

MCLEAN ELECTRIC COOPERATIVE, INC.
April 23, 2019

The April meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 23rd day of April, 2019. The meeting was called to order by President Larry Gessele, at 8:30 o'clock a.m.

Directors present:

Larry Gessele
Darcy Klain
James Odermann
Troy Presser
Rod Stockdill

Directors absent: Clarence Behles and Thomas Sheldon

Also present were Finance Director Wendy Kinn, Staff Engineer Lucas Schaaf, Operations Manager Keith Thelen, General Manager/CEO Martin D. Dahl, and Attorney David A. Lindell.

A motion was made by Stockdill, seconded by Odermann, to approve the Consent Agenda which consisted of the minutes of the April 2, 2019, 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 Rose Zabolotney, Harold Lindquist, Frieda Plesuk, and Joyce Estvold were presented for capital credit retirement. A motion was made by Odermann, seconded by Stockdill, to retire the capital credits for the estates. The motion carried.

STAFF REPORTS:

1. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
 - a) The board acknowledged the minutes of the Safety Committee meeting held on April 9, 2019.
 - b) Provided an April work load/work plan update.
2. 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 review of the March KWH sales and revenue, year-to-date statistics, financial ratios,

and the preliminary March, 2019, Form 7. The preliminary Form 7 shows a margin for March of \$380,602.00.

3. **Engineering Department - Lucas Schaaf, Staff Engineer.** Items discussed and actions taken during the Engineering Department report were as follows:
 - a) Provided a mapping and staking teams update.
 - b) Reported that Tesla talks are ongoing.
 - c) Provided a NAWS Project update.
 - d) Discussed Demand Mitigation regarding Blue Flint.
 - e) Discussed the current work plan.

4. **General Manager's/CEO Report - Martin D. Dahl.** Items discussed and actions taken during the General Manager's/CEO Report were as follows:
 - a) Provided a Garrison Planning and Zoning Annexation update.
 - b) Provided an Underwood Annexation update.
 - c) Discussed an EV Charger and Lease options. A motion was made by Klain, seconded by Odermann, for the Cooperative to purchase an EV Charger that would be installed at the North Dakota Lewis & Clark Interpretive Center. The motion carried.
 - d) Provided a statewide president/manager meeting report with Gessele and Presser.
 - e) Reviewed the proposed ballot for the 2019 Annual Meeting director election.
 - f) Reviewed Policy No. 424 - Interconnection of Dispersed Generation. A motion was made by Presser, seconded by Odermann, to approve Policy No. 424 as amended. The motion carried.
 - g) Discussed a billing error for Matthew and Denise Johannes. Manager Dahl will continue discussions with the Johannes and send a letter to them before the next board meeting.
 - h) Discussed a loan application from Heidi Smith for a daycare in Garrison. Manager Dahl directed her to speak to Lori Capouch through the statewide office.

BY-LAW CHANGE: A motion was made by Presser, seconded by Stockdill, to present a By-Law change to Article III Section 8a - Nomination and Election of Directors. The amendment would remove the requirement that for a person to sign a Petition for Nomination or to nominate from the floor, if no petitions were filed, reside within the District for which a vacancy exists and replace the language with the member signing must have an account within the District for which a vacancy exists. The motion carried. A copy of the proposed By-Law Amendment is attached to the minutes.

REPORTS ON MEETINGS ATTENDED:

- a) Statewide - Stockdill
- b) Basin Electric - Presser

UPCOMING MEETINGS:

1. The next monthly board meeting will be held on Thursday, May 23, 2019, at 8:30 o'clock a.m.

The board went into Executive Session. After the Executive Session, there being no further business. Upon a motion made and carried, the meeting was adjourned.


Secretary

SECTION 7. VOTING DISTRICTS. The territory served by the Cooperative shall be divided along township boundaries into seven districts. Each district shall be represented by one director.

Not less than sixty days before any meeting of the members at which directors are to be elected, the board of directors shall review the composition of the districts. If a more equal number of members in each district can be achieved the board of directors may reconstitute the districts.

SECTION 8. NOMINATION AND ELECTION OF DIRECTORS.

a) **NOMINATION AND ELECTION.** Whenever a vacancy in a director position shall exist by virtue of a director's term expiring, any member in good standing of this Corporation and residing within the district in which the vacancy occurs, may become a candidate for the office of director for such vacancy by filing at the Corporation Headquarters at least sixty (60) days prior to the date of the annual meeting, a nomination petition setting forth the name of the person so nominated for the office of director and is signed by at least fifteen (15) members in good standing ~~who also reside~~ with a meter within the director district in which the vacancy exists. No nominations shall be received from the floor at the annual meeting unless no petitions are filed, in which instance members with a meter residing within the district in which the vacancy exists, may nominate a director from the floor for its district. At the annual meeting, the members present and voting shall select, by secret written ballot, a director to fill the expired director term in that district. The ballots shall list the candidates by district. Each member present and voting shall be entitled to vote for one (1) nominee for each vacancy in each district. The director candidate receiving the most votes in each district for which an election is held shall be declared to be the elected director of the Corporation from that particular district. In the event that there are no more director nominees than there are vacancies, the director candidates may be elected by voice vote at the annual meeting.

b) **ELECTION OF DIRECTORS.** Not less than seven days before an annual or special meeting of the members at which directors are to be elected, the Secretary of the Cooperative shall be responsible for mailing to each member a list of the candidates, the names to be arranged by the districts. This list may be included with the notice of the meeting. At the meeting, the Secretary of the Cooperative shall place in nomination the names of the official candidates of each district from which a director is to be elected.

c) **TERM OF OFFICE.** Directors shall be elected for a term of three years. Following the adoption of this revision of the Bylaws, the rotation order of director election for the years 2002, 2003 and 2004 shall be as follows:

2002	District	7		
2003	Districts	2	4	6
2004	Districts	1	3	5