

## RECC Regular Board Meeting November 28, 2017

The regular meeting of the Board of Directors of Rural Electric Convenience Cooperative Co. was held November 28, 2017 at the cooperative headquarters at 6:00 p.m., with all members present. Also present were President/CEO David Stuva; Manager of Finance & Administration Matt Sheerin; Manager of Member Services Jeff Lancaster; Journeyman Lineman Tim Hemberger; Purchasing, Design and Construction Technician Martin Hinton; Senior Accountant Aubrie Megginson; Member Services Liaison Sandy Lex; Network Administrator Brandon Taylor; Attorneys Jerry Tice and Steve Courtney.



- The minutes of the October 24<sup>th</sup> regular Board meeting were approved.
- Member Service Liaison Sandy Lex presented a 10 minute tech talk.
- Manager of Finance & Administration Matt Sheerin and Sr. Accounts Representative Shelley Crocks presented the delinquent accounts recommended to be written off for 2016. The total amount was \$7,319.25 or .05%. It was noted that the cooperative staff will continue to pursue collections unless otherwise prohibited by law. This was an improvement from previous year.
- President/CEO Stuva reviewed the 2018 Capital Budget and Truck Lease. The proposal included the purchase of a single-reel self-loading trailer. Headquarter security was also addressed by requesting additional fencing. This phase will enclose the property completely and provide remote gates for vehicles.
- Stuva also proposed a new Truck Lease to replace Truck No. 11.
- Manager of Members Services Jeff Lancaster and President/CEO Stuva presented a proposal to terminate Marathon water heater sales. They noted that the Cooperative is currently selling only 13-14 electric water heaters per year. Lancaster suggested a standard electric water heater rebate, regardless of warranty. The conciseness was that \$250.00 should be the standard rebate for water heaters over 40 gallons.
- Stuva and Lancaster proposed terminating the peak switch credits for air conditioners and water heaters. They explained that the peak switch credit was originally offered to control power costs during peak periods, but on January 1, 2018, the cooperative's new power contract eliminates the need to control demand. There are 647 members receiving peak switch credits. Eliminating the peak switch program will save \$46,208.00 annually. They emphasized that the changes proposed do not affect the Dual Meter program in any way.
- Sheerin reviewed the ACRE changes and explained that the new ACRE year starts January 1, 2018. It was noted that RECC received ACRE Achievement Awards for 100% participation.

## **Attorneys' Report**

- Purchasing, Design and Construction Technician Martin Hinton reported on an easement with Commonwealth for the Kincaid Generation Station property. Commonwealth will hire RECC to install the facilities in that easement and will reimburse RECC for construction.
- CEO Stuva reported that Federated Insurance resolved a claim with a member.

## **President/CEO's Report**

CEO Stuva reviewed the following reports which had either been mailed or distributed to all directors and attorney: Job Training and Safety, Meters and Outages, Operations and Maintenance, Engineering and Construction, Member and Public Relations, Cash Flow, Cash Disbursements Summary and Check Listing. The financial and statistical reports for October 2017 were reviewed and accepted for placement in the cooperative's files.

CEO Stuva also reported that:

- Progress is being made on the David Helgen 3-phase service upgrade for new grain bin facilities.
- Dalton Brown has been hired as an apprentice lineman and Matt Evans started a part time internship.
- Just under 300 security lights had been replaced as of November 28, 2017.
- RECC was selected as one of the two electric cooperatives for network security testing by the AIEC.
- The Cooperative's Taylorville franchise expires February 2, 2018.
- The damage to one of the blades on the wind turbine was caused by lightning, which shredded the tip of the blade. A temporary repair was made, and a permanent repair will be completed this spring.

## **AIEC Board Report**

There was no AIEC meeting held this month.

## **Board Action**

The Board acted on the following:

- Approved the application for, or reinstatement of, membership for new or existing members to obtain electric service.
- Unanimously adopted recommendation that 2016 delinquent accounts were uncollectible.
- Approved the 2018 Capital Budget and Truck Lease.
- Agreed to phase-out Marathon water heater sales and standardize water heater rebates.
- Discontinued peak switch credits for air conditioners and water heaters as of April 1, 2018
- Rescheduled February 27, 2018 RECC Board Meeting for Tuesday March 6, 2018

**Meeting Adjourned at 8:55 p.m.**