

MCLEAN ELECTRIC COOPERATIVE, INC.

May 22, 2018

The May meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 22nd day of May, 2018. The meeting was called to order by President Larry Gessele, at 8:30 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, Operations Manager, Keith Thelen, Engineering Technician, Cara Bauer, General Manager/CEO Martin D. Dahl, and Attorney David A. Lindell.

A motion was made by Stockdill, seconded by Behles, to approve the Consent Agenda which consisted of the minutes of the April 24, 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 Bertha Van Eschen, Gloria Hendrickson, and Bernard Schaefer, were presented for capital credit retirement. A motion was made by Klain, seconded by Odermann, 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 April KWH sales use and revenue, financial ratios, preliminary April Form 7, and year-to-date usage and revenue.
 - b) 2017 Audit Acceptance - The 2017 audit was presented during the April meeting. A motion was made by Stockdill, seconded by Sheldon, to accept the 2017 Audit. The motion carried.

- c) A motion was made by Presser, seconded by Stockdill, to allocate the 2017 net margin of \$1,831,725.00 to the patrons. The motion carried.
2. Engineering Department - Cara Bauer. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a mapping/staking update. NISC software should launch in June.
 - b) Reported that the IT server migration to NRG has begun.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
- a) Provided a May workload and contract labor update. Summer help has been hired.
 - b) The board acknowledged the minutes of the April 4, 2018, Safety Committee meeting.
4. General Manager's/CEO Report - Martin D. Dahl. Items discussed and actions taken during the Manager's/CEO Report were as follows:
- a) Reported that a new engineer accepted employment and should start on July 15, 2018.
 - b) Provided NISC Executive Meeting report.
 - c) Provided a Basin MAC report.
 - d) Reported that RDFC has approved a \$2,000.00 grant for the Turtle Lake Hospital elevator project.
 - e) A Power Wall Grant Application has been submitted but there is no funding at this time.
 - f) Reported that a car charging station has an estimated cost of \$36,000.00.
 - g) Provided a meeting with report on the Red River Valley Water Supply Project meeting held with Garrison Diversion in Washburn.
 - h) Reviewed the Annual Meeting ballot. A motion was made by Behles, seconded by Stockdill to approve the Annual Meeting ballot as presented. The motion carried.

- i) Provided a solar power update.
- j) WAEDA golf tournament. A motion was made by Behles, seconded by Klain, for MEC to sponsor a team for this years golf tournament. The motion carried.
- k) Provided a North Dakota legislative update.

POLICY REVIEW:

A motion was made by Presser, seconded by Behles, to approve the following as presented. The motion carried.

Policy No. 602 - Management/Employee Relations;
Policy No. 603-0 Equal Employment Opportunities;
Policy No. 604.0 Working Hours;
Policy No. 605.0 Hard Hats;
Policy No. 606.0 Safety Glasses, Ear Protection and Arc Flash Shields;
Policy No. 607.0 Vacation Leave;
Policy No. 609.0 Termination of Employee and Severance Pay;
Policy No. 610.0 Holidays;
Policy No. 611.0 Leaves of Absences;
Policy No. 612.0 Business Expense;
Policy No. 613.0 Retirement Insurance Coverage;
Policy No. 614.0 Pregnancy and Maternity/Adoptive Leave and Related Matters;
Policy No. 615.0 Personal Tools, Equipment, and Uniforms;
Policy No. 616.0 Copier Use;
Policy No. 617.0 Physical Examinations;
Policy No. 618.0 Maintenance of Service Outside Regularly Scheduled Working Hours;
Policy No. 619.0 Accident Reporting Procedure;
Policy No. 620.0 Promotion of Personnel;
Policy No. 622.0 Drug-Free Workplace
Policy No. 622.1 Controlled Substance and Alcohol Testing;
Policy No. 622.2 Smoke Free Workplace;
Policy No. 623.0 Employee Training and Development;
Policy No. 624.0 Sexual Harassment and Other Forms of Impermissible Harassment;
Policy No. 625.0 Wage and Salary Procedures;
Policy No. 626.0 Internet and E-mail Use;
Policy No. 627.0 Phone Use;
Policy No. 628.0 Vehicle Housekeeping;
Policy No. 629.0 Ipad Use and Upkeep

Reviewed Policy No. 608.0 Sick Leave and Funeral Leave. A motion was made by Presser, seconded by Sheldon, to approve Policy No. 608.0 as amended. The motion carried.

Reviewed Policy No. 203.0 Directors Fees and Expenses. A motion was made by Klain, seconded by Stockdill, to approve Policy No. 203.0 as amended. The motion carried.

REPORTS ON MEETINGS ATTENDED:

1. Statewide - Stockdill
2. Basin Electric - Presser

UPCOMING MEETINGS:

1. The 73rd Annual Meeting will be held on Tuesday, June 19, 2018, at the Garrison City Auditorium.
2. The June monthly board meeting will be held on Tuesday, June 26, 2018, at 8:30 o'clock a.m. at the Cooperative's Headquarters.

The board held an Executive Session. After the Executive Session, there being no further business, upon a motion made and carried, the meeting was adjourned.

Secretary