

MILLE LACS ENERGY COOPERATIVE
Aitkin, MN 56431

The regular meeting of the Board of Directors of the Mille Lacs Energy Cooperative was held at its office in Aitkin, Minnesota on March 15, 2019. All board members except Aileen DeMenge were present.

President Harold Harms called the meeting to order at 9:00 a.m.

All team leaders were present for their reports. Administrative Assistant Debra Chute was also present. Everyone joined in the Pledge of Allegiance.

These minutes being transcribed by or under the direction of Secretary/Treasurer, Barbara Welty, the following proceedings were had: (all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board, or without dissenting vote or abstention, unless otherwise stated):

M/S/P to approve consent agenda items - expense vouchers for the period ending March 15, 2019, agenda for the March 15, 2019 regular board meeting, and work orders for the month of January 2019 of \$64,523.53.

The team reports for February 2019 and financial reports for the month ending January 31, 2019 were reviewed and accepted upon motion.

IRS Form 990 Questionnaire

All directors present completed a questionnaire that accumulated the data needed to complete MLEC's annual 990 – Return of Organization Exempt Form Income Tax.

MLEC Internal Controls Evaluation

As recommended by the Commitment to Excellence Financial Best Practices, internal controls are established, monitored and reported to the Board. At year-end, in preparation for the 2018 audit, a substantial review of the financial reports was completed. No material entries were required to correct errors that went undetected during the year.

VOTING

2.1 Recommended Write-offs

M/S/P to approve the recommended electric, long distant and internet write-offs for this month in the amount of \$1,129.33.

2.2 Policy Review

M/S/P to approve the following revised policies:

- Policy No. 316 – Drug and alcohol Policy for all employees
- Policy No. 317– Anti-Harassment Policy

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2.3 Activity Reports

- GRE – Harold presented the February 2019 Board report and the January 2019 GRE Financial Report.
- MREA – February 2019 MREA board meeting minutes were reviewed.
- RUS – No report
- CFC – No report
- NRECA – No report
- MAC – No report
- Federated – No report
- NRTC – No report
- RESCO – No report
- NISC – No report
- Other –None

M/S/P to accept the activity reports.

2.4 Net Metering

Sarah Cron explained the updated Net Metering documents and Board Policy 518 – Cogeneration/Distributed Energy Resources Policy.

M/S/P to approve the revised and updated Policy 518.

M/S/P to approve Cogeneration and Small Power Production Resolution.

Said Resolution attached to these minutes.

Sarah explained the 2018 Grid Access Charge rate.

M/S/P to approve Grid Access Rate changes to be implemented as of May 1, 2019 as presented.

Board Resolutions

M/S/P to approve resolution in favor of NexTera Energy Resources LLC – Endeavor I, and resolution in favor of Engie Power Purchase Agreement.

Said resolutions are attached to these minutes.

REPORTS

3.1 Confidential Discussion/Update

Sarah updated the board on confidential issues.

3.2 Loss Control

The next safety meeting will be presented by MREA on March 27th with the topic of *Speak Up, Listen Up* to all employees. Deanna Soderberg will present May Day Training and Forklift Training on April 4th.

The monthly Accident and Mileage Report was reviewed.
Also reviewed was the 2019 Safety Cross.

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3.3 ACRE/REPAC Memberships

Donations for ACRE/REPAC 2019 were collected.

SCHEDULED MEETINGS

4.1 MLEC Employee/Director Appreciation Dinner

Friday, March 22, 2019, Eddy's Resort.

4.2 CoBank Regional Meeting, Minneapolis, MN, March 25 – 26, 2019

Monday - Tuesday

Attendance: Barb Welty, Mike Reem, Don Appel, Bill Bernard, Bruce Robinson, Sarah Cron and Carol Kyar.

4.3 MLEC Annual Meeting, Forty Club Convention Center, Aitkin, MN

April 11, 2019, Thursday evening

Registration – 5:00, Dinner at 5:30. Meeting at 6:15.

Attendance: All directors

4.4 GRE Annual Meeting, Maple Grove, MN

Tuesday – Thursday, June 4 – 6, 2019

Attending – No decision at this time.

4.5 Other Meeting Information

- April 19th:
 - Election of Officers
 - Annual Board Duties and Responsibilities
 - Policy 203 – Annual Safety Deposit Box Inspection
 - Employee Development Plan
 - GPS (Global Positioning System) Update if available

- May 17th:
 - Nothing at this time

- June 21st:
 - Nothing at this time

MREA 2018 Board Meeting Dates

- Tuesday and Wednesday, April 16 - 17
- Tuesday and Wednesday, June 18 - 19
- Tuesday and Wednesday, August 20 - 21
- Tuesday and Wednesday, October 15 - 16
- Tuesday and Wednesday, December 17 - 18

NOTE: If anyone is interested in attending an MREA Board Meeting, please let Deb Chute and Director Barb Welty know so arrangements can be made.

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4.6 Board Meeting Dates

- Thursday, April 11, 2019 – Annual Meeting
- Friday, April 19, 2019
- Friday, May 17, 2019
- Friday, June 21, 2019

M/S/P to approve Friday, June 21, 2019 Board meeting date.

M/S/P to approve director participation at all scheduled meetings.

PRESENTATIONS

2018 Audit Report

Jay Welch representing Brady Martz and Associates attended the meeting to review the audit report. Also, in attendance was Henry Brucker, Cooperative Attorney.

M/S/P to accept the 2018 Audit Report.

Meeting adjourned at 12:20 p.m.

Barbara G. Welty, Secretary/Treasurer

Harold Harms, President