



Your Touchstone Energy® Cooperative 

**DAKOTA ELECTRIC ASSOCIATION®
BOARD OF DIRECTORS VIRTUAL MEETING
MINUTES OF FEBRUARY 25, 2021**

Dakota Electric Association Board Members in Attendance:

District 1

John DeYoe
David Jones
Jerry Pittman

District 2

Bill Middlecamp
Jim Sheldon
Clay Van De Bogart

District 3

Ken Danner
Bill Holton
Margaret Schreiner

District 4

Paul Bakken
Judy Kimmes
Stacy Miller

Staff and Others in Attendance:

Vijendra Agarwal
Michael Cahn
Gabriel Chan
Melissa Cherney

Mike Fosse
Philip Hernick
Corey Hintz
Betty Jo Kiesow

Doug Larson
Sara McGrane
Greg Miller
Joe Miller

Mjyke Nelson
Paula Overby
Jeff Schoenecker

Convene

The regular virtual meeting of the board of directors of Dakota Electric Association convened via video conference.

Call to Order

Chair Jerry Pittman called the regular virtual meeting to order at 8:30 a.m. and presided.

Executive Session

✓ **A motion was made, seconded and carried unanimously to move into Executive Session.**

An update was provided regarding the CEO Performance Appraisal process. The board of directors and Attorney Sara McGrane were in attendance.

Directors Margaret Schreiner and Clay Van De Bogart provided an MDR 2.0 update related to the Great River Energy Phoenix Project. The board of directors, Attorney Sara McGrane and CEO Greg Miller were in attendance.

✓ **A motion was made, seconded and carried unanimously to move out of Executive Session at 9:39 a.m.**

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| Additions or Changes to the Agenda | <p>Staff and guests joined, and the meeting continued with the Pledge of Allegiance. A quorum was present.</p> <p>Chair Pittman requested additions or changes to the Agenda. There were no additions or changes to the agenda.</p> |
| Agenda Adoption | <p>✓ A motion was made, seconded and carried unanimously to adopt the agenda.</p> |
| Visiting Member Comments | <p>Members Vijendra Agarwal, Michael Cahn, Philip Hernick and Paula Overby were in attendance.</p> |
| Approval of the Consent Agenda | <p>Chair Pittman requested additions or changes to the Consent Agenda. Vice Chair Paul Bakken requested the addition of the following to the Consent Agenda:</p> <ul style="list-style-type: none">• Approval of Committee recommended CEO Compensation. <p>✓ A motion was made, seconded and carried unanimously to approve the Consent agenda with the noted addition.</p> <ul style="list-style-type: none">■ Minutes of January 28, 2021 Board Meeting■ Attorney’s Monthly Fees – Resolution 21-2-1■ Attorney’s Monthly Fees |
| Board Chair Update | <p>Chair Pittman provided an update regarding various events and activities during the month of February.</p> |
| President & CEO Report/ Strategic Planning Update | <p>CEO Miller noted the written report and referred to the Senior Management Team for review of assigned departments.</p> <p>Vice President of Information Services and CIO Mjyke Nelson reported the department’s current COVID-19 impact. CIO Nelson then provided an ERP update noting the ERP Upgrade Team’s decision to partner with Eide Bailly as the consulting vendor. CIO Nelson shared the estimated timeline of implementation and the drivers supporting a new ERP, including the ability to address new and emerging business needs, streamline processes and enhance productivity. CIO Nelson then noted the new employee intranet site named The Grid will go live February 26 and provided a cybersecurity update.</p> |

Vice President of Regulatory Services Doug Larson provided a regulatory update and reviewed the monthly filings related to COVID-19 and quarterly compliance filings. Vice President Larson stated the Minnesota Public Utilities Commission (MPUC) laid out voluntary terms for a transition period regarding member communication, timing for disconnections, arrearage forgiveness program and low income considerations, noting recommendations may be mandatory in the future.

Vice President of Financial Services and CFO Corey Hintz shared Dakota Electric was made aware of an instance of fraud regarding capital credit checks issued in 2019 and 2020 affecting the same former member that were altered. CFO Hintz noted the issue had been resolved and the funds returned to the rightful owner. CFO Hintz then provided an update regarding delinquent accounts. CFO Hintz highlighted the greater than 60 day balances are still increasing due to no incentive to pay and the hold on disconnects. Dakota Electric has waived a total of \$911,324 in late fees since the beginning of April 2020.

