

MCLEAN ELECTRIC COOPERATIVE, INC.
September 24, 2020

The September meeting of the board directors of McLean Electric Cooperative Inc. was held at the Cooperative's headquarters in Garrison, North Dakota, on the 24th day of September 24, 2020. The meeting was called to order by President Larry Gessele at 8:30 o'clock a.m.

Directors present:

Clarence Behles
Larry Gessele
Karen Hanson
Darcy Klain
James Odermann
Troy Presser
Rod Stockdill

Also present were Finance Manager Wendy Kinn, General Manager/CEO Mark Doyle, and Attorney David A Lindell. Those attending virtually were Staff Engineer, Lucas Schaaf, and Operations Manager, Keith Thelen.

A motion was made and seconded to approve the Consent Agenda which consisted of additional agenda items, review of directors checks, and approval of the membership and service applications/transfers. The motion carried.

A motion was made and seconded to approve the minutes of the August 28, 2020, board meeting. The motion carried.

There were no estates which applied for capital credit retirement during the month.

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 review of the August 2020 KW and KWH sales and revenue, financial ratios, and the preliminary August 2020, Form 7. The year to date revenue is over budget by \$442,308.64. Year to date KWH sales were ahead of budget 2,778,538.

- b) The board discussed the General Manager/CEO 401(k) benefit. The issue for General Manager/CEO Doyle is similar to the Cooperative's previous General Manager, Martin D. Dahl, as the General Manager/CEO is considered a key employee. A motion was made and seconded for 7% of the General Manager's salary to be considered a bonus in lieu of a discretionary contribution to his 401(k), with any excess over 4% to be contributed to a Section 457(b) plan for his benefit. The motion carried.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Reported that the department is working on new services.
 - b) Reported that the Brush Lake Project should begin work September 28, 2020.
 - c) Reported that a Texas firm is interested in purchasing the Cooperative's remaining Tesla equipment. A motion was made and seconded to sell each remaining unit for \$5,800.00 plus shipping. The motion carried.
 - d) Provided an EV Charging Station update.
 - e) Provided an update on current meter testing.
 - f) Provided an IT report.
 - g) Reviewed the work plan/progress report.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided a current work load/work plan and contract labor report.
 - b) There was no Safety Committee Meeting held in August due to Covid-19 shutdown.
 - c) Discussed the purchase of a new truck. A motion was made and seconded to authorize the purchase of a new truck for the Garrison crew. The motion carried.
4. General Manager's/CEO Report - Mark Doyle. Items discussed and actions taken during the General Manager/CEO Report were as follows:

- a) Provided a Covid-19 update and reviewed employee Covid protocol. There was discussion on how the Cooperative will deal with direct contact of someone diagnosed with Covid or a contact of a person who may have been in contact with a Covid carrier.
- b) Provided a Blue Flint Ethanol update. Engineer Schaaf and CEO Doyle met with the Blue Flint General Manager, Jeff Zueger.
- c) Provided an Underwood power supply update.
- d) Basin Electric Annual Meeting delegate appointment. President Gessele was appointed delegate with Director Behles as alternate. The 2020 Annual Meeting will be a virtual meeting.
- e) Charitable contribution discussion. Co-Bank Sharing Success will match up to \$10,000.00 annually up to three entities. The Cooperative will contribute \$1,000.00 to Farm Rescue, and ask Co-Bank for a matching contribution.
- f) NRECA lawsuit involving its 401(k) plan. It was reported that NRECA will settle any disputes.
- g) The Basin lawsuit update. A motion was made and seconded for MEC to file a Motion To Intervene as part of Basin's Motion To Reconsider the judgment handed down by the District Court Judge. The motion carried with Odermann voting no.
- h) A motion was made and seconded for the General Manager/CEO to sign an Air Force Contract Amendment which included FAR Clause 52.204-25. The motion carried.

COMMITTEE REPORTS:

- a) Statewide - Stockdill
- b) Central Power - Presser.
- c) Basin Electric - Presser

UPCOMING MEETINGS:

1. The October board meeting will be held Wednesday, October 21, 2020, to begin at 9:00 o'clock a.m.

The board went into Executive Session. After the Executive Session, there being no further business, upon a motion made and seconded, the meeting was adjourned.

Secretary