

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

**May 2019, 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, 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.

**APPROVAL OF MINUTES:**

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of April 22, 2019 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 25493 through 25516 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**CANCELLED MEMBERSHIPS:** The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.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. Arndt reported that a member had inquired with him as to the frequency of capital credit retirements. Mr. Hoozee reported that he had received positive member feedback regarding speedy restoration of power in the New Raymer area, after a recent weather-caused outage.

**SAFETY & HEALTH REPORT:** Manager Frick presented and summarized the monthly Safety and Health Report. MCREA staff reviewed “Near Miss” reports from CREA and Federated Insurance and received instruction on oil spill procedures. The Joint Safety and Health Committee met on May 14.

**STAFF REPORT – HUMAN RESOURCES:** Kristie Binder advised the Board regarding the education and training seminars attended by MCREA staff during the preceding month, as well as on upcoming conferences, meetings, and events. Ms. Binder advised the Board that it needs to select a delegate for the upcoming NSCS meeting.

**STAFF REPORT – ENGINEERING:** Stephan Sundet presented the monthly engineering report to the Board. Mr. Sundet updated the Board on the 69-kV transmission line project and specifically regarding the acquisition of easements for that project.

- ◆ **By motion made, seconded, and carried, the Board authorized David Frick to negotiate an easement with the remaining hold out landowners, or to commence a condemnation action necessary to acquire those easement rights, in the event such an agreement cannot not be reached.**

MCREA staff and legal counsel are in the process of negotiating Engineering and Procurement Agreements in connection with multiple potential new Large Power loads. Lastly, Mr. Sundet informed the Board that MCREA had completed its 2019 pole inspections. 4,539 poles were inspected and 1.1% of those were rejected. The 2019 pole inspection project came in under budget.

**STAFF REPORT – OPERATIONS:** Bobby Brenton presented the monthly operations report to the Board. Mr. Brenton updated the Board on MCREA’s apprentice linemen and reported that MCREA currently had an opening for another apprentice. MCREA crews were busy with new construction, work on an MCREA river crossing, and 2019 pole inspections and changeouts during the preceding month. Contractor Altitude continues work pursuant to the Work Plan contract. Lastly, Mr. Brenton reported that MCREA crews were able to quickly and safely restore power to those members that experiences outages after a storm on May 17.

**STAFF REPORT – MEMBER SERVICES:** Dave Henderson presented the monthly Member Services Department report. Mr. Henderson reported that the coop had received two new net meter application and showed photographs of a residential solar installation. The Member Services Department presented an electrical safety demo at Outdoor Education Day at Columbine School on May 23. Lastly, Mr. Henderson reported to the Board that Member Services is continuing work on the rollout of MCREA’s new website.

**STAFF REPORT – OFFICE SERVICES:** Robb Shaver presented the monthly Office Services report. Mr. Shaver presented data and analysis to the Board on the costs of annual meetings from 2016-2019.

**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:** Brian Pabst 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. A potential purchaser for the old headquarters location had submitted a proposed Letter of Intent to conduct due diligence evaluation in connection with a potential purchase of that property.

- ◆ **By motion made, seconded, and carried, the Board authorized David Frick to execute the Letter of Intent on behalf of MCREA.**

Manager Frick next presented preliminary plans for the construction of a new mechanic’s shop facility attached to the new warehouse. Next, Manager Frick presented MCREA staff’s recommended revisions to Board Policy 2-2 “Sale of Electric Appliances, Materials and Supplies,” Board Policy 5-2 “Polychlorinated Byphenyls (PCB’s),” and Board Policy 10-6 “Consumer Power Quality Requirements.”

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

- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 5-2 with adoption of the staff recommendations.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policy 10-6 with adoption of the staff recommendations.**

**PRESIDENT’S REPORT:** President Graff appointed Timothy Peggram as MCREA’s delegate to the CFC Forum and appointed Dave Arndt as his alternate.

- ◆ **By motion made, seconded, and carried, the Board appointed President Graff as MCREA’s delegate for the NSCS District 4 meeting.**

President Graff next informed the Board of the need to move the Board’s June 24 meeting start time from 9:00 a.m. to 1:00, to accommodate the employee picnic, and to move the September 23 meeting to September 16, due to Board conflict with a conference.

- ◆ **By motion made, seconded, and carried, the Board postponed the start of its June 24, 2019 regular meeting until 1:00 p.m.**
- ◆ **By motion made, seconded, and carried, the Board rescheduled its September 23, 2019 regular meeting for 9:00 on September 16, 2019.**

**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:** Timothy Peggram reported that the Western United Board had not met since MCREA’s last board meeting.

**COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT:** Dave Arndt reported on the Colorado Rural Electric Association Board’s most recent meeting, including a detailed discussion regarding recently passed state legislation.

**OTHER MEETING REPORTS:** Timothy Peggram and Cary Wickstrom reported on their recent trip to Washington D.C. on behalf of the cooperative and Attorney Richardson reported on his attendance at the Spring 2019 CREA Legal Seminar.

**EMERGENCY BUSINESS:** None.

**OLD BUSINESS:** None.

**NEW BUSINESS:** The Board discussed rural broadband, including recently passed state legislation authorizing electrical cooperatives to utilize existing infrastructure to install broadband facilities. The Board decided to invite Wiggins Telephone Association’s General Manager to attend and upcoming MCREA Board meeting to discuss rural broadband.

There being no further business to consider, the meeting was declared adjourned 1:58 p.m.

Respectfully submitted:

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Larry D. Hoozee, Secretary