

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

August 28, 2023: The regular monthly meeting of the Board of Directors of Morgan County Rural Electric Association was called to order at approximately 8:45 a.m. on the above date. Directors present were: Dave Arndt, Jim Bostron, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Peggram, Terry Tormohlen, and Cary Wickstrom.

EXECUTIVE SESSION:

- ♦ **At 8:45 a.m., by motion made, seconded, and carried, the Board entered executive session for the purpose of performing the General Manager Review.**

Initially, only the Directors remained in the room for the executive session. General Manager Frick joined the executive session at 9:00 a.m.

The Board exited executive session at 10:40 a.m. No formal actions were taken during the executive session.

Matthew Richardson, General Counsel, members of the Association staff who personally provide monthly staff reports to the Board of Directors, and Robert Mendoza, of member Occidental Petroleum, joined the meeting at 10:40 a.m.

APPROVAL OF MINUTES:

- ♦ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of July 24, 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 27276 through 27303 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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. Mendoza of Occidental Petroleum introduced himself.

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. The Joint Health & Safety Meeting was held August 8, 2023. Manager Frick asked if there were questions and there were none.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported regarding upcoming education and training seminars and other meetings, conferences, and events. Ms. Binder also reported on Association health insurance rates. Questions were asked and answered.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly engineering report. Mr. Sundet reported regarding several large power loads, construction work, materials sourcing, and methane digesters. Questions were asked and answered.

STAFF REPORT – OPERATIONS: Alan Mason presented the monthly operations report to the Board. Association crews built nine new single-phase locations and five new three-phase locations during the preceding month. Association crews also completed five service upgrades and three service retirements. Mr. Mason updated the Board regarding work being performed by contractors Altitude and Mountainside, the Association vehicle fleet, and personnel changes.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski provided the Member Services report. Mr. Baranowski reported that the Association presently has 77 solar net meters and one wind net meter on its system. Mr. Baranowski reported regarding the Association's efforts to communicate with members regarding rates, Excel's Colorado Power Pathway Project, the Association's beneficial electrification rebate program, and the Association's presence at the Morgan County Fair. Questions were asked and answered.

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. 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. The Association has met with its rate consultant, Mr. Scrivener from Applied Energy Concepts, regarding initial preparation for the Association's cost of service study. Manager Frick reported on a recent meeting with an industrial member. Morgan County Community College has requested to hold its annual gala at the Association headquarters and asked the Board if there were any objections. Questions were asked and answered, and discussion followed. There were none.

Mr. Mendoza exited the meeting.

EXECUTIVE SESSION:

- ♦ **At 1:20 p.m., by motion made, seconded, and carried, the Board entered executive session for the purpose of discussing matters subject to investigation.**

Mr. Baranowski, Ms. Binder, Mr. Mason, Mr. Shaver, and Mr. Sundet entered the meeting for the executive session.

The Board exited executive session at 1:59 p.m. No formal actions were taken during the executive session.

Mr. Baranowski, Mr. Mason, and Mr. Sundet exited the meeting.

PRESIDENT’S REPORT: President Wickstrom appointed Tim Peggram as the Association’s delegate to the NRECA Region 7 Meeting. The Board discussed the CoBank Director election. President Wickstrom asked for feedback on the Manager evaluation process and the Board consensus was to use the same process for the 2024 evaluation.

TRI-STATE G&T BOARD REPORT: Mr. Hoozee reviewed the Tri-State Generation & Transmission monthly report, which had previously been provided. Attorney Richardson reported regarding recent legal decisions involving Tri-State. Discussion followed.

WESTERN UNITED BOARD REPORT: Mr. Linker presented Western United’s July 2023 Preliminary Sales and Financial Report.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Mr. Arndt reported on the recent CREA board meeting.

OTHER MEETING REPORTS: Directors reported on various recent electric industry meetings attended.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: The Board discussed the vacant District II Director seat.

There being no further business to consider, the meeting was declared adjourned 3:22 p.m.

Respectfully submitted:

Terry Tormohlen, Secretary