

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

February 26, 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.

Kent Singer, Executive Director of the Colorado Rural Electric Association, was also present.

APPROVAL OF MINUTES: The Board reviewed the minutes of its January 22, 2024 regular meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of January 22, 2024 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 27445 through 27468 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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 the Association's requirements for contribution in aid of construction, the Association's pole testing notification processes, and the availability of the Association facilities for public use.

COLORADO RURAL ELECTRIC ASSOCIATION: Mr. Singer presented to the Board regarding happenings at CREA, including staff organization, member engagement programs, government relation efforts, the current legislative session, and net metering. Questions were asked and answered, and discussion followed.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. There was a single incidence of damage to cooperative property, caused when an Association bucket truck ran off a road. CREA's safety coordinator was on-site at the Association and provided training on Flagger Certification, First Aid and CPR, Bloodborne Pathogens, Hazardous Communication and Safety Data Sheets, and Spill Prevention Control and Countermeasures during the preceding month. Questions were asked and answered.

STAFF REPORT – HUMAN RESOURCES: Ms. Binder reported regarding upcoming education and training seminars and other meetings, conferences, and events. President Wickstrom appointed Larry Hoozee as the Association's delegate for the 2024 Tri-State annual meeting and appointed Terry Tormohlen as his alternate.

STAFF REPORT – ENGINEERING: Mr. Sundet presented the monthly engineering report. The Association has received bids for construction of 7.5 miles of new transmission line. Mr. Sundet recommended that the Board accept Altitude’s bid to perform that construction for \$1,847,593.67. Altitude was the lowest bidder. Questions were asked and answered.

- ◆ **By motion made, seconded, and carried, the Board accepted Altitude’s bid to construct 7.5 miles of new transmission line at a cost of \$1,847,593.67.**

Mr. Sundet updated the Board construction progress of a new substation, Engineering Department personnel matters, and presented data and maps showing the Association’s new construction by county and by year, from 2014 through the present. The Association completed 128 new construction work orders in 2023, down from 156 in 2023 and 248 in 2022. Most of the new construction was in Morgan and Weld counties. Mr. Sundet also reported on an electric oil and gas drilling rig which is scheduled to go into operation in the Association service territory.

STAFF REPORT – OPERATIONS: Mr. Mason presented the monthly operations report. MCREA crews constructed twelve new single-phase locations, three new three-phase locations, performed seven service upgrades, and two service retirements during the preceding month. Altitude continues Construction Work Plan work and Mountain Side continues work on various other projects on a contract basis for the Association. Mr. Mason showed photographs of a newly purchased skid steer and ATV. Mr. Mason also showed photographs of damage to a substation caused by WAPA and which caused a recent service outage. Questions were asked and answered.

STAFF REPORT – MEMBER SERVICES: Mr. Baranowski provided the Member Services report. Mr. Baranowski directed the Board’s attention to previously provided data regarding the Association’s 2023 “true-up” for net metered accounts. He informed the Board regarding a member inquiry about the Association’s 2024 rates. Discussion followed. Notice has been mailed to the membership of the Association’s 2024 Annual Meeting, which is scheduled for March 19th at 6:00 p.m. Mr. Baranowski reported that Tri-State processed \$78,364 in beneficial electrification rebates for Association members in 2023. Mr. Baranowski reported that the Association Scholarship Committee awarded \$8,000 in scholarships to nine area high school students.

STAFF REPORT – OFFICE SERVICES: None.

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 updated the Board regarding happenings at Tri-State. Manager Frick presented a proposed new Transmission Service Rate for the Board’s consideration. The rate was developed in coordination with the Association’s rate consultant. Questions were asked and answered.

- ♦ **By motion made, seconded, and carried, the Board approved the proposed Transmission Service Rate, effective May 1, 2024, and subject to the Association's notice and reaffirmation requirements.**

Manager Frick reported to the Board regarding meetings he had attended on behalf of the Association during the preceding month, the marketing of the Association's residential property in Prospect Valley, and reminded the Board of the upcoming Association Annual Meeting on March 19th and Member Appreciation Picnic on June 13th. Questions were asked and answered.

President Wickstrom exited the meeting at 12:53 p.m. and relinquished the chair to Vice President Pabst for the remainder of the meeting.

PRESIDENT'S REPORT: None.

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

WESTERN UNITED BOARD REPORT: Mr. Linker presented Western United's January 2024 Preliminary Sales and Financial Report. Questions were asked and answered.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on happenings at CREA.

OTHER MEETING REPORTS: None.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 1:51 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary