

MCLEAN ELECTRIC COOPERATIVE, INC.
January 26, 2018

The January 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 January, 2018. The meeting was called to order by President Larry Gessele, at 9:30 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, Operations Manager Keith Thelen, General Manager/CEO Martin D. Dahl and Attorney David A. Lindell.

A motion was made by Behles, seconded by Presser, to approve the Consent Agenda which consisted of the minutes of the December 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 LaVern Grewe, Laverne Vetter, Alden Miller, Leona Goven, Margaret Walker, Phyllis V. Johnson, Albert Sprenger, Allen Warkenthien, Doris Berg, and Clara Schock were presented for capital credit retirement. A motion was made by Stockdill, seconded by Odermann, to approve the estate retirements. The motion carried.

STAFF REPORTS:

1. Business Department - Martin D. Dahl and Finance Manager, Wendy Kinn. Items discussed and actions taken during the Business Department's Report were as follows:
 - a) MEC's capital credit allocation from Central Power for 2018 could result in a large capital credit retirement by MEC in the future. The Board directed Manager Dahl to look into deferred revenue possibilities.
 - b) Provided the Financial Report for the Cooperative which included the KWH sales use and revenue, review of the preliminary December 2017, Form 7, financial ratios and YTD usage and revenue.

2. Engineering Department - Cara Bauer. Items discussed and actions taken during the Engineering Department's Report were as follows:
 - a) Reported that she is continuing to work on easements and as-builts.
 - b) Reported that she is working with WSN Consulting to help with motor studies.
 - c) Provided an IT update.
 - d) Mentioned that Manager Dahl is preparing an RFP for an in-house contract engineer and mapping upgrades.

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 January 3, 2018.

4. General Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
 - a) Provided a staffing update which continued from previous staff reports.
 - b) Reported that the GWRD Contract with MEC is still on track to end January 31, 2018.
 - c) Solar projects. Mentioned that he is receiving interest from a few patrons.
 - d) Reported that the Lewis & Clark Interpretive Center billing issue has been resolved.
 - e) CFC Delegate nomination for NRECA Annual Meeting. Director Stockdill will be the delegate with Odermann as the alternate.
 - f) Provided a report on a CEO Closeup Meeting attendance.
 - g) Had a Strategic Planning preparation discussion.
 - h) Provided a report on his attendance at the Central Power MAC meeting.

- i) Discussed capital credits and potential future retirements.
- j) Provided a report on his attendance at the Basin MAC meeting.
- k) Mentioned the Blue Flint Ethanol and GRE rate changes for 2018.
- l) Provided an RDFC Annual Meeting report.
- m) Showed the Safety Score Card.

REPORTS ON MEETINGS ATTENDED:

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

UPCOMING MEETINGS:

- 1. The February monthly board meeting will be held on Monday, February 19, 2018, at the Cooperative's headquarters which shall begin at 9:00 a.m.
- 2. The Strategic Planning scheduled for February 19 & 20, 2018.

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

Secretary