

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

July 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, and Terry Tormohlen. Absent: Cary Wickstrom.

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 June 25, 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 25183 through 25217 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CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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: Brian Schlagel reported regarding a member that recently received a disconnect notice when the member's payment was lost in the mail.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. MCREA staff continues its review and discussion of the Association's Safety Manual and procedures. Manager Frick reported on the crew observations and safety meetings conducted thus far in 2018 and shared samples of crew observation reports with the Board. Two MCREA poles were damaged when struck by motor vehicles during the preceding month. On July 10, three MCREA employees attended the Strategy Lab Seminar hosted by Federated.

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.

STAFF REPORT – ENGINEERING: Manager Frick presented the monthly engineering report to the Board. Manager Frick reported on new construction to service the Kiowa Park Subdivision in Wiggins and reviewed new loads and potential new loads being served or to be served from the Chalk Bluffs Substation. The Board discussed the content of the Colorado Country Life publication and whether to include informational content regarding litigation and legislation affecting cooperatives.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. MCREA crews built new construction for residential, large power, and irrigation

services during the preceding month. MCREA crews have also been repairing infrastructure damaged by recent weather events. Lastly, Mr. Brenton updated the Board on contractor Altitude's work pursuant to the 2017 Construction Contract.

STAFF REPORT – MEMBER SERVICES: Dave Henderson presented the Member Services Department report to the Board. Mr. Henderson reported that MCREA's sponsorship of the Bobstock music festival in Fort Morgan was successful and showed photographs of that event. The Member Services Department continues preparation for the MCREA Invitational Golf Tournament and Mr. Henderson requested Board member assistance at that event. MCREA will have a Power and Safety Display at the National Night Out event in Fort Morgan on August 7th and an informational booth at the Morgan County Fair on August 8th. Mr. Henderson and the Board discussed Tri-State G&T's pending request for proposals for a solar generation facility.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the regarding the cooperative's preceding month's financials.

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: 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. He updated the Board on the construction schedule for the new warehouse project. Under other business, Manager Frick discussed prepaid metering with the Board and reported that collective bargaining negotiations will begin with the linemen's union on July 24.

Policies 9-10, regarding Personal Leave Without Pay; 9-11, regarding Employment of Relatives; and 10-4, regarding Net Metering were reviewed with the Board. MCREA staff recommended that 9-10 be amended to provide that the Office Services Manager/Accountant shall calculate any reimbursement employees taking leave pursuant to that policy must reimburse the cooperative. MCREA staff recommended minor revisions to 10-4 to refer to "members," rather than "customers," and recommended that the Board reaffirm 9-11 as written.

- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 9-10.**
- ◆ **By motion made, seconded, and carried, the Board affirmed Policy 9-11.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 10-4.**

PRESIDENT'S REPORT: Kristie Binder presented a tutorial to the Board on the software the Board will use for the General Manager annual evaluation. President Graff then appointed Dave Arndt as the cooperative's Basin Annual Meeting delegate and Timothy Peggram as alternative delegate.

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 that Western United's Board has not met since he last reported but did update the Board on Western United's year-to-date financials.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Terry Tormohlen reported that CoBank's new director orientation was very educational, with good speakers.

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 12:11 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary