

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

February 19, 2018: 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, Terry Linker, Brian Pabst, Timothy Peggram, Brian D. Schlagel, and Cary Wickstrom. Absent: Matthew Richardson, Corporate Attorney.

Also present were David Frick, General Manager, 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 January 22, 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 25055 through 25083 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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 continues its review and discussion of the cooperative's Safety Manual and procedures. Manager Frick reported on the crew observations and safety meetings conducted thus far in the 2018.

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 advised the Board of the 2018 Election Committee.

STAFF REPORT – ENGINEERING: Steve Sundet submitted the monthly engineering report to the Board. Mr. Sundet announced that the 2018-2021 Construction Work Plan prepared by Electrical Consultants, Inc. has been completed and submitted and reviewed and stands ready for formal acceptance and approval. Following consideration and discussion.

- ◆ **By motion made, seconded and carried the following Resolution was adopted:**

RESOLUTION

BE IT RESOLVED that the 2018-2021 Construction Work Plan prepared by Electrical Consultants, Inc. planning construction expenditures of approximately \$15,508,000 be approved and adopted as the Electrical System Construction Work Plan for Morgan County Rural Electric Association for those years covered by the plan.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews focused on retirement of idle lines, general line maintenance, and buildouts to industrial and residential members during the preceding month. Contractor Altitude continues to focus efforts on line rebuild projects.

STAFF REPORT – MEMBER SERVICES: Dave Henderson provided the Board with the member services report. Mr. Henderson reported that MCREA had received 34 scholarship applications and seven lineman applications. Member Services participated in a number of public education events during the preceding month, including an 8th grade career day for Northeastern Colorado schools and “Story Behind the Switch” presentations at Prairie School. Mr. Henderson reported on the employee’s preparation for the Annual Meeting, scheduled for March 17, 2018. Mr. Henderson reported that five nominating petitions had been returned for the upcoming director election at the Annual Meeting. The candidates for two districts ran unopposed. The three remaining candidates are running in District 2. Secretary Hoozee certified that the nominating petitions for Cary Wickstrom, Kyle Eiring, Laura Teague, Terry Tormohlen, and J. Brian Pabst are in conformity with MCREA’s Bylaws and C.R.S. § 40-9.5-110.

- ◆ **By motion made, seconded, and carried, the Board accepted Secretary Hoozee’s certification of the nominating petitions.**

STAFF REPORT – OFFICE SERVICES: Robb Shaver reported line loss has decreased over the past several years. Mr. Shaver reported current interest rates charged by lenders to the rural electric industry.

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. 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. Manager Frick updated the Board on the progress of his discussions with Buildings by Design regarding the construction of a new warehouse facility. Mr. Frick requested a budget be set for the new warehouse facility.

- ◆ **By motion made, seconded, and carried, the Board authorized a budget of 3.5 million for the new warehouse facility and to begin securing a loan for the new facility.**

PRESIDENT’S REPORT: President Graff submitted his monthly report to the Board. The Board next discussed the reorganization will take place at the April 23, 2018 Board Meeting.

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.

WESTERN UNITED BOARD REPORT: Brian Pabst reported on Western United’s January board meeting.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Timothy Peggram reported on his attendance at CREA’s most recent board meeting as MCREA’s delegate director.

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 at 2:10 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary