



# THE OUTLET

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Your Touchstone Energy® Cooperative 

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## 2021 ANNUAL MEETING

The 2021 Mille Lacs Energy Cooperative (MLEC) Annual Meeting was held at 5:00 p.m. on Thursday, May 6th, at the Grand Casino Mille Lacs. The meeting was a drive-in style and took place outside in the parking lot. Members stayed in their vehicles and listened to the meeting via radio broadcast. There were 47 registered members in attendance.

The theme for the meeting was "Strength Moving Forward." Members heard comments from Board President Harold Harms who talked about MLEC's stability throughout the past year and the cooperative's strengths, including its leadership, employees, and wholesale power provider (Great River Energy).

CEO Sarah Cron talked in detail about how MLEC has successfully navigated the COVID-19 pandemic and how the cooperative has given back to members during these unprecedented times. Cron also discussed the potential new operations center.

Lincoln Messner, MLEC Accounting & Finance Manager, gave a summary of the cooperative's financials throughout 2019 & 2020. Members followed along in their Annual Report booklets. An electronic copy can be found at [www.mlecmmn.net](http://www.mlecmmn.net).

Due to the meeting format, members were asked to submit questions ahead of time. Questions regarding solar panels, building a new operations center, and job titles were all addressed live during the broadcast.

Per MLEC Bylaws, Article II, Section 8, Carol Pundt of District 2 and Don Appel of District 5 were elected by acclamation.

Bruce Robinson was re-elected in District 6 and Michael Reem re-elected in District 7. Thank you to all of the director candidates who ran in the election!

Several door prizes were given away for those in attendance. All prizes were mailed to ensure the safety of members and employees. Prizes included multiple gift cards, bill credits, and Grand Casino gift certificate packages.



# ELECTRIFY YOUR LAWN CARE

Electricity is starting to power more than just the vehicles that get you to and from your daily destinations; it's also being used to replace the gas you normally fill your lawn mower with.



When it comes time to buy a lawn mower, there are several reasons to opt for an electric version as opposed to the gas-powered option. Not only are battery-powered lawn mowers more environmentally friendly, but they require less maintenance and are quieter during operation.

If you decide an electric lawn mower is right for you, there are still a few choices you need to make. You will want to consider:

- What style of lawn mower best meets your needs: self-propelled, push or ride-on
- Whether you want a corded or cordless model
- How big your lawn is
- How much runtime you'll need

Electric push mowers tend to weigh much less than their gas-powered counterparts, making them easier to transport and use. Another advantage is their push-button start. Not having to deal with a pull-cord, an engine that is reluctant to turn over, or gas that had simply gone bad are driving factors behind many first electric mower purchases. Electric lawn mowers are also quieter and do not pollute.

There are corded and battery-powered push models available. Corded mowers are suitable for smaller yards because you will need to use an extension cord to run the mower while battery-powered models are more versatile. If you have a large yard or an incline, keeping two sets of batteries charged and ready is advised.

Need a riding lawn mower? Several new all-electric ride-on mowers entered the market in the past few years. Benefits of these mowers include:

- Less yearly maintenance costs. You can forget about changing the oil, oil filter, spark plugs, belts, and air filters. Just change/sharpen the mower blades and check the tire pressure as needed.
- Less expensive to operate. Filling your tank with electricity versus gas or diesel will save you fuel costs. According to the Electric Mower Report, a half-acre lawn mowed with a gas-powered lawn mower will cost approximately \$1.50/half acre mowed, while an electric lawn mower will cost \$0.10 per half acre mowed. Yearly costs, if you mow approximately 20 times, translates to \$31.50 for gas and \$2.10 for electric.
- Less expensive to own. An electric riding mower powered by lithium-ion batteries and brushless motors will pay for itself and save you money over the life of the mower compared to a gas-powered one.
- Quieter to operate. You can mow without the deafening roar of a lawn tractor engine. Mow your lawn in the early or late hours of the day with no worry of your neighbors complaining.

Electric models may be more expensive upfront, but they require less upkeep, maintenance costs, electricity and fuel costs, while also being environmentally-friendly and much easier to use. When you take in all factors, electric lawn mowers on average will result in a 35% savings over gas-powered mowers.

**Questions or concerns?**  
MLEC's Board of Directors represent you!

**Barbara Welty - District 1**  
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bwelty@mlecmmn.com  
Secretary/Treasurer

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**Michael Reem - District 7**  
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mreem@mlecmmn.com

**Sarah Cron - CEO**  
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Find minutes from  
MLEC Board meetings at:  
<http://www.mlecmmn.net>  
under **My Co-op**

*This newsletter is the voice of your tax and interest paying RURAL ELECTRIC COOPERATIVE, an organization which was formed to supply you with low-cost, dependable electricity when other sources failed to do so.*

Managing Editor: Kassie Peterson,  
Communications Specialist



**ENERGY  
WISE MN**

# WEIGHING THE OPTIONS

Dear Member:

I would like to thank all our members who attended the 2021 Drive-In Annual Meeting in May. Whether you were there in-person, listening on the radio, or participating online, member engagement is what makes our electric cooperative business model unique, effective, and successful.

Due to COVID-19, planning this meeting was a large undertaking. Thank you to all the MLEC staff who helped plan and participate, board members and candidates, and the Grand Casino Mille Lacs for hosting our event. Throughout this pandemic, we have adapted, learned, acted, and survived. And we were reminded that we can do difficult things when we do them together.

I have been entrusted – as your cooperative’s leader – to do more than simply help the business survive. How can we do more to benefit our members? How can we strengthen our organization to effectively serve Aitkin, Crow Wing, and Mille Lacs counties? How can we provide our employees a safe, healthy, and efficient working environment? In short, what does this business need to thrive, now and in its next 80 years?

Now is the time for bold, transformative change to position your cooperative for our communities’ next generations’ needs.

As you have read in past newsletters and local newspaper articles, our facility does not reflect the work we are currently doing nor how our cooperative is evolving. Our facility is too small to house the number of employees we have, it is ineffective to operate the technology of a modern office space, and it has limited storage for the number and types of fleet and equipment kept here today. Times have changed since MLEC was incorporated 80 years ago. Then, we were simply providing energy to light a barn. Today, we are connecting rural Minnesota to the rest of the globe.

To put a finer point on it, the electrical system is woefully inadequate for the technology required in a modern office building. We currently run extension cords throughout the building to keep office equipment up and running. The heating and cooling system is a patchwork of multiple systems and free-standing plug-in heaters. The plumbing system has multiple issues – most concerning are floor drains backing up and water pressure problems.

If renovations were to begin, we would be required to meet up-to-date building codes, including testing and installation for ADA compliance and the installation of sprinklers. Due to the era of the building, a full hazardous materials assessment would need to be completed. Wetlands to the north of the property are causing buckling of the cold storage building – literally rendering it structurally unsound according to independent engineers.

As if any of this on its own wasn’t bad enough, the Minnesota Department of Transportation came to us in 2019 to let us know it will be closing both driveways off Highway 169 in 2022, and it will be taking 20 feet of our property boundary on the south and west side. Not only will this require a major reconfiguration of our driveway and parking situation, but it will also require us to figure out how to turn semis around in the same areas that we currently have severe wetland concerns.

We engaged Widseth – a full-service architecture, engineering, and environmental firm out of Brainerd – to analyze the state of our current facility and perform a feasibility study. After that, we asked them to determine our options: Option 1 - remodel our



*Sarah Cron*  
CEO

existing facility, Option 2 - build a new building on this existing site, Option 3 - build a new building on a new site.

After in-depth analysis, it was determined that we needed to invest over \$2 million in the existing facility – just to stay in the building! That does not include the upgrades or additions to bring the building up to code or expand it to fit our needs. Putting millions of dollars into a 1960s-era building just to bring it to square took Option 1 off the table.

That brings us to Option 2, could we build a new building on this existing site? We would need to build a new facility in phases to keep our employees in the existing building. With the layout of the existing property, MNDOT taking 20 feet of property on the south and west, and wetland concerns on the north and east, we start losing a lot of options on the existing property. This option would leave little to no room for future expansion.

That leaves us with Option 3, should we build a new building on a new site? Widseth, the engineering firm Bolton & Menk, our Board, our Management Team, many MLEC employees, and even some MLEC members that took the time to review the study or speak with me, believe that after weighing all the facts, the answer is yes.

Approximately one year ago, MLEC’s Board of Directors gave me the directive to begin looking for land for a potential Operations Facility. In an attempt to stay somewhat centrally located and with ready access to the bulk of our members, I was looking inside Aitkin County, along Highway 169. That alone really narrowed down our search for land. Because we do not provide electric service to the City of Aitkin (that is served by Aitkin Public Utilities) we needed to be located somewhere outside of Aitkin City limits. Our current facility is on 20 acres, so I knew we needed a minimum of 20 acres. And, because 51 percent of Aitkin County is jurisdictional wetland, finding an appropriate site was even more difficult. I had several realtors, private citizens, board members, and employees looking for land. MLEC made several attempts but did not secure a single piece of land.

*(Continued on page 4)*

# LET'S DISH

## SEND US YOUR RECIPES!

We'll credit your account **\$10.00** if it's printed in THE OUTLET

### MAIL TO:

Kassie Peterson  
Mille Lacs Energy, P.O. Box 230 Aitkin,  
MN 56431

### OR E-MAIL:

kpeterson@mlecmn.com



(Continued from page 3)

As you all know, MLEC serves many cities in three counties. On a map, if you look at the swath of lakes along the northwest end of Lake Mille Lacs, that is where 65 percent of MLEC's members are located. In September of 2020, during the pandemic, I found a house and 40 acres of high ground on Highway 169, just south of The Joint. The opportunity was too good to pass up, so MLEC purchased the property.

The purchase was for \$450,000, and we recently were able to sell the house and 7 acres for \$400,000. According to our realtor, the buyers are extremely happy with their purchase and are excited to have MLEC as a potential neighbor.

The land is zoned agricultural, and it was once farmland. Contingent on the original purchase, we did get a conditional use permit from Aitkin County to build an Operations Facility on the property. Right before the Annual Meeting, we got approval from MNDOT to put a turn lane and driveway into the property off Highway 169.

Right now, interest rates are at 2 percent. If we can borrow money in the 2 to 3 percent range, versus 4 to 5 percent range,

that can be the difference between MLEC building a multimillion-dollar facility with a minimal to no rate increase – or – wait for 5 to 10 years when the decision to build a new building is forced upon us and a major rate increase will undoubtedly be required.

With lots happening behind the scenes, we still have not contacted an architect or contractor. We do not know for certain how much a building is going to cost. We needed to jump through some major hoops before we could even think about those things. Things must happen in a logical order to make the best use of the cooperative's resources.

If for any reason we decide not to move forward with the project, we can sell the land with road access, and it will still have been a good investment for MLEC and our membership.

Until next month,

Thank you to Cathy Peterson of Windom for sharing this month's recipe.

## TURTLE BARS

### Crust:

1 1/2 cups flour  
3/4 cup brown sugar  
3/4 cup butter or margarine  
1 1/2 cup oatmeal  
1/2 tsp salt

### Layers:

6 oz. chocolate chips  
1 jar caramel topping  
1/2 cup pecans  
1/4 cup flour

Mix crust ingredients (reserve about 1 cup) and pat down crust into a 9x13 inch pan and bake for 10 minutes. Layer on remaining ingredients, then sprinkle on reserved 1 cup crust as a topping. Bake 20 minutes at 375 degrees. Enjoy!

# CALL BEFORE YOU DIG



Underground power lines are just as dangerous as overhead power lines. Avoid serious injury and property damage by calling 811 before you dig to have underground facilities marked. Call Gopher State One Call or 811 at least two business days prior to a dig. Dial 811 or 1-800-252-1166 during business hours (6:00 a.m. to 6:00 p.m. April 1<sup>st</sup> - October 31<sup>st</sup>). This service is free for homeowners. Minnesota state law requires you call. If you damage a line, you will be financially responsible for repairs.

## 5 STEPS FOR SAFE DIGGING

Working on an outdoor project? Always call 8-1-1 first, because you never know what's below. Here are five easy steps for safe digging:

Source: call811.com

### 1. NOTIFY

Call 8-1-1 or make a request online two to three days before you start.



### 2. WAIT

Wait two to three days for a response to your request. Affected utilities will send a locator to mark any underground utility lines.



### 3. CONFIRM

Confirm that all affected utilities have responded by comparing the markers to the list of utilities the 8-1-1 call center notified.



### 4. RESPECT

Respect the markers provided by the affected utilities. They are your guide for the duration of your project.



### 5. DIG CAREFULLY

If you can't avoid digging near the markers (within 18-24 inches on all sides, depending on state laws), consider moving your project.



# SCHOLARSHIP AWARDED

Aitkin High School held its senior reception on May 7<sup>th</sup> for the Class of 2021. Accounting & Finance Manager Lincoln Messner represented MLEC and awarded this year's Noel "Buzz" Jones scholarship in the amount of \$650.00 to Noelle Jones. This recipient is extra special since Noelle is the granddaughter of Noel Jones.

Noelle will be attending the University of Minnesota Duluth and plans on pursuing a degree in human resources.

Noel "Buzz" Jones was a 32-year employee at MLEC, serving as the cooperative's general manager during his last 10 years. He was a lifelong resident of Aitkin, graduating from Aitkin High School in 1962. He and his wife had 3 sons graduate from Aitkin. Throughout his life, Noel was actively involved in the Aitkin community and took tremendous pride in the area youth. When he lost his battle with cancer in 1996, it seemed appropriate to honor his memory with an endowment to the Aitkin Dollars for Scholars.



**CONGRATS NOELLE!**

Regular office hours are  
Mon-Fri 8:00 to 4:30

927-2191 or  
800-450-2191 (toll free)



48 hours before you dig  
Dial 811 - Gopher State  
One Call or log on to:  
[www.gopherstateonecall.org](http://www.gopherstateonecall.org)

Then contact a licensed electrician  
to locate your secondary wires.

**MN Electrical Inspectors**  
Aitkin County &  
South East Crow Wing County  
Mike Wenzel 218-270-2265

Northern Crow Wing County  
Bradley Rasmussen 218-543-1023

Mille Lacs County  
Benjamin Husom 320-277-6277

Off-peak and dual fuel system  
consumers should call an  
electrician or heating contractor for  
service or repairs.

Find load control schedule at  
[www.mlecmm.net](http://www.mlecmm.net) under Quick Links.



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## Comparative Operating Statement

for the Quarter Ending March 31, 2020 & March 31, 2021

	2020	2021
OPERATING REVENUE	7,016,929	7,713,270
COST OF PURCHASED POWER	4,054,889	4,567,794
DISTRIBUTION EXPENSE-OPERATION	373,807	384,153
DISTRIBUTION EXPENSE-MAINTENANCE	707,193	489,813
CUSTOMER ACCOUNTS EXPENSE	227,206	209,221
CUSTOMER SERVICE AND INFORMATIONAL EXPENSE	165,005	83,980
ADMINISTRATIVE AND GENERAL EXPENSE	444,266	462,408
TOTAL OPERATING COSTS	1,917,477	1,629,575
TOTAL OPERATIONS EXPENSE	5,972,366	6,197,369
DEPRECIATION	588,821	506,519
TAX EXPENSE	1,330	-
INTEREST ON LONG TERM DEBT	360,441	350,929
INTEREST EXPENSE-OTHER	868	62
OTHER DEDUCTION	-	-
TOTAL COST OF ELECTRIC SERVICE	6,923,826	7,054,879
OPERATING MARGINS	93,103	658,391
NON OPERATING MARGINS-INTEREST	37,589	35,462
NON OPERATING MARGINS-OTHER	(35,744)	(23,078)
GENERATION & TRANSMISSION CAPITAL CREDITS	-	-
OTHER CAPITAL CREDITS	83,394	85,105
NET MARGINS	178,342	755,880

# REPORTING OUTAGES

**COMPLETE AND RETURN TO:**  
MLEC, P.O. Box 230, Aitkin, MN 56431  
or return with your next payment.

## Update your contact information!

The technology we use for communication can change every day, even at your house. Are you using a cell phone? A landline phone? Both? MLEC wants to keep up with you. 24/7 - we have a system to get the power back on...with up-to-date information, you can make it go faster.

When you report an outage after hours, your phone number is a critical step in restoring power. Our automated system can identify your service by the number you are calling from (if it matches the number(s) listed on your account). Please let us know the numbers you would most likely use to call in an outage and we'll update your account.

Name \_\_\_\_\_

Service Address \_\_\_\_\_

Account Number \_\_\_\_\_

Phone #1 \_\_\_\_\_

Identify where the call comes from:  cell  residence  business

Phone #2 \_\_\_\_\_

Identify where the call comes from:  cell  residence  business

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## GIFT CARD TRIVIA!

Correctly answer the question below for your chance to win a gift card from a local business within our service area. The answer can be found within this issue of The Outlet. You must be an MLEC member to participate. Be sure to include your name and service address! Entries must be received by **June 30<sup>th</sup>**.

**MAIL TO:**  
Kassie Peterson  
Mille Lacs Energy Cooperative  
P.O. Box 230  
Aitkin, MN 56431

**OR E-MAIL:**  
kpeterson@mlecmn.com

What three counties does Mille Lacs Energy serve?

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Congrats to John Kinzel of Aitkin, the April gift card trivia winner!

 **MILLE LACS ENERGY COOPERATIVE**

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