

MCLEAN ELECTRIC COOPERATIVE, INC.  
December 24, 2015

The December meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters in Garrison, North Dakota, on the 24th day of December, 2015. The meeting was called to order by President Alvin Myers at 8:30 o'clock a.m.

Directors present:

Clarence Behles  
Larry Gessele  
Darcy Klain  
Alvin Myers  
Troy Presser  
Thomas Sheldon  
Rod Stockdill

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

A motion was made by Presser and seconded by Klain to approve the Consent Agenda which consisted of the minutes of the November 24, 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 Donald Becker, Sr., was presented for capital credit retirement. A motion was made by Behles and seconded by Stockdill to approve the retirement of the capital credits. The motion carried.

STAFF REPORTS:

1. Business Department - Manager Martin D. Dahl. Items discussed and actions taken during the Business Department Report were as follows:
  - a) Manager Dahl presented a letter of resignation submitted by Courtney Uran which was received by him on December 22, 2015.
  - b) Provided the Financial Report for the Cooperative, which included the KWH usage and revenue for November 2015, review of the November 2015, Form 7, financial ratios and budget to actual report.
  - c) Reported that the Cooperative will receive a \$244,000.00 bill credit from Central Power of December 31, 2015, consisting of the capital credit allocation/distributions, surface transportation, litigation proceeds, and renewal energy credits received from Basin Electric.

2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
  - a) Provided the December work load/work plan update, including a frost damage report.
  - b) The board acknowledged the Safety Report of the December 1, 2015, safety meeting.
  
3. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
  - a) 2016 budget discussion. No changes were made from the November budget approval.
  - b) Had a financial report follow-up and discussed 2015 capital credit distribution.
  - c) Discussed the Minot Air Force Base Missile Model fundraiser. A motion was made by Behles, seconded by Klain, for the Cooperative to pay \$500.00 to match the contributions the other Cooperatives have made that serve missile's. The motion carried.
  - d) Provided a report of his attendance of the Midwest Annual Meeting.
  - e) Discussed a possible grant for LED lights.
  - f) He stated that he will attend the training seminar for Dakotas America.
  - g) Provided a member services update.
  - h) NRECA delegate appointment - Behles will serve as delegate with Dahl as the alternate.
  - I) Reported that the Wholesale Power Contract with Central Power is complete.
  - j) Audit firm election - A motion was made by Stockdill, seconded by Behles, to approve Brady Martz to conduct a 2015 audit. The motion carried.
  - k) Presented an HDR work order inspection certification (RUS Form 219). A motion was made by Behles, seconded by Sheldon, to approve the certification. The motion carried.

- l) Reported that the Rural Development Financial Corporation Annual Meeting was scheduled for January 8, 2016, following the Statewide Annual Meeting.
- m) Stated that he will try to sell the Cooperative's camera on E-Bay.
- n) Reported that they need a statewide Delegate and Alternate. A motion was made by Presser and seconded by Gessele to continue with Rod Stockdill as the Director and Darcy Klain as the alternate for 2016. Motion Carried.

**POLICY REVIEW:**

- 1. Policy No. 624.0 - Sexual Harassment and Other Forms of Impermissible Harassment. A motion was made by Presser, seconded by Klain, to approve Policy No. 624.0 as reviewed. The motion carried.
- 2. Policy No. 625.0 - Wage and Salary Procedures. A motion was made by Presser, seconded by Stockdill, to approve Policy No. 625.0 as amended. The motion carried.

**REPORTS ON MEETINGS ATTENDED:**

- 1. Central Power - Presser
- 2. Basin Electric - Presser

**UPCOMING MEETINGS:**

- 1. The 2016 NDAREC Annual Meeting is scheduled for January 7<sup>th</sup> and 8<sup>th</sup>, 2016, in Bismarck, North Dakota.
- 2. The Board's Strategic Planning Session is scheduled for March 2<sup>nd</sup> and 3<sup>rd</sup>, 2016.
- 3. The next regular board meeting is scheduled for Thursday, January 28, 2016, at 9:00 o'clock a.m.
- 4. The February meeting is scheduled for March 2, 2016, in conjunction with the Strategic Planning Session.
- 5. The March meeting is scheduled for Thursday, March 24, 2016, after the completion of the Central Power Annual Meeting. The meeting will be held in Minot, North Dakota.

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

adjourned.

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Secretary