

MILLE LACS ENERGY COOPERATIVE  
Aitkin, MN 56431

The regular meeting of the Board of Directors of the Mille Lacs Energy Cooperative was held at its office on April 27, 2023. All board members were present with Derik Midthun attending virtually.

President Harold Harms called the meeting to order at 9:15 a.m.

All team leaders except Bill Fillion were present for their reports with Cory Brix, MLEC Line Superintendent and Tony Anderson, Supervisor of Staking Services representing the Operations Department. Executive Assistant Debra Chute was also present. Everyone joined in the Pledge of Allegiance.

Rachel Hockert, Electrical Engineer with STAR Energy Services, LLC, was introduced to the board.

These minutes being transcribed by or under the direction of Secretary/Treasurer, Aileen DeMenge, the following proceedings have all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board, or without dissenting vote or abstention, unless otherwise stated.

M/S/P to approve consent agenda items - expense vouchers for the period ending April 27, 2023; agenda for the April 27, 2023 regular board meeting; and minutes of the March 23, 2023 regular board meeting.

Management team and financial reports for March 2023 and recommended electric write-offs in the amount of \$3,984.74 were reviewed and accepted upon motion.

2022 Capital Credit Allocation – M/S/P to accept and approve the recommendation of the Management Team to allocate capital credits for 2022. MLEC coop allocation is in the amount of \$1,160,069 and Great River Energy allocation is in the amount of \$355,856.

#### MLEC 990 Review

As part of the board's due diligence, the 990/990T Tax Report was reviewed prior to filing. M/S/P to approve the 2022 990/990A Tax Report.

#### PRESENTATION

MLEC Communication Specialist Kassie Peterson presented the results of a recently conducted Member Survey.

#### VOTING

##### 2.1 POLICY REVIEW

M/S/P to approve the following revised policies:

- Policy No. 510 – Work on Member’s Property
- Policy No. 511 – Requests for Relocation of Facilities
- 511 Attachment – Facilities Relocation Agreement
- Policy No. 511A – System Improvement Allocation Procedures
- Policy No. 511B – NESC Clearance Violations
- Policy No. 512 – Continuity of Service
- Policy No. 513 – Moving of Structures
- Policy No. 513A – Moving of Structures Form

## 2.2 ACTIVITY REPORTS

- GRE – April 2023 GRE Board Reports submitted by Harold Harms were reviewed.
- MREA – Legislative Bulletins from March 17, 24, 31 and April 14, 2023 were reviewed.  
MREA Staff Announcement was reviewed. Anthony “Tony” Lenz will be joining MREA as the Director of Safety Services on April 19<sup>th</sup>.
- RESAP – None
- RUS – None
- CFC – None
- NRECA – NRECA March 2023 Board Update was reviewed.
- MAC – None
- FEDERATED – None
- NRTC – None
- RESCO – RESCO 2023 Director Candidate Nomination information was reviewed.
- NISC – None
- Other  
CoBank – Notice of CoBank 2022 Patronage was reviewed.

M/S/P to accept the activity reports.

## REPORTS

### 3.1 SAFETY CONTROL

Deanna Soderberg of PLS conducted a Field Audit on April 6<sup>th</sup>.

The next safety meeting is scheduled for May 17<sup>th</sup> with Deanna of PLS conducting a *Fall Protection Certification*.

The 2023 Safety Meeting schedule was reviewed.

The 2023 Safety Cross was reviewed.

### 3.2 QUARTERLY ARTICLES/BYLAWS REVIEW

The quarterly review of the Articles and Bylaws included the second third of the Bylaws.

### 3.3 MLE COMMUNITY TRUST UPDATE

Per Article XXI of the Trust’s Bylaws, The Trust Board’s Annual Audit Report and expenditures were reviewed. Chuck Schotzko, Trust Board President, submitted an

Operations Round Up report to be included in this year's annual meeting booklet. Chuck plans to attend MLEC's Annual Meeting.

#### SCHEDULED MEETINGS

4.1 NRECA Director Online Classes

Upcoming online classes being offered by NRECA were reviewed.

4.2 MREA District 2 Meeting

Friday, July 14, 2023, Lake Country Power, Cohasset, MN

Attending: All directors

4.3 NRECA Legal Seminar, Charleston, SC

July 17-19, 2023

Attending: Henry Brucker

4.4 MREA Energy Issues Summit

Wednesday – Thursday, August 9-10, 2023, Radisson Blu Mall of America, Bloomington

Attending: A final decision on who is attending will be made at the May board meeting.

4.5 NRECA Region Meeting

September 12 – 14, 2023, Des Moines, Iowa

Attending: No one

4.6 Other Meeting Information:

- May 25<sup>th</sup>:
  - Election of Officers/Reorganization
  - Annual Board Duties and Responsibilities Review
  - RUS Loan Documents
  - NRECA Governance Video or Article
- June 22<sup>nd</sup>:
  - Board Fees
  - GRE Video
  - NRECA Director's Quiz
  - NRECA Governance Video or Article
- July 27<sup>th</sup>:
  - NRECA Governance Video or Article

MREA 2023 Board Meeting Dates:

- Tuesday, June 27

- Thursday - Friday, August 10-11
- Tuesday – Wednesday, October 17-18
- Tuesday – Wednesday, December 12-13

NOTE: If anyone is interested in attending a MREA Board meeting, please let Deb Chute and Director Aileen DeMenge know so arrangements can be made.

4.7 Board Meeting Dates:

- Friday, May 25, 2023
- Thursday, June 22, 2023
- Thursday, July 27, 2023

4.8 MLEC Annual Meeting, Minnesota National Golf Course  
Thursday, May 18, 2023  
Attending: All directors.

M/S/P to approve Thursday, July 27, 2023 board meeting date.

M/S/P to approve MLEC attorney and director participation at all scheduled meetings.

Confidential Discussion/Update

CEO Sarah Cron updated the board on confidential issues.

The board went into Executive Session at 12:10 p.m.

M/S/P for the approval of a \$16Million loan and \$2.5Million self-funded for a total of \$18.5M to start the building project for MLEC's new headquarters facility.

The meeting was adjourned at 12:30 p.m.

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Aileen DeMenge, Secretary/Treasurer

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Harold Harms, President