participation in the NRECA Youth Tour and Youth Camp programs and updated the Board regarding the Association's college and lineman scholarships application deadlines.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Approximately \$2,000,000 of the 2023 capital credit retirement checks have been cashed. Questions were asked and answered regarding allocation and retirement accounting processes and regarding the Association process for disconnecting members with life-sustaining medical necessity certifications. The Association follows the Colorado PUC Rules governing discontinuance of service to those accounts.

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: 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.

MANAGER'S REPORT: Manager Frick presented his monthly report to the Board. Manager Frick and the Board discussed the recent capital credit retirement and the February 2024 rate increases. Manager Frick asked the Board for feedback on the information presented during the Board's meetings. Manager Frick solicited Director input on the draft Rules and Regulations document which had previously been provided. Manager Frick also reported regarding a proposed listing agreement with Plains Realty for the sale of the Association's Prospect Valley property and pending corrections thereto.

- ♦ **By motion made, seconded, and carried, the Association execute the proposed listing agreement with Plains Realty for the marketing and sale of the Association's Prospect Valley residential property, including the proposed corrections.**

Manager Frick reported to the Board regarding the Association's monthly bill from Tri-State. Discussion followed.

PRESIDENT'S REPORT: President Wickstrom informed the Board of the need to select a delegate to the Tri-State Generation and Transmission Contract Committee. Discussion followed.

- ♦ **By motion made, seconded, and carried, Manager Frick was appointed as the Association's delegate on the Tri-State Generation & Transmission Contract Committee.**

TRI-STATE G&T BOARD REPORT: Mr. Hoozee and Attorney Richardson discussed happenings at Tri-State Generation & Transmission. Discussion followed.

WESTERN UNITED BOARD REPORT: Mr. Linker presented Western United's November 2023 Preliminary Sales and Financial Report. Questions were asked and answered.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on the most recent CREA board meeting, including happenings at the State legislature.

OTHER MEETING REPORTS: Directors reported on their attendance at the Mid-West Electric Consumers Association Annual Meeting. Mr. Peggram solicited feedback on the meeting.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: Mr. Hoozee reported on the construction of a solar facility in Escalante, New Mexico.

There being no further business to consider, the meeting was declared adjourned 1:27 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary