

MCLEAN ELECTRIC COOPERATIVE, INC.

July 26, 2013

The July meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Lodge Classroom at the Fort Mandan Visitor's Center in Washburn, North Dakota, on the 26th day of July, 2013. The meeting was called to order by President Alvin Myers at 9:20 o'clock a.m.

Directors present:

Ronald Bloom  
Ernest Grueneich  
Agnes Jennings  
Alvin Myers  
Troy Presser  
Orvin Ravnaas  
Rod Stockdill

Also present were Manager Martin D. Dahl; Business Manager Luke Steen; Member Services Coordinator, Darin Sand; Operations Manager, Wayne Skarda; and Attorney David A. Lindell.

A motion was made by Bloom and seconded by Ravnaas to approve the Consent Agenda which consisted of the minutes of the June 25, 2013, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Eugene Gackle, Thilda Pederson, Elaine Hanson, Raymond Giddings, Bertha Ravnaas and James Hansen were presented for capital credit retirement. A motion was made by Jennings, seconded by Presser, to approve the retirement of the capital credits. The motion carried.

The Board was visited by consumer, LaVern Johnson of Washburn, who had concerns regarding the Cooperative's water heater program and corresponding rebates. No action was taken by the Board.

STAFF REPORTS:

1. Business Department - Luke Steen. Items discussed and actions taken during the Business Department Report were as follows:
  - a) Provided the financial review for the Cooperative, which included the KWH usage and revenue for the previous month and year to date, review of the June, 2013, Form 7, and review of the Financial Ratios the year- to-date Budget to Actual Report, and the CFC Key Ratio Trend Analysis (KRTA).

2. Member Services Department - Darrin Sand. Items discussed and actions taken during the Member Services report were as follows:
  - a) Provided a review of the Member Services activity during the previous month.
  - b) Discussed the Co-Bank donation program.
3. Operations Department - Wayne Skarda. Items discussed and actions taken during the Operations Department Report were as follows:
  - a) Provided a workload and workplan update.
4. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
  - a) Provided an Air Force rate update. The Air Force has agreed to the 2013 rate increase, but the 2012 rate is still in dispute.
  - b) Engineer position. A new engineer, Scott Iverson, will begin employment with the Cooperative on August 1, 2013. A motion was made by Stockdill and seconded by Bloom, for the Cooperative to pay moving expenses to Mr. Iverson up to \$3,500.00. The motion carried.
  - c) Union negotiations. Manager Dahl reported that a proposed settlement has been reached. A motion was made by Presser and seconded by Stockdill to approve the proposed Contract with clarification of the 10 hour work day and how it would correspond with holiday pay. The motion carried.
  - d) Region VI voting delegate. Bloom was appointed as voting delegate. A motion was made by Bloom and seconded by Jennings to pay Manager Dahl mileage to the Region VI convention in lieu of airline cost. The motion carried.
  - e) Provided an update of the REDL&G grant for Garrison Hospital.
  - f) Basin Electric Annual Meeting delegate appointment. Ravnaas was appointed as voting delegate with Myers as the alternate.
  - g) Provided a follow up to the MEC Services materials to Jon Wilcox. The materials will be sold to him for \$2,500.00.

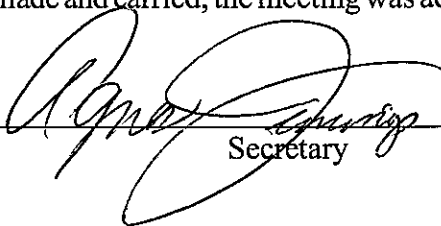
Reports on Meeting attended:

1. Statewide - Stockdill
1. Central Power - Presser

Upcoming Meetings:

- a) The next regular Board Meeting is scheduled for Friday, August 23, 2013, at 8:30 a.m. at the Cooperative's headquarters.

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

  
Secretary