

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION

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

January 25, 2021: 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 Pegram, Terry Tormohlen, and Cary Wickstrom. Absent: Jim Bostron.

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: The Board reviewed draft minutes from the December 28, 2020 regular Board meeting.

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of December 28, 2020 were approved as presented.**

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 26207 through 26249 were approved.**

CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who had withdrawn from the cooperative since the last meeting of the Board.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. Association staff reviewed and discussed Federated Insurance's Safe Talk House Keeping Issues, reviewed Federated Insurance's Injuries, Near Misses, and Damages Report, and reviewed and discussed the Joint Health & Safety Committee meeting minutes. The Joint Health & Safety Committee met on January 13, 2021 and discussed Commitment to Safety, reviewed Federated Insurance's Injuries, Near Misses, and Damages Report, and discussed Safety Improvement Plans and CREA's RESAP certification program. Manager Frick reported regarding an injury to an employee and reviewed the Association's safety inspections and assessments to date for the year and reported on instances of damage to MCREA property.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder presented the Human Resources report. The IRS mileage rate has been reduced to \$.56 per mile for 2021. Ms. Binder reported regarding the upcoming NRECA PowerXchange and TechAdvantage conferences, CREA Annual Meeting, Western United Annual Meeting, and NRECA virtual Directors Conference.

President Wickstrom appointed Terry Linker as delegate for the Western United Annual Meeting and Brian Pabst as his alternate.

STAFF REPORT – ENGINEERING: Stephan Sundet presented the monthly Engineering report to the Board. The Association received several bids in response to its request for proposals for the 2022 Construction Work Plan. Mr. Sundet recommended that the Association approve Stanley Consultants’ bid to perform the 2022 RUS Construction Work Plan at a price of \$48,200.00. The contract is for a four-year construction work plan. Questions were asked and answered, and discussion followed.

- ◆ **By motion made, seconded, and carried, the Board accepted Stanley Consultants’ bid to perform the 2022 RUS Construction Work Plan at a price of \$48,200.00 and authorized Manager Frick to execute any necessary documents to accept that bid.**

STAFF REPORT – OPERATIONS: Mr. Brenton presented the monthly operations report to the Board. MCREA crews continued work on new construction, 2020 pole replacements, and 2021 oil circuit recloser replacements and changeouts during the preceding month. 2020 pole replacements have been completed. 2021 pole testing and changeouts will commence within the next few weeks. Questions were asked and answered. Mr. Brenton reported that Great Plains Power has been working out of state for another cooperative but will return in February to resume work on the 2020 two-year Construction Work Plan. Mr. Brenton also updated the Board regarding work done in conjunction with Tri-State Generation & Transmission at the West Plains Substation.

STAFF REPORT – MEMBER SERVICES: Rob Baranowski presented the monthly Member Services Department report. Mr. Baranowski reminded the Board that the annual meeting of the membership will be held by telephone town hall on March 23, 2021 at 6:00 p.m. Mr. Baranowski updated the Board regarding Youth Camp and Youth Tour, as well as on MCREA scholarship applications. The scholarship application deadline will be extended due to difficulty communicating scholarship availability due to remote learning. Mr. Baranowski reported that five member generators out of twenty-nine net-metered accounts were issued annual “true-up” checks to account for generation in excess of consumed electricity during the preceding twelve months. The other twenty-four members consumed more electricity than they generated over the course of the preceding year.

Mr. Baranowski presented analysis of the benefits of the Association’s Class C membership in Basin Electric. Basin Electric assists MCREA with advertising expenses, matches charitable giving contributions, and provides other advertising and member support programs and services in support of the Association. Questions were asked and answered.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. He presented preliminary analysis of the Association’s 2020 year-end financials but advised the Board that the Association is awaiting information regarding its Tri-State Generation & Transmission capital credit allocation and real property liability before the year-end financials can be complete. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed.

TREASURER’S REPORT: Terry 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 Wickstrom ordered that the check register be filed.

Members of staff exited the meeting.

MANAGER’S REPORT: Manager Frick presented his monthly report to the Board. Manager Frick reported that staff had reviewed Policy 1-11 “Directors’ Education” and recommended that the Board reaffirm that policy without revision.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 1-11 “Directors’ Education” as presented.**

Manager Frick next presented proposed revisions to Policy 9-7 “Employee Benefits.” Questions were asked and answered.

- ◆ **By motion made, seconded, and carried, the Board adopted staff’s proposed revisions to Policy 9-11 “Employee Benefits” in the form presented.**

Manager Frick next presented data comparing residential power rates among forty-eight distribution utilities.

Manager Frick updated the Board on preparation for the Association’s 2021 Annual Meeting of the Membership. Discussion followed.

The Board discussed whether to continue the MCREA Annual Invitational Golf Tournament. After extensive discussion, the Board consensus was to not continue the tournament.

PRESIDENT’S REPORT: None.

TRI-STATE G&T BOARD REPORT: Mr. Graff reviewed and discussed happenings at Tri-State G&T as the Cooperative’s delegate on the Tri-State G&T board.

WESTERN UNITED BOARD REPORT: Mr. Linker reported that the Western United board had not met since October but provided an update on the most recent financials.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: None.

OTHER MEETING REPORTS: None.

CALENDAR OF EVENTS. President Wickstrom reminded the Board that its next Board meeting will be February 22, 2021.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: Mr. Pabst asked the Board whether it should consider installing an electric vehicle charging station at a local gas station and discussion followed. Mr. Graff asked the Board whether it should schedule a strategic planning session and discussion followed.

There being no further business to consider, the meeting was declared adjourned 2:54 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary