

MCLEAN ELECTRIC COOPERATIVE, INC.
October 26, 2017

The October meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 26th day of October, 2017. The meeting was called to order by President Larry Gessele, at 1:00 o'clock p.m.

Directors present:

Clarence Behles
Larry Gessele
James Odermann
Troy Presser
Thomas Sheldon
Rod Stockdill

Directors absent was Darcy Klain. Also present were General Manager Martin D. Dahl, Operations Manager Keith Thelen, Engineering Technician Cara Bauer, and Attorney David A. Lindell.

A motion was made by Behles, seconded by Odermann, to approve the Consent Agenda which consisted of the minutes of the September 28, 2017, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Marjorie Oberg, Betty Flath, and Myrtle Goodleft were presented for capital credit retirement. A motion was made by Stockdill, seconded by Presser, to approve the estate retirements. The motion carried.

STAFF REPORTS:

1. Business Department - Martin D. Dahl. Items discussed and actions taken during the Business Department's Report were as follows:
 - a) Provided the Financial Report for the Cooperative which included the KWH use and revenue for September 2017, review of the September 2017 preliminary Form 7, financial ratios, and year-to-date budget to actual reports.
2. Engineering Department - Cara Bauer. Items discussed and actions taken during the Engineering Department's Report were as follows:
 - a) Discussed projects that are being planned and developed for upcoming construction.

- b) Provided an IT report.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
- a) Provided a workload/workplan and contract labor update.
 - b) The board acknowledged the minutes of the Safety Committee meeting held October 3, 2017.
 - c) Reviewed a motor loads letter/notice regarding motor loads that will be sent to area electricians who have done business with the Cooperative's patrons with the letter/notice to eventually be provided to other suppliers of ag materials.
4. General Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
- a) Reported that Brett Holtz resigned last month and that Wendy Kinn has been helping with some of the duties in the interim.
 - b) Provided a North Dakota Missouri River Advisory Council Report.
 - c) Provided a solar pump project update.
 - d) Provided a building project update. The construction is down to a punch list.
 - e) Discussed an incident with an angry patron.
 - f) Discussed employee travel policy regarding when it is appropriate for an employee to fly rather than drive. Manager Dahl will do research for development of a potential policy.
 - g) Reported that NRECA Cooperative Research Network dues have increased.
 - h) Provided a Central Power rate review.
 - i) Provided an Operation Round-up meeting report.
 - j) Provided a member advisory committee meeting preview.

- k) Touchstone Energy Director election. Manager Dahl was designated to cast a vote on behalf of the Cooperative.

REPORTS ON MEETINGS ATTENDED:

1. Statewide - Stockdill
2. Central Power - Presser
3. Basin Electric - Presser

OTHER BUSINESS:

Management Contract discussion - President Gessele and Attorney Lindell presented a proposed Employment Contract which was discussed with Manager Dahl. The board then went into Executive Session to further discuss the Management Contract. Following the Executive Session, the board met again with Manager Dahl and a Management Contract was approved by both parties.

UPCOMING MEETINGS:

1. The November monthly board meeting will be held on Thursday, November 30, 2017, at the Cooperative's headquarters which shall begin at 1:00 p.m.

There being no further business, upon a motion made and carried, the meeting was adjourned.

Following the meeting the board was to meet with the Member Advisory Committee.

Secretary