Vice President of Utility Services Jeff Schoenecker reported the department has no COVID-19 impact at this time. Vice President Schoenecker noted Dakota Electric's annual fire/life safety inspection was performed by the City of Farmington's Deputy Chief Matthew Price in January in coordination with staff. Vice President Schoenecker also highlighted how the cold weather in January helped crews to identify the leak causing low SF6 gas in the circuit switcher at the Marshan Substation allowing them to de-energize the substation and change out the bad unit.

Vice President of Engineering Services Betty Jo Kiesow reported the department's current COVID-19 impact and noted that Dakota Electric will be providing vaccine education to all employees. Vice President Kiesow then highlighted another AGI success story related to a meter that had stopped communicating. The system allowed Dakota Electric to identify there was an issue with the meter and resolve the problem resulting in no service disruption to the member.

Recess

The Board recessed from 10:28 a.m. until 10:31 a.m. to break for the guest presentation by Dr. Gabriel Chan.

**University of
Minnesota
Presentation**

Dr. Gabriel Chan, assistant professor at the University of Minnesota Humphrey School of Public Affairs in the Department of Center for Science, Technology and Environmental Policy shared a presentation regarding cooperatives navigating the energy transition and opportunities and challenges for distribution utilities.

Recess

The Board recessed from 12:07 p.m. until 12:37 p.m.

**President &
CEO Report/
Strategic
Planning Update
Continued**

Vice President of Member and Energy Services Mike Fosse reported the department's current COVID-19 impact. Vice President Fosse highlighted the recipients of the 2020 Touchstone Energy Community Award including Open Door, Gobble Gait – Hastings Family Services and BrainPower in a Backpack, noting each organization received a plaque and check for \$500. Vice President Fosse then provided an update regarding the fleet study Dakota Electric participated in coordination with the city of Lakeville to gain data to support electrification of their city fleet. The data obtained will help support recommendations for future electric vehicle purchases.

CEO Miller provided a safety update noting there are zero reportable injuries in 2021 and concluded with an update regarding later than anticipated COVID-19 vaccination schedule for utility staff and delayed return to office for staff working from home.

AGi Update

CIO Nelson reviewed the AGi budget and timeline noting that the project is still under budget due to decreased consultant costs and anticipating the project will remain under budget in the future. CIO Nelson noted member calls slightly increased again this month due to reschedules and anticipates completion of meter installs by end of 2021.

**Regulatory
Panel Follow-Up**

Director Pittman initiated a follow-up discussion related to the regulatory panel that took place in January 2021. A motion was made, seconded and withdrawn related to future discussions. No additional discussion was held at this time.

**2021 Legislative
Gathering
Planning**

Vice President Larson provided an update for plans to hold a virtual legislative gathering in the coming weeks.

**Dodd Park
Substation
Switchgear**

✓ **A motion was made, seconded and carried unanimously to approve the Dodd Park Substation Switchgear – Resolution 21-2-2.**

**Great River
Energy**

Director Pittman shared notice of the 2021 Great River Energy Annual Meeting that is scheduled for April 7, 2021 and the related certification of nominations for Great River Energy annual meeting delegates. Directors Margaret Schreiner and Clay Van De Bogart will attend as current Directors.

Director Van De Bogart provided an update regarding approved policy changes and highlighted the positive performance of Great River Energy during the recent polar vortex. Director Schreiner provided an update regarding a business improvement plan related to the development and implementation of a single integrated framework for all required Great River Energy forecasts. Director Schreiner also noted the board adopted the 2022 meeting dates and January performed lower than budget.

- Minnesota Rural Electric Association Update** Director Stacy Miller provided a Minnesota Rural Electric Association update noting there was no board meeting for February. Director Miller highlighted her attendance at the first NRECA Electric Cooperative Director Advisory Group meeting in February and noted Minnesota Rural Electric Association's upcoming 80th Annual meeting on March 2.
- Audit Committee Update** Committee Chair Jim Sheldon provided an Audit Committee update noting auditors from Eide Bailly will attend the March board meeting to present the 2020 audit findings. In addition, an executive closed session will convene with Directors only prior to presentation.
- Policy Update**
- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 1, Employee Leave Benefits, with the edits noted, effective 2-25-2021.**
 - ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 2, Employee Classifications and Payroll Practices, with the edits noted, effective 2-25-2021.**
- Attorney Update** Attorney Sara McGrane provided a legal update noting work on the policies updates, CEO compensation salary data and Election Committee clarifications.
- Adjournment**
- ✓ **A motion was made, seconded and carried unanimously to adjourn at 3:05 p.m.**

Melissa Cherney, Recorder

Gerald Pittman, Chair

Kenneth Danner, Secretary