

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION
Minutes of Regular Board Meeting
Headquarters Building – Fort Morgan, Colorado

April 23, 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, Terry Tormohlen, and Cary Wickstrom. Absent: None.

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.

BOARD REORGANIZATION: By nomination and balloting in accordance with Section 2 of Article VI of the cooperative's bylaws, the Board elected the following officers:

President: Randolph D. Graff
Vice President: Cary Wickstrom
Secretary: Larry D. Hoozee
Treasurer: Timothy Peggram

Brian Schlagel was appointed as Tri-State delegate, Dave Arndt as CREA delegate, and Brian Pabst as Western United delegate.

APPROVAL OF MINUTES:

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of March 19, 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 25092 through 25121 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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.

BUILDINGS BY DESIGN: Representatives from Buildings By Design presented to the Board regarding final plans for the construction of a new warehouse building.

- ◆ **By motion made, seconded, and carried, the Board authorized Dave Frick to execute the contract with Buildings By Design for the new warehouse project, along with other necessary documents in connection with that project.**

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. On April 12, Mike Davis of Tri-State G&T presented a Certified Switchman Training Class for MCREA employees. Manager Frick also reported on three instances of damage to MCREA property during the preceding month.

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 reported that MCREA recently received anti-harassment training from Employer’s Counsel.

STAFF REPORT – ENGINEERING: Mr. Geoff Baumgartner began the monthly engineering report with a presentation on MCREA’s use of social media and how MCREA utilizes Facebook and Twitter as part of its technology plan. Steve Sundet then submitted the monthly engineering report to the Board. The RUS has approved MCREA’s next Construction Work Plan, including approval of the Environmental Report. The engineering department had also reviewed an initial draft report of the sectionalizing study. Next Mr. Sundet advised the Board that MCREA has solicited bids for contractors interested in accepting the 2018 Distribution Contract. Bids will be opened June 18 and work could commence as soon as July.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews built new residential locations, retired out of service locations, and changed out poles during the preceding month. Contractor Altitude continues to focus efforts on line rebuild projects.

STAFF REPORT – MEMBER SERVICES: Dave Henderson reported on correspondence from CARE/ACRE, Colorado’s electrical distribution cooperative political action committee, regarding the group’s fundraising campaign. MCREA recently hosted the conference for the Colorado Rural Electric Member Services group. Thirty-five attendees toured the Pawnee Power Plant. Two new residential solar net meters were installed during the preceding month and two Fort Morgan locals were awarded Lineworkers Scholarships.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented statistical data regarding attendance and voting at the 2018 annual meeting of the members. 235 members attended and 935 total votes, mail and in person, were counted in the director election. Mr. Shaver next presented information regarding the allocation of the 2017 cooperative and Tri-State patronage. Mr. Shaver requested that the Board authorize Mr. Hoozee to execute the necessary promissory note in connection with the previously approved CoBank loan for the new warehouse project.

◆ **By motion made, seconded and carried, the Board Larry Hoozee to execute Note No. 000522T04 with CoBank.**

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 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 warehouse project. Lastly, Manager Frick reported that the union employee’s collective bargaining agreement would be renegotiated in September.

PRESIDENT’S REPORT: President Graff submitted his monthly report to the Board. President Graff discussed appointments of alternate delegates to the various boards of which MCREA is a member and, by Board consensus, appointment of alternates was tabled for a later date.

TRI-STATE G&T BOARD REPORT: Brian Schlager 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 Western United Board had not convened since MCREA’s February Board meeting. However, Brian Pabst to review with the Board the Western United’s financials.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: President Graff reported on his attendance at CREA’s most recent board meeting.

OTHER MEETING REPORTS: Timothy Peggram reported on the upcoming CREA meeting which will cover renewable energy. Brian Pabst and Brian Schlager reported on NRECA’s Directors Conference. Timothy Peggram and Randolph Graff reported on Tri-State’s annual meeting and Timothy Peggram reported on Midwest’s recent meeting in Washington D.C.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 1:59 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary