

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

June 27, 2022: 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 were: Dave Arndt, Jim Bostron, Randolph D. Graff (by telephone), Larry D. Hoozee, Terry Linker (by telephone), Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom. Absent: Terry Linker.

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.

APPROVAL OF MINUTES:

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of May 23, 2022 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 26872 through 26912 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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: Mr. Pabst reported regarding a member complaint regarding a meter loop installation. President Wickstrom reported on a recent positive experience he had using the Cooperative Response Call center service to report a weekend outage.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. There were four instances of damage to Association property caused by a vehicle, tractors, and an irrigation sprinkler malfunction. The Joint Health & Safety Committee met on June 14, 2022 and discussed Commitment to Safety and reviewed Federated Insurance's Injuries, Near Misses & Damages Report. Curt Graham from CREA held a refresher class for Association employees on bloodborne, CPR, first aid, and exposure to heat. CREA also conducted its annual hurt man and bucket truck rescue operations. RESAP field observations, for the Association's RESAP re-certification, were conducted from June 20th through 22nd.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported on upcoming education and training seminars and other meetings, conferences, and events. Ms. Binder reported that Federated Insurance will take the Association's new security system into account when it quotes the Association's new premium at its next renewal date. Ms. Binder reported that the IRS was increasing its 2022 mileage reimbursement rate to 62.5 cents per mile, effective July 1, 2022.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. RUS is reviewing the Association's 2022-2025 Construction Work Plan. Mr. Sundet updated the Board regarding five large power loads and five digesters on the Association system

and plans for replacing the Messex transformer. The 2022 pole inspection has been completed. 70 out of 3,323 inspect poles were identified for replacement. Mr. Sundet reminded the Board of its past discussions regarding naming a new substation after prior Association attorney, Dave Roberts, and discussion followed. The Board consensus was to do so.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. Association crews built to eight new single-phase locations and installed a new master meter during the preceding month. Crews also replaced three-phase line with single-phase, at a member’s request, and worked on other re-span, new construction, and pole changeouts. Contractor Altitude continues work on upgrading pole changeouts and hardware upgrades.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski provided the Member Services report. Mr. Baranowski reported that there are fifty-one commissioned net meters on the Association system with seven more pending net meter applications. Mr. Baranowski reported on the Tesla electric vehicle ride and drive-alongs during the Association’s recent Customer Appreciation Day. Discussion followed. Mr. Baranowski reported regarding difficulties sourcing heat pumps that meet energy efficiency standards eligible for Tri-State rebates and reported that Tri-State now offers rebates for “quality installers.” The Member Services Department recently presented at a STEM event at the Woodlin School.

STAFF REPORT – OFFICE SERVICES: No 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. Pabst 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 updated the Board regarding the FERC proceeding on Tri-State’s contract termination payment methodology. Questions were asked and answered, and discussion followed. Manager Frick updated the Board regarding his participation on Tri-State’s rate committee. Manager Frick informed the Board regarding plans for the Association’s organizational structure. Lastly, Manager Frick reported to the Board regarding the recent first annual Customer Appreciation Day. One hundred seventy-five people attended, in addition to Directors and employees. Fifty-six of those attendees were members. Manager Frick reported that it costs approximately \$45,000 to conduct and in person annual meeting versus \$32,500 for a virtual meeting and Customer Appreciation Day. The Board discussed whether to continue having virtual annual meetings or to go back to an in-person Annual Meeting and whether to continue having a separate in-person Customer Appreciation Day. The Board consensus was to continue with a virtual Annual Meeting and an in-person Customer Appreciation Day. Manager Frick asked the Board whether it wants to offer a package for the CARE Auction. The Board consensus was to do so.

PRESIDENT’S REPORT: President Wickstrom reminded the Board to complete the General Manager evaluation. The General Manager review will be in August.

TRI-STATE G&T BOARD REPORT: Mr. Graff reported reviewed and discussed at length the contents of the monthly written report he prepared and presented as the Cooperative's delegate director to the Board of Directors of Tri-State G&T.

WESTERN UNITED BOARD REPORT: The Board reviewed Western United's May 2022 Sales and Financial Report.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt presented to the Board regarding various CREA committees and legislative and regulatory issues impacting electric cooperatives.

OTHER MEETING REPORTS: President Wickstrom and Mr. Tormohlen reported on their attendance at the CFC and Federated annual meetings. Mr. Peggram reported on his attendance the Midwest Electric Consumer board meeting.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 2:21 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary