

MEETING MINUTES



September 26, 2024 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
Margaret Schreiner
Cyndee Fields

DISTRICT 4

Paul Bakken
Jenny Hoeft
Stacy Miller

Staff/Guests in Attendance

Jon Beyer
Trina Sandlie
Adam Heinen

Ryan Hentges
Corey Hintz
Jeff Schoenecker

Betty Jo Kiesow
Sara McGrane

Members in Attendance

Derik Dautel

Minutes

TOPIC	DETAILS
Call to Order	Chair Paul Bakken called the regular meeting of the Dakota Electric Association Board of Directors to order at 8:32 a.m. and presided. A quorum was present.
Agenda Adoption	✓ Discussion occurred to modify the Capital Credit Allocation agenda topic to Capital Credit Retirement. A motion was made, seconded, and carried to adopt the agenda.
Member Comments	No members provided comments to the Board.
Consent Agenda	✓ A motion was made, seconded, and carried to approve the consent agenda. <ul style="list-style-type: none">▪ August 22, 2024 Meeting Minutes▪ August 2024 Board Legal Fees
Executive Closed Session	✓ A motion was made, seconded, and carried to move into closed session at 8:40 a.m. Betty Jo Kiesow, VP of Engineering, provided an overview of the changes within the approved 2025-2026 Union Contract.
Executive Closed Session	Jon Beyer, VP of Energy & Member Services and Ryan Hentges, CEO provided updates relating to large loads looking to locate within DEA's service territory. The board closed the Executive Session at 10:12am.

2025 – 2026 Union Contract

- ✓ A motion was made, seconded, and carried to approve resolution 24-9-1 concerning the 2025 – 2026 Union Contracts.

Purchase of Long-Lead Time Material

- ✓ A motion was made, seconded, and carried to approve resolution 24-9-2 concerning the purchase of Long Lead time equipment that will be 100% reimbursable from the member.

CEO Report

CEO Hentges provided an overview of the innovation priority in the strategic plan along with the ongoing projects of CIS, ADMS and DERMS related to this priority. Hentges continued with a recommendation to stay the course with the current strategic plan through 2025. Discussion followed with support for this direction. The report continued with updates on Commitment to Zero, RESAP, and Financial Stewardship was discussed with Ryan laying out a plan for upcoming budget presentations to the board occurring in December. The report continued with a discussion on the timing of the upcoming rate case. Discussions followed relating to Large Loads and communicating our involvement to the membership. Ryan discussed the upcoming legislative session and his thoughts around Dakota Electric having a greater presence with our local legislators with the help of a consultant. The report concluded with a discussion surrounding grant opportunities that Dakota Electric is a finalist for.

Capital Credit Retirement

Corey Hintz, CFO provided an update on the 2024 Capital Credit retirement amounts from Dakota Electric and Great River Energy. Dakota is on an 18-year retirement schedule and Great River is on a 22-year schedule. Discussions followed.

- ✓ A motion was made, seconded, and carried to approve resolution 24-9-3.

Maximum Debt Limit (MDL)

Corey Hintz, CFO provided an informational presentation on Dakota Electric's current Maximum Debt Limit. With upcoming project's that will require taking out additional debt we may need to increase our MDL. Future discussions will continue with the Board.

2025 Labor Considerations

CEO Hentges discussed the need for additional labor needs at the co-op. We have a number of ongoing initiatives that are requiring additional staff time. The executive team is currently analyzing each position and looking at the business case for the additions. Additional discussions and information will come to the Board in October.

Commitment to Zero

Jeff Schoenecker, VP of Utility Services, Brandon Lunde, Utility Services Manager along with Joe Kuhn and Richard Siebenaler, Utility Services Superintendents here at Dakota Electric provided an over of the co-ops participation in the NRECA & Federated commitment to zero program. All four individuals felt the program went very well and it was a positive experience for all employees.

Bylaw & Policy Discussion

The Board along with Sara McGrane, Legal Counsel, reviewed suggested changes to Dakota Electric's Articles of Incorporation and Bylaws. After a lengthy discussion Sara will make the agreed upon revisions and bring a revised version to the October meeting for further review.

Great River Energy Report

Directors Margaret Schreiner and Bill Middlecamp provided a Great River Energy update in addition to the written report. Bill provided an update on a risk management meeting he attended recently. Discussion followed relating to the GRE managers meeting along with a couple of questions relating to rate discussions and rate structures that are being discussed at GRE. CEO Hentges provided an update on the rate discussion that the GRE managers are having.

Minnesota Rural Electric Association

Director John DeYoe provided a MREA update including 2025 budget work and MREA's new building progress.

Attorney Update

Attorney Sara McGrane provided a written overview of this month's legal work.

NRECA Region 5 & 6 Update

Directors Margaret Schreiner and Bill Middlecamp provided updates. All resolutions that were presented were passed.

Dakota County Fair Update

Director Jenny Hoeft provided an update on the 4H livestock auction and Dakota Electric's participation.

CEO Performance Review Committee

Director Middlecamp provided an update and the committee's plan to do a process improvement exercise in the coming months.

Unclaimed Capital Credits Committee

Director Middlecamp was elected chair of the committee and provided an update on the 2024 donations and 2025 scholarship levels.

Adjournment

✓ A motion was made, seconded, and carried to adjourn at 2:05 p.m.