

MEETING MINUTES



October 26, 2023 Board of Directors Meeting Minutes

Dakota Electric Association Board Members in Attendance

DISTRICT 1

John DeYoe
David Jones
Jerry Pittman

DISTRICT 2

Terry Donnelly
Bill Middlecamp
Clay Van De Bogart

DISTRICT 3

Ken Danner
Cyndee Fields
Margaret Schreiner

DISTRICT 4

Paul Bakken
Jenny Hoeft
Stacy Miller

Staff in Attendance

Jon Beyer
Melissa Cherney
Adam Heinen

Ryan Hentges
Corey Hintz
Betty Jo Kiesow

Sara McGrane
Mjyke Nelson

Trina Sandlie
Jeff Schoenecker

Guests in Attendance

Richard Billion, virtual

Derik Dautel

Heidi Schachtman

Minutes

TOPIC	DETAILS
Call to order	Chair Paul Bakken called the regular meeting of the Dakota Electric Association Board of Directors to order at 9:00 a.m. and presided. A quorum was present.
Agenda adoption	✓ A motion was made, seconded, and carried to adopt the agenda as amended.
Introduction of New Vice President	CEO and President Ryan Hentges introduced new Vice President of People and Culture Trina Sandlie.
Executive closed session	✓ A motion was made, seconded, and carried to move into closed session at 9:08 a.m. The board reviewed information related to a possible large load and a Cybersecurity update. ✓ A motion was made, seconded, and carried to move into regular session at 10:00 a.m.
Member comments	Member Derik Dautel addressed the board with concerns regarding election terms.

- ✓ A motion was made, seconded and carried to approve the consent agenda as amended. The attorney annual fee proposal was removed from the consent agenda for further discussion.

Consent agenda

- Minutes of the September 28, 2023 board meeting
- September board legal fees
- Bad debt write off – resolution 23-10-1
- Capital credit general retirement – resolution 23-10-2

Attorney annual fee proposal

The board discussed the proposed increase in attorney fees for 2024.

- ✓ A motion was made, seconded and carried by a 9-3 majority to approve the attorney annual fee proposal for 2024.

Policy update

- ✓ A motion was made, seconded and carried by a 11-1 majority to approve the revisions to Section I, Policy 1.5 – Code of Ethics as amended to exclude the “reimbursement of expenses” language.

Overview of upcoming strategic decisions and staffing

CEO Hentges discussed immediate and future needs of the cooperative and reviewed items required to be able to successfully execute Dakota Electric’s strategic plan.

Great River Energy 2024 budget and special meeting update

- ✓ A motion was made, seconded and carried to delegate Director Clay Van De Bogart to vote in favor of the Great River Energy bylaw revisions on behalf of Dakota Electric at the special member meeting on December 6, 2023.

Dakota Electric will hold a special virtual meeting at 1:00 p.m. on Wednesday, November 29, 2023 if the language revisions differ than what is expected after the Great River Energy Board of Directors vote to approve in November. CEO Hentges then reviewed the proposed 2024 Great River Energy budget.

Building update

Vice President of Utility Services Jeff Schoenecker reviewed the current state and immediate needs of Dakota Electric facilities, parking and equipment. He then presented various options to meet those needs. Dakota Electric will move forward with a facility study to determine next steps.

Quarterly finance update

Vice President of financial services and CFO Corey Hintz provided a financial update noting operating expenses are \$46.7 million or 2.1 percent favorable to budget and power costs are \$122.4 million or 4.9% favorable to budget. However, overall kilowatt sales are 1.436 billion kWh or 0.1% unfavorable to budget and revenue is \$169.8 million or 3.9% unfavorable to budget.

Long range financial forecast

CFO Corey Hintz presented the Dakota Electric long range financial forecast. Annual projections are designed to calculate a high-level ten year forecast noting several considerations that can impact the forecast including but not limited to weather, member growth, power costs and inflation.

CEO report

CEO Ryan Hentges provided updates related to safety, grants, CIS vendor RFPs, MREA CEO Communication Committee. CEO Hentges also noted he is now on the Dakota and Scott County CAP Board.

CEO performance evaluation process	The board discussed ideas and next steps regarding the annual CEO performance and appraisal process. The Committee will meet in November and provide an update in December.
Great River Energy update	Directors Margaret Schreiner and Clay Van De Bogart provided a Great River Energy update including 2024 budget, education and safety.
Minnesota Rural Electric Association	Director John DeYoe provided a Minnesota Rural Electric Association update including communication plans, budget, facility upgrades and noted an increase in membership dues for 2024.
Attorney update	Attorney Sara McGrane provided an overview of this month’s work on Dakota Electric related topics including property easement issues, property tax appeal and human resources training.
Declaration of intent	Directors Jerry Pittman (District 1), Clay Van De Bogart (District 2), Ken Danner (District 3) and Jenny Hoeft (District 4) declared their intent to run as an incumbent in the 2024 annual election.
Proposed bylaw amendment	The board readdressed interest in a proposed bylaw amendment for the 2024 annual election ballot. The Committee will be meeting in November and will provide an update in December.
Adjournment	✓ A motion was made, seconded, and carried to adjourn at 3:31 p.m.