

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

January 22, 2024: 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, Terry Tormohlen, and Cary Wickstrom.

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 December 19, 2023 regular meeting.

- ♦ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of December 19, 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 27417 through 27444 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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: The Board discussed member feedback regarding the Association's 2024 rate increase.

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 safety training on flexible protective equipment and minimum approach distances over the preceding month. Manager Frick reported one instance of damage to Association property and one near miss that occurred in December. The Association Joint Health & Safety Meeting met on January 9, 2024. CREA's job training and safety coordinator will be at the Association headquarters in February to perform safety audits and provide safety training.

STAFF REPORT – HUMAN RESOURCES: Ms. Binder reported regarding upcoming education and training seminars and other meetings, conferences, and events. President Wickstrom appointed Mr. Tormohlen as the Association's delegate for the CREA 2024 Annual Meeting and Mr. Bostron as his alternate. Questions were asked and answered. President Wickstrom appointed Brian Pabst as the Association delegate for the CRC 2024 Annual Meeting and Mr. Peggram as his alternate. Ms. Binder directed the Board's attention to correspondence from CoBank requesting candidates for its 2024 board of directors' election. Ms. Binder reported on an upcoming employee retirement and requested that the Board approve the Association's customary retirement gift for the retiring employee.

- ♦ **By motion made, seconded, and carried, the Board approved the customary retirement gift for the retiring employee as requested.**

STAFF REPORT – ENGINEERING: Alan Mason presented the monthly engineering report. Mr. Mason presented photographs of a transformer recently delivered to the Association. Questions were asked and answered. Mr. Mason reported regarding carbon methane digesters on the Association system and reviewed the Association’s January 2024 Standard Costs. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Alan Mason presented the monthly operations report. MCREA crews constructed two new single-phase locations, seven service upgrades, and four service retirements during the preceding month. MCREA crews also performed outlying circuit breaker changeouts and maintenance and conducted stick and ground testing. Mr. Mason updated the Board regarding work performed by contractors Altitude Energy, Mountain Side, and Big Horn. Mr. Mason reported on the Association fleet rotation schedule and showed photographs of a recently purchased Ranger and trailer.

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, member communication regarding solar panel installation costs, and the Association’s annual “true-up” for net metered accounts. Mr. Baranowski informed the Board regarding recent communication from a non-member regarding the Association’s 2023 capital credit retirement. Discussion followed. Mr. Baranowski reported that the 2024 director election will be uncontested, as only three nominating petitions were received for the three open director positions. Secretary Tormohlen advised the Board that the petitions received were compliant with the statutory requirements set forth in CRS § 40-9.5-110. Mr. Tormohlen and Mr. Hoozee volunteered to serve on the Youth Camp and Youth Tour and Scholarship Committee. Mr. Pabst volunteered to serve as an alternate on that Committee.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report.

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. Questions were asked and answered. 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 presented staff’s proposed revisions to Policy 1-11 “Director’s Education.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 1-11 “Director’s Education.”**

Manager Frick presented staff’s proposed revisions to Policy 9-7 “Employee Benefits.”

- ◆ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 9-7 “Employee Benefits.”**

Manager Frick presented staff's proposed revisions to Policy 10-8 "Underground Facilities Information."

- ♦ **By motion made, seconded, and carried, the Board adopted as presented the proposed revisions to Policy 10-8 "Underground Facilities Information."**

Manager Frick reported that the FERC had not approved Tri-State's most recent rate filing and had sent Tri-State a deficiency notice. Questions were asked and answered, and discussion followed. Tri-State has provided its members with their contract buyout amounts under the FERC's recent ruling on the contract termination payment methodology. Discussion followed. Manager Frick reviewed a proposed transmission rate with the Board. Questions were asked and answered, and discussion followed. Manager Frick reported that Kent Singer from CREA had requested to attend a Board meeting and the Board consensus was to invite him to attend the February or March regular meeting. Manager Frick next advised the Board regarding recent member communication. Discussion followed. Manager Frick reported on the upcoming Morgan Community Gala, which is being hosted at the Association Headquarters.

PRESIDENT'S REPORT: The Board discussed director compensation.

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 December 2023 Preliminary Sales and Financial Report. Questions were asked and answered.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported that CREA had not met since the Association's December meeting. The Board discussed the upcoming federal congressional elections.

OTHER MEETING REPORTS: None.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: The Board discussed the upcoming Morgan County Commissioner elections.

There being no further business to consider, the meeting was declared adjourned 2:40 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary