

MCLEAN ELECTRIC COOPERATIVE, INC.

April 30, 2015

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 30th day of April, 2015. The meeting was called to order by President Alvin Myers at 8:30 o'clock a.m.

Directors present:

Clarence Behles
Larry Gessele
Ernest Grueneich
Alvin Myers
Troy Presser
Orvin Ravnaas
Rod Stockdill

Also present were Manager Martin D. Dahl and Attorney David A. Lindell.

A motion was made by Stockdill and seconded by Ravnaas to approve the Consent Agenda which consisted of the minutes of the March 26, 2015, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estate of Victor Krehlik was presented for capital credit retirement. A motion was made by Behles and seconded by Grueneich to approve the retirement of the capital credits. The motion carried.

STAFF REPORTS:

1. Business Department - Luke Steen. Items discussed and actions taken during the Business Department report were as follows:
 - a. Provided the financial report for the cooperative which included the KWH usage and revenue for March, 2015 showing sales are lower at this time than last year; review of the February, 2015, and preliminary March, 2015, Form 7; financial ratios for February and March, 2015, and the Budget to Actual reports.
 - b. Reported that the 2014 capital credit allocation for the Cooperative is \$1.3 million. Notices will be mailed to the patrons in May.

- c. Presented the 2014 External Audit. The Board will further review for approval at the next meeting.
 - d. Discussed the summer work schedule of the employees.
- 2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
 - a) Provided the April and May, 2015, work plan/work load update. 58 work orders are scheduled to date compared to 38 at this time in 2014.
 - b) Presented a service power agreement for Galen Scheresky in the amount of \$115,000.00. A motion was made by Behles and seconded by Ravnaas to approve the agreement. The motion carried.
 - c) The Board acknowledged the admittance of the March 30, 2015, Safety Committee meeting.
 - d) Provided a report of his attendance at the Safety Coordinator meeting.
 - e) Reported that the Cooperative hired a new lineman, Jeff Jensen, for the Garrison shop. He will start employment on May 18, 2015. The Board discussed hiring another lineman who would begin work in the Turtle Lake outpost. A motion was made by Stockdill and seconded by Behles for the Cooperative to budget to hire another lineman for the Cooperative who would begin his service in the Turtle Lake post. The motion carried.
- 3. Manager's Department - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
 - a) Reported on his attendance at the RDFC Board Meeting.
 - b) Reported on his attendance at the Dakotas America Board Meeting.
 - c) Reported on his attendance at the Basin Electric, GRE, Central Power and McLean Electric Joint Meeting. He reported that the Cooperative may be interested in purchasing a 69KV line from the Falkirk Mine.
 - d) Provided a member services update which involved meter issues and that the Cooperative is looking into RTC service to the substations to replace the Central Power radio system.

- e) Reported on the National Cooperative Services Corporation Director election. It was discussed to cast a vote for the unopposed candidates and for R. Wayne Stratton for District 2 and Kathy Cooper-Witty for District 1.
- f) Presented a Co-Bank Bylaw Change. A motion was made by Gessele and seconded by Stockdill for the Cooperative to vote for the proposed by-law changes.
- g) Presented unbudgeted funding requests:
 - 1. From Washburn Area Dollars for Scholars for golf tournament sponsorship. No action was taken.
 - 2. Hiddenwood Sportsman's Club fishing derby sponsorship in the amount of \$75.00, which was approved.
- h. Reviewed the Basin Electric proposed rate structure and proposed By-Law changes and Resource Development Plan.
- i. Reported on his attendance at the Basin MAC Meeting.
- j. Reviewed the Central Power RTO Admission Impacts Report.

POLICY REVIEW:

The following policies were reviewed:

- 1. Policy No. 501.0 - Member and Public Relations. A motion was made by Ravnaas and seconded by Behles to amend Policy 501.0 to allow the Manager to make donations to civic organizations or McLean County groups without Board approval in the amount of \$250.00. The policy as amended carried.
- 2. Policy No. 502.0 - Publication to Members. A motion was made by Ravnaas and seconded by Presser to approve Policy No. 502.0 without changes. The motion carried.
- 3. Policy No. 503.0 - Assistance to Area Development Organizations. A motion was made by Behles and seconded by Ravnaas to add Statewide Committees for the Cooperative to become a member. The policy was approved as amended.
- 4. Policy No. 506.0 - Release of Information. A motion was made by Ravnaas and seconded by Grueneich to approve Policy No. 506.0 as reviewed without changes. The motion carried.

5. Policy No. 504.0 - Use of Membership List. A motion was made by Behles and seconded by Presser to Amend Policy No. 504.0 to add that the release of the membership list must not violate federal and state privacy laws. The amended policy carried.

Reports on meetings attended:

1. Statewide - Stockdill
2. Central Power - Presser

Upcoming Meetings:

1. The next Board meeting is scheduled for Thursday, May 28, 2015, at 8:30 a.m.

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

Secretary