

MCLEAN ELECTRIC COOPERATIVE, INC.  
FEBRUARY 20, 2017

The February meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the company's headquarters, at Garrison, North Dakota, on the 20<sup>th</sup> day of February, 2017. The meeting was called to order by President Larry Gessele, at 9:00 o'clock a.m.

Directors present:

Clarence Behles  
Larry Gessele  
Darcy Klain  
James Odermann  
Troy Presser  
Thomas Sheldon  
Rod Stockdill

Also present were General Manager Martin D. Dahl, Business Manager Brett Holtz, Engineering Department Manager Scott Iverson, Operations Department Manager Keith Thelen, and Attorney David A. Lindell.

A motion was made by Klain, seconded by Behles, to approve the Consent Agenda which consisted of the minutes of the January 26, 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 Charles Tjenstrom, Elsie Nechiporenko and Clarice Noss, were presented for capital credit retirement. A motion was made by Stockdill, seconded by Odermann, to approve the estate retirement. The motion carried.

STAFF REPORTS:

1. Business Department - Brett Holtz. Items discussed and actions taken during the Business Department Report were as follows:
  - a) Reported that work is continuing on the 401(k) asset transfer to NRECA.
  - b) Reported that Federated Insurance will have its annual visit to the Cooperative on March 20, 2017.
  - c) Provided the Financial Report for the Cooperative which included the KWH uses and revenue for January, 2017, review of the January 2017, financial ratios, and the January, 2017, Form 7 as unaudited.
  - d) Provided a Health and Wellness Committee meeting report.

2. Engineering Department - Scott Iverson. Items discussed and actions taken during the Engineering Department's Report were as follows:
  - a) Reported that information regarding the motor policy had been sent to the patrons and discussed at area Ag shows.
  - b) Discussed hot line tags.
  - c) Reported that mapping of the Cooperative territory is ongoing.
  - d) The Board acknowledged the minutes of the Safety Committee meeting which occurred on January 31, 2017.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
  - a) Provided a work load update.
4. General Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
  - a) Reported that the Central Power Annual Meeting is set for March 29-30, 2017, in Minot, North Dakota. A motion was made by Stockdill, seconded by Behles, to elect Presser as the Central Power Director for 2017, with Sheldon as the alternate. The motion carried. Presser will be the voting delegate during the annual meeting.
  - b) Reported that the NRECA Legislative Conference is set for April 23-25, 2017, in Washington, D.C.
  - c) Discussed the Blue Flint Ethanol Service Agreement Amendment. The latest proposal will be fine tuned by the Manager.
  - d) The Air Force is reviewing the Cooperative's rate increase request.
  - e) Discussed possible topics for the March strategic planning session.
  - f) Reported that Basin Electric made a donation in the amount of \$5,000.00 to the Garrison Fire & Rescue.
  - g) Discussed the 2017 Garrison Rural Water management rate. A motion was made by Behles, seconded by Presser, to increase the monthly rate by 9% for 2017. The motion carried.

- h) Reported that a few water heater LCR's have overheated in patron's homes and it was suggested that the LCR's be placed in a metal box or placed in front of a metal plate. A motion was made by Klain, seconded by Stockdill, for the cooperative to place patron LCR's in a metal box or to be assured that the LCR's are placed with a metal backing or on concrete. The motion carried.
  
- i) Headquarters building proposed addition - The Board reviewed the preliminary plans from the architect. Bid opening is scheduled for March 21, 2017.

REPORTS ON MEETINGS ATTENDED:

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

UPCOMING MEETINGS:

- 1. The regular monthly board meeting will be held at 9:00 a.m. on Wednesday, March 22, 2017. The Strategic Planning meeting will be held on March 22-23, 2017, at the North Shore Inn & Suites in Garrison, North Dakota, to begin immediately following the monthly board meeting. The Strategic Planning meeting on March 23, 2017, will begin at 9:00 a.m.
  
- 2. Co-Bank Region Annual Meeting - March 27-28, 2017, in Fargo, North Dakota.
  
- 3. Central Power Annual Meeting - March 29-30, 2017, in Minot, North Dakota.

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

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Secretary