



**DAKOTA ELECTRIC ASSOCIATION®
BOARD OF DIRECTORS VIRTUAL MEETING
MINUTES OF MAY 27, 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
Melissa Cherney
Mike Fosse
Adam Heinen

Corey Hintz
Tony Hoff
Betty Jo Kiesow
Doug Larson

Sara McGrane
Greg Miller
Joe Miller

Mjyke Nelson
Jeff Schoenecker
Peter Westerhaus

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.**

Attorney Sara McGrane presided over the annual board reorganization with the results as follows:

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| Chair: | Jerry Pittman |
| Vice Chair: | Paul Bakken |
| Secretary: | Ken Danner |
| Treasurer: | Bill Middlecamp |
| GRE Director Seat 1: | Clay Van De Bogart |
| GRE Director Seat 2: | Margaret Schreiner |
| MREA Director: | Stacy Miller |
| Unclaimed Capital Credits Committee: | Judy Kimmes, Chair Clay Van De Bogart John DeYoe Margaret Schreiner Jerry Pittman, Ex-Officio |

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| CEO Performance Review Committee: | Ken Danner, Chair Paul Bakken David Jones Bill Middlecamp Jerry Pittman, Ex-Officio |
| Election Committee: | Bill Middlecamp, Chair Paul Bakken Margaret Schreiner Jerry Pittman, Ex-Officio |
| Audit Committee: | Bill Middlecamp, Chair Judy Kimmes Stacy Miller Clay Van De Bogart Jerry Pittman, Ex-Officio |
| Annual Meeting Delegates: (NARUC, NRECA, Federated, CFC) | John DeYoe – Delegate Bill Middlecamp - Alternate |

✓ **A motion was made, seconded and carried unanimously to move out of Executive Session at 9:43 a.m.**

Recess The board recessed from 9:43 a.m. until 9:50 a.m.

Staff and guests joined. The meeting convened into regular session at 9:50 a.m. and continued with the Pledge of Allegiance. A quorum was present.

Changes to the Agenda Chair Pittman requested additions or changes to the Agenda. There were none.

Agenda Adoption ✓ **A motion was made, seconded and carried unanimously to adopt the agenda.**

Visiting Member Comments Member Vijendra Agarwal was in attendance for the Survey and Ballot Systems post-election wrap up presentation.

Introduction of New Employee CEO Greg Miller introduced new Vice President of Regulatory Services Adam Heinen.

Post-Election Wrap Up Peter Westerhaus and Tony Hoff from Survey and Ballot Systems presented the Dakota Electric Association post-election report noting voter participation in 2021 was down seven percent or 495 votes and was the lowest total in the past three years. Mr. Hoff shared voting data from comparable co-ops noting they are following the same trend.

Approval of the Consent Agenda

Chair Pittman requested additions or changes to the Consent Agenda. The following additions and changes were made:

- Recognition of Retiring Employee – Doug Larson – Resolution 21-5-2 was pulled for further review.
 - Attendance authorization for GRE Member Meeting on June 22, 2021 was added.
 - Delegation of Authority to Treasurer Bill Middlecamp was added.
- ✓ **A motion was made, seconded and carried unanimously to approve the Consent agenda with changes noted.**

- Minutes of April 29, 2021 Board Meeting.
- Attorney’s Monthly Fees – Resolution 21-5-1.
- Attorney’s Monthly Fees.
- Recognition of Retiring Employee – Mark Matthees – Resolution 21-5-3.
- Recognition of Retiring Employee – Randy Olson – Resolution 21-5-4.
- 2022 DEA Annual Meeting Date – April 28, 2022.
- Meeting Attendance Authorization – Resolution 21-5-5.
 - MREA Energy Issues Summit, August 11-12, 2021 – Bloomington, MN
 - NRECA/Federated/CFC Regional Meeting, September 15-17, 2021 – Minneapolis, MN.
 - NARUC 133rd Annual Meeting, November 7-11, 2021 – Louisville, KY.

Retirement Recognition

Director Margaret Schreiner presented a special recognition of retiring employee Doug Larson.

- ✓ **A motion was made, seconded and carried unanimously to approve the Recognition of Retiring Employee – Doug Larson – Resolution 21-5-2.**

Board Chair Update

Chair Pittman provided an update regarding various events and activities during the month of May.

President & CEO Report/ Strategic Planning Update

CEO Miller noted the written report and referred to the Senior Management Team for review of assigned departments.

Vice President of Utility Services Jeff Schoenecker provided updates regarding current COVID-19 vaccination rates within the department, reliability, completed board room renovations and improvements in daily procedures within the transportation department.

Vice President of Engineering Services Betty Jo Kiesow provided an overview of company-wide employee COVID-19 statistics since the beginning of the pandemic, current vaccination rates and incentives. Vice President Kiesow then spoke to significant lead time and supply chain issues noting 2022 purchasing resolutions will need to be approved earlier to allow for the increase in lead time.

Vice President of Energy and Member Services Mike Fosse noted call center staff have been transitioning back into the office from working at home to handle the influx of member communications as Dakota Electric resumes collection activities for delinquent balances.

Vice President of Information Services and CIO Mjyke Nelson provided an update regarding the resource planning project noting it is on schedule and budget. CIO Nelson then highlighted the global silicon computer chip supply shortage and the impact it is having on the IT department.

Vice President of Regulatory Services Doug Larson provided an update regarding Dakota Electric's Arrearage Forgiveness Program noting the Public Utilities Commission is expected to review at the June 24 meeting. Dakota Electric's transition plan for resuming collection activity is on schedule with additional notices being sent to delinquent members in June and July and physical disconnects will resume on August 2. It was also highlighted that the ECO bill passed and was signed by Governor Walz on May 26.

Vice President of Financial Services and CFO Corey Hintz provided an update regarding delinquent accounts and noted Dakota Electric has waived a total of \$1.2 million in late fees since the beginning of April 2020. CFO Hintz highlighted that \$65 thousand has been received in payments from members with delinquent balances in response to initial notice letters mailed out. Meter readers have been hand delivering letters to accounts with the most excessive delinquent balances to ensure receipt.

CEO Miller concluded with a return to office update noting some staff have begun to return to office as needed. A thirty day notice will be sent to employees stating the intent to begin the transition of all employees back into the office in waves after July 4. Senior management will continue to evaluate possible hybrid work from home options in the future.

AGi Update

CIO Nelson reviewed the AGi budget and timeline noting the project remains under budget due to low consultant costs. CIO Nelson estimated the majority of meter installs will be complete by year end. Any remaining installs will be completed in the first part of 2022. CIO Nelson also noted member calls increased in April due to scheduling requests following a member communication.

2021-2022 Corporate Insurance Resolution

✓ **A motion was made, seconded and carried unanimously to approve the 2021-2022 Corporate Insurance Recommendation – Resolution 21-5-6.**

**Arrearage
Forgiveness
Capital Credit
Retirement
Resolution**

- ✓ **A motion was made, seconded and carried unanimously to approve the Arrearage Forgiveness Capital Credit Retirement – Resolution 21-5-7.**

Recess

The board recessed from 12:19 p.m. until 12:50 p.m.

**Great River
Energy**

Directors Clay Van De Bogart and Margaret Schreiner provided a Great River Energy (GRE) update. Director Schreiner stated GRE will be conducting a special member briefing regarding Project Phoenix on June 22. All directors, CEOs and senior staff are welcome to attend. Director Van De Bogart provided additional details regarding the strategic planning session in July noting it will be held at Arrowwood Resort and Conference Center.

**Minnesota Rural
Electric
Association
Update**

Director Stacy Miller provided a Minnesota Rural Electric Association (MREA) update noting an upcoming Energy Issues Summit scheduled for August 11-12, 2021. Director Miller then discussed possible Dakota Electric meeting options with MREA District 7 and/or Connexus regarding Project Phoenix.

**Board Retreat
Committee
Update**

Director John DeYoe provided a board retreat update noting a change in dates to support the full day and a half session that is being recommended by facilitators. The board retreat will now be held October 14-15, 2021. Director DeYoe then presented information gathered from facilitator interviews conducted earlier in the month with a committee recommendation to move forward with GreatCo-Ops.

- ✓ **A motion was made, seconded and carried unanimously to approve hiring GreatCo-Ops to facilitate the 2021 Dakota Electric Board Retreat.**

Policy Update

- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 7, Drug and Alcohol Testing for All Employees Other Than Commercial Motor Vehicle Drivers, with the edits noted, effective 5-27-2021.**
- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 8, Vehicle Usage Requirements – Recommendation to move from a Policy to an Operating Guide, Guide 2.5 with the same name, effective 5-27-2021.**
- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 9, Employee Grievance Review Process (Nonunion), with the edits noted, effective 5-27-2021.**

- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 10, Workplace Security, with the edits noted, effective 5-27-2021.**
- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 11, Employee Records, with the edits noted, effective 5-27-2021.**
- ✓ **A motion was made, seconded and carried unanimously to approve Policy Book Section II, Policy 13, Employee Training and Education Assistance, with the edits noted, effective 5-27-2021.**

Attorney Update Attorney Sara McGrane provided a legal update noting work on equal opportunity employment training, policies and insurance related issues.

Duties of Directors Attorney Sara McGrane presented the annual information regarding a board of director's fiduciary responsibility and role of a board and/or director.

2021 Board Compensation Adjustment ✓ **A motion was made, seconded and carried by a 9-3 majority to approve a 2.65 percent or \$80 increase to the monthly board director stipend effective June 1, 2021.**

New Business Director Paul Bakken discussed recommendations to discontinue company funded office supplies provided to individual directors.

- ✓ **A motion was made, seconded, amended and carried by an 8-4 majority to approve a one-time \$30 base increase to the monthly board director stipend to cover office supply expenses and discontinue any company provided supplies for individual directors effective June 1, 2021.**

Adjournment ✓ **A motion was made, seconded and carried unanimously to adjourn at 3:26 p.m.**

Melissa Cherney, Recorder

Gerald Pittman, Chair

Kenneth Danner, Secretary