

MCLEAN ELECTRIC COOPERATIVE, INC.

June 26, 2018

The June 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 June, 2018. The meeting was called to order by President Larry Gessele, at 7:05 o'clock a.m.

Directors present:

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

Also present were Finance Manager Wendy Kinn, Engineering Technician, Cara Bauer, General Manager/CEO Martin D. Dahl, and Attorney David A. Lindell.

A motion was made by Klain, seconded by Presser, to approve the Consent Agenda which consisted of the minutes of the May 22, 2018, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications/transfers. The motion carried.

The estates of Wesley Anderson, Sharon Fyling, Melvin Herdt, Hazel O'Shea, Helen Dittus, and Charles Haring, 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. Finance Department - Wendy Kinn. Items discussed and actions taken during the Finance Department report were as follows:
 - a) Provided the Financial Report for the Cooperative which included the May KWH sales use and revenue, financial ratios, preliminary May Form 7, and year-to-date usage and revenue. She reported that revenue for the year is ahead of budget.
 - b) The 2017 Patronage Allocation Statements have been sent to the Cooperative's patrons.
 - c) Working on the special equipment reporting on Ivue.

2. Engineering Department - Cara Bauer. Items discussed and actions taken during the Engineering Department report were as follows:
 - a) McLean Electric Cooperative is working with the Air Force to gather information for possible replacement of cable to all missile sites.
 - b) Reported on the work load for other current projects, and that the IT Server migration is complete.
3. Operations Department - Martin D. Dahl substituting for Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
 - a) Provided a June work plan report.
 - b) Provided a Safety Report - The board acknowledged the minutes of the May 9, 2018, Safety Committee meeting minutes.
4. General Manager's/CEO Report - Martin D. Dahl. Items discussed and actions taken during the Manager's/CEO Report were as follows:
 - a) Provided a staffing update.
 - b) Reviewed the 2018 Annual Meeting.
 - c) Provided an RDFC Meeting report.
 - d) Reported that the Lewis & Clark Interpretive Center billing issue has been resolved with the State reimbursing the Cooperative.
 - e) Discussed a Power Wall Grant - Manager Dahl suggested that the Cooperative purchase one unit for the office to allow for testing for bugs at a cost of \$5,500.00 which has been budgeted. A motion was made by Odermann, seconded by Behles, to purchase said unit. The motion carried.
 - f) Car Charger Project - A grant application was presented to the Lignite Energy Council.
 - g) Corp of Engineers Report - From the Highway 83 embankment meeting and the river sand bar meeting.
 - h) Reviewed the Safety Performance Report.
 - i) Policy Review:

Policy No. 501.0 Member and Public Relations - A motion was made by Presser, seconded by Sheldon, to increase the Manager discretionary amount to \$500.00. The motion carried and the Policy as amended was approved.

Policy No. 502.0 Publication to the Member;
Policy No. 503.0 Assistance to Area Development and Organizations
Policy No. 504.0 Use of Membership List
Policy No. 506.0 Release of Information

Upon a motion made by Stockdill, seconded by Sheldon, to approve Policies 502.0, 503.0, 504.0, and 506.0 as presented and reviewed. The motion carried.

- j) Fitness Program - Tonya Graeber won the walking contest and will be awarded a Fit-Bit Watch.
- k) Member application review and changes - To entice new transfers to timely execute their membership applications, a motion was made by Presser, seconded by Odermann, to approve the suggested changes presented by Manager Dahl. The motion carried.
- l) Hostfest Donation - A donation in the amount of \$250.00 will be provided.

REPORTS ON MEETINGS ATTENDED:

- 1. Statewide - Stockdill
- 2. Central Power - Presser
- 3. Basin Electric - Presser
- 4. NDAREC Legal Seminar - Lindell

The board held an Executive Session. During Executive Session, director compensation was discussed.

After the Executive Session, a motion was made by Sheldon, seconded by Klain, to increase directors compensation to \$300.00 per meeting with an additional \$50.00 to the President as compensation for meetings that were chaired. The motion carried.

OTHER BUSINESS:

Turtle Lake Hospital Elevator Project - Manager Dahl was contacted by Basin Electric who stated that they are interested in providing a \$5,000.00 grant to the project and asked the Cooperative to provide some matching money. Upon a motion made by Klain, seconded by Stockdill, for the Cooperative to provide \$3,000.00 towards the match. The motion carried.

UPCOMING MEETINGS:

1. State Fair Cooperative Day - July 25, 2018
2. The July monthly board meeting will be held on Thursday, July 26, 2018, at 9:00 o'clock a.m. at the Cooperative's Headquarters.

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

Secretary