

# **MORGAN COUNTY RURAL ELECTRIC ASSOCIATION**

## **Minutes of Regular Board Meeting**

**Headquarters Building – Fort Morgan, Colorado**

**January 28, 2019:** 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, Randolph D. Graff, Larry D. Hoozee, Brian Pabst, Timothy Peggram, Brian D. Schlagel, 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 December 17, 2018 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 25376 through 25410 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**CANCELLED MEMBERSHIPS:** The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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 received training on Sling and Chain Inspection and reviewed Colorado Department of Transportation and driver responsibility safety regulations and guidelines. Additionally, staff conducted 2018 yearly job safety evaluations in accordance with OSHA regulations. All employees received training on First Aid/CPR/AED on January 11, 2019 and Chuck Marting of Colorado Mobile Drug Testing presented to MCREA supervisors regarding reasonable suspicion on January 17, 2019.

**STAFF REPORT – HUMAN RESOURCES:** Kristie Binder reported on the education and training seminars attended by MCREA staff during the preceding month and advised the Board of upcoming conferences, meetings, and events. Ms. Binder also reported that the IRS has increased its mileage reimbursement rate to \$.58 per mile for 2019.

**STAFF REPORT – ENGINEERING:** Stephan Sundet presented the monthly engineering report to the Board. Mr. Sundet updated the Board on an upcoming 69 kV transmission line project. Bids for that project are due on February 1, 2019. The project is scheduled for commence on March 1, 2019 and be completed by July 1, 2019. Mr. Sundet reviewed with the Board the new large power loads that MCREA added to its system in 2018, as well presented on large power loads forecasted to be added during 2019. Lastly, Mr. Sundet presented data regarding new services locations installed in 2018, as well as new construction from 2009 through 2018.

**STAFF REPORT – OPERATIONS:** Bobby Brenton presented the monthly operations report to the Board. MCREA crews had completed four service retirements during the preceding month, in addition to continuing their work on new construction projects. Mr. Brenton also updated the Board on contractor Altitude’s Construction Work Plan progress.

**STAFF REPORT – MEMBER SERVICES:** Dave Henderson presented the monthly Member Services Department report. Preparations for the annual meeting of the membership are underway. Mr. Henderson reported that board election nomination petitions were available and due back no later than January 30, 2019. Mr. Henderson reported on the Youth Tour scholarship winner and requested Board member volunteers for the scholarship committee. Mr. Henderson also reported that MCREA sent “true up” payments for net metered accounts on January 17, 2019.

**STAFF REPORT – OFFICE SERVICES:** Robb Shaver presented the monthly Office Services report. Mr. Shaver reviewed the cooperative’s longterm debt and cash position with the Board.

**FINANCIAL REPORT:** Mr. Shaver reviewed the details of his customary monthly financial statements and reports, as well as detailed analysis of the cumulative 2018 year-end financials. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

**TREASURER’S REPORT:** Timothy Peggram 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 Graff ordered that the check register be filed.

**MANAGER’S REPORT:** Manager Frick presented his monthly report to the Board, including an update on construction progress with the new warehouse. That project is now running slightly behind schedule due to delays in obtaining necessary materials. Completion looks to be on pace for mid-February or the beginning of March 2019. Manager Frick and the Board then engaged in extensive discussion and strategic planning regarding the previous headquarters location, which discussion was ultimately tabled.

Manager Frick presented MCREA’s staff’s proposed revisions to Policy 1-7 Extended Group Medical Insurance, Policy 2-1 Fee for Disconnect/Reconnect Non-Payment and Visitation, Policy 2-6 Nomination, Balloting, and Election of Directors, and Policy 9-7 Employee Benefits.

- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 1-7 with adoption of the staff recommendations.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 2-1 with adoption of the staff recommendations.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 2-6 with adoption of the staff recommendations.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 9-7 with adoption of the staff recommendations.**

**PRESIDENT’S REPORT:** President Graff appointed Dave Arndt as MCREA’s delegate to the CREA and Western United annual meetings and appointed Timothy Peggram as his alternate. President Graff appointed Brian Schlagel as MCREA’s CFC delegate and Timothy Peggram as his alternate.

**TRI-STATE G&T BOARD REPORT:** Brian Schlagel 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, including discussion of recently proposed bylaw revisions and the status of a PUC complaint filed against Tri-State by Delta Montrose Electric Association.

**WESTERN UNITED BOARD REPORT:** Dave Arndt attended the January 24, 2019 Western United Board meeting for Brian Pabst and reported to the MCREA Board regarding that meeting.

**COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT:** Dave Arndt reported on the Colorado Rural Electric Association Board’s most recent meeting, including reporting on the start of the 2019 state legislative session.

**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 2:11 p.m.

Respectfully submitted:

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Larry D. Hoozee, Secretary