

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 in Aitkin, Minnesota on May 27, 2021. All board members were present.

The re-organizational meeting was called to order at 9:00 a.m.

#### ELECTION OF OFFICERS

MLEC Attorney Heinrich Brucker of Ryan, Brucker and Kalis, Ltd. conducted MLEC's election of officers for the following year.

M/S/P to accept the following officers for 2021 - 2022:

- President – Harold Harms
- Vice President – Don Appel
- Secretary/Treasurer – Barbara Welty
- Assistant Secretary/Treasurer – Aileen DeMenge

Heinrich Brucker also reviewed Board of Director Duties and Responsibilities.

A Federated Rural Electric Insurance Exchange booklet titled "Avoiding Potential Liability – A Guide to Directors' Duties and Responsibilities" was provided to each director.

President Harold Harms called the regular meeting to order at 9:34 a.m.

CEO Sarah Cron and Executive Assistant Debra Chute were also present. Everyone joined in the Pledge of Allegiance.

These minutes being transcribed by or under the direction of Secretary/Treasurer, Barbara Welty, 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 May 27, 2021, minutes of the April 22, 2021 regular board meeting, and agenda of the May 27, 2021 regular board meeting. Minutes from 2021 Annual Meeting were reviewed.

Management team and financial reports for the month of April 2021 were reviewed and accepted upon motion.

M/S/P to allow Sarah Cron, MLEC CEO, to continue with the process of a possible new

operations building.

#### REVOLVING LOAN FUND APPLICATION

Lincoln Messner, MLEC Accounting and Finance manager and Jeff Borling, GRE representative reviewed a USDA Rural Business Cooperative Service Rural Economic Development loan application received from the City of McGregor Fire Department with the Board.

Aileen DeMenge made a motion to approve the submittal of the loan application to USDA. Motion was seconded and carried.

#### BOARD RESOLUTION

Lincoln Messner and Jeff Borling presented a board resolution to accept an additional \$300,000 from USDA to MLEC's Revolving Loan Fund Program and to contribute an additional \$60,000 to the loan for McGregor Fire Department's economic development project.

Aileen DeMenge made a motion to approve the board resolution. Motion was seconded and carried.

Said resolution is attached to these minutes.

#### VOTING

##### 2.1 Recommended Write-offs

M/S/P to approve the recommended electric and internet write-offs for this month in the amount of \$5,716.32.

##### 2.2 Policy Review

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

- Policy No. 501 – Application for Membership and/or Electric Service
- Policy No. 503 – Underground/Overhead Primary Line Installations

##### 2.3 ACTIVITY REPORTS

GRE – April 2021 GRE Board Report submitted by Harold Harms was reviewed. Harold gave a verbal update on GRE May 2021 board meeting.

GRE contribution to MLEC's Operation Round Up program was recognized.

MREA – MREA April 2021 Board of Directors minutes were reviewed.

2021 Legislative Updates for the weeks of April 16, 23, 30, May 7 and 18, 2021 were reviewed.

RUS – No report

CFC – The Official notice of CFC's 2021 Annual Meeting scheduled for June 14, 2021 was reviewed.

M/S/P to approve the minutes of 2020 Annual Meeting and 2020 Special CFC Meeting and return the ballot.

MAC – No report

FEDERATED – Chad Knutson of Federated Rural Electric Insurance Exchange recently visited MLEC to conduct a safety and loss prevention assessment.

NRTC – No report

RESCO – RESCO's patronage refunds for fiscal years 2010, 2011, 2012, and 2013 was reviewed. MLEC received a check for \$2,825.00.

NISC – No report

Other – CoBank – CoBank director candidates were reviewed. The ballot and more information on the candidates will come out later in 2021.

Emily Cooperative Telephone Company Annual Meeting scheduled for June 24, 2021 via Zoom notice was reviewed.

M/S/P to accept the activity reports.

## REPORTS

### 3.1 Safety Control

Deanna Soderberg of PSL conducted a *Field Audit* on May 13<sup>th</sup>.

The next scheduled Safety Trainings will be June 10<sup>th</sup> with MREA presenting *Tree Trimming* and June 16<sup>th</sup> with Deanna Soderberg presenting *Hazard Recognition* to all employees.

The 2021 Safety Cross was reviewed.

## SCHEDULED MEETINGS

### Legislative Luncheon, Thursday, June 10, 2021

Hosted by Aitkin Area Chamber of Commerce, Long Lake Conversation Center, 12:00 p.m.

Attending: Harold Harms and Aileen DeMenge.

### 4.1 MREA District 2 Meeting, Lake Country Power, Cohasset, Friday, July 16, 2021.

Attending will be all directors except Harold Harms.

Barb Welty is attending as MREA Director.

### 4.2 NRECA Legal Seminar

NRECA's Legal Seminar will be held online July 20 – 22, 2021.  
M/S/P to approve Heinrich Brucker attending.

- 4.3 MREA Energy Issues Summit, Bloomington, Wednesday – Thursday – August 11-12, 2021, Bloomington  
Attending: Harold Harms, Mike Reem, Don Appel, Bruce Robinson, and Barb Welty

- 4.4 NRECA Regional Meeting  
Minneapolis, MN, Wednesday – Friday, September 15 – 17, 2021  
(Dates may change)  
Attending: A final decision on who is attending will be made at a future board meeting.

- 4.5 Other Meeting Information  
Three months look ahead @ MLEC Board meeting NON-Reoccurring Agenda Items:

- June 24<sup>th</sup>:
  - Board Fees
  - NRECA Board Governance Videos
- July 22<sup>nd</sup>:
  - MLEC 990 Review
  - NRECA Board Governance Videos
- August 26<sup>th</sup>:
  - NRECA Board Governance Videos

Remaining MREA 2021 Board Meeting Dates:

- Tuesday – Wednesday, June 16 - 16
- Tuesday – Wednesday, August 17 - 18
- Tuesday – Wednesday, October 19 - 20
- Tuesday – Wednesday, December 21 - 22

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

- 4.6 Board Meeting Dates
- Thursday, June 24, 2021
  - Thursday, July 22, 2021

Regular Board Meeting Minutes  
May 27, 2021

- Thursday, August 26, 2021

M/S/P to approve Thursday, August 26, 2021 Board meeting date.

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

Confidential discussion/Update

Sarah updated the board on confidential issues.

Meeting adjourned at 12:40 a.m.

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Barbara G. Welty, Secretary/Treasurer

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Harold Harms, President