

**APPROVED**

**H-D ELECTRIC COOPERATIVE, INC.  
REGULAR MONTHLY BOARD MEETING  
February 16, 2024 (Summary)**

President Bert Rogness called the meeting to order. The Board delegated Craig D. Evenson the responsibility to prepare minutes.

Secretary Bass called Roll. Present were: Steve Hansen, Dale Williams, Casper Niemann, Todd Moritz, Bert Rogness, Calvin Musch, Roxanne Bass, Kevin DeBoer and Terry Strohfus.

Others in attendance for all or part were Matthew Hotzler, General Manager; Craig D. Evenson, project attorney; Annie Aberle, Finance and Administration Manager; Troy Kwasniewski, Operations Manager; and Tom Lundberg, Member Services Manager.

On motion duly made, seconded, and carried, the agenda was approved.

Secretary Bass presented the January 26, 2024, regular Board and Summary minutes and after a discussion about the minutes. On motion duly made, seconded, and carried, the January 26, 2024 regular Board meeting and Summary minutes were approved.

Steven Hansen presented the treasurer's report, which included cash receipts and disbursements. After a discussion of the report transactions. **Resolution 24-13** On motion duly made, seconded, and carried, it was RESOLVED that the treasurer's report be received and placed on file subject to audit.

Treasurer Hansen presented the monthly Director expenses. **Resolution 24-14** On motion duly made, seconded, and carried, it was RESOLVED that the Director's monthly expenses be approved.

General Manager Hotzler presented a written and oral report. Hotzler reported on the East River (ER) MAC, ER's new all-time peak of 863.8 MW, Senate Bill to improve transformer supply chain, ER - Elmira Township issue, Basic Electric Financials, Easement Negotiations with Crow Creek Tribe, Basin FERC Proceeding on 2020 and 2021 rates, Basin Electric New Rates, SDREA Manager's meeting.

Hotzler presented the Cooperative Scorecard for January 2024. Mr. Hotzler presented the membership activity report. There was a discussion about the new memberships, assignments, service connections, and non-active memberships. **Resolution 24-15:** On motion duly made, seconded, and carried, it was RESOLVED that the January 2024 membership activity report be approved.

Hotzler reviewed the January 2024 Cyber report and the Basin financials year-to-date summary for review and discussion.

Finance and Administration Manager Aberle presented the January 2024 financials and a written and oral report of the department's activities. The Board discussed Aberle's reports.

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Operations Manager Kwasniewski presented a written and oral report of the department's activities, including the outage summary report. The Board discussed the report. In addition, Kwasniewski reviewed the January 31, 2024, safety meeting minutes. **Resolution 24-16** On motion duly made, seconded, and carried, it was RESOLVED, that the January 31, 2024 safety meeting report, as presented, is approved.

Member Services Manager Lundberg presented a written and oral report on the department's activities, including January's service order breakdown report, open service order report, backlog report, and East River load management update.

Bert Rogness, Director of the East River Board, presented an oral report discussing several topics, including Basin Financials, FERC dealing with Cooperatives, employment changes at East River, an Attorney General case in Minnesota, and Zoning issues with Basin. The Board discussed the various topics.

Steven Hansen, Director of the SDREA Board, presented an oral report. Mr. Hansen discussed the SDREA and the 2024 legislative session.

Hotzler advised the Board there was one application for estate retirement of capital credits and no applications for early retirement. He advised the Board that \$81.05 of the capital credits for estate retirement will be retained, and \$291.86 of the estate retirement will be refunded. Pursuant to Article 9, Section 2 of the bylaws and Policy No. 205 for H-D Electric Cooperative, Inc., the total retirement results in \$81.05 to be retained by H-D and \$291.86 to be refunded to the members requesting their retirement. The payment of capital credits will not impair the cooperative's financial condition. **Resolution 24-17:** On motion duly made, seconded, and carried, it was RESOLVED that H-D Electric Cooperative, Inc. pay the capital credits pursuant to the Bylaws, policies, and applications as presented.

Hotzler presented Policy Reviews for policy numbers 706 and 801. Hotzler presented a written report with suggested revisions together with an oral report.

- a. Policy 706 – Community Room Use
- b. Policy 801 - Politics in the Cooperative

**Resolution 24-18** on motion duly made, seconded, and carried, it was RESOLVED that Policy 706, as presented, is approved. **Resolution 24-19** on motion duly made, seconded, and carried, it was RESOLVED that Policy 801, as presented, is approved.

Hotzler discussed a Codington-Clark Electric inquiry about serving the new Czech Dairy in H-D Electric territory. Hotzler presented a response letter to Codington-Clark that H-D can serve the load and is not interested in them serving it. After the Board had discussed the situation and reviewed the response letter. **Resolution 24-20** on motion duly made, seconded, and carried, it was RESOLVED that the response letter is approved, and the Board directs Hotzler to send it.

Hotzler presented the bids for the 2024 tree trimming contract. There were two bids submitted. There was a discussion regarding the two bids submitted. **Resolution 24-20** on motion duly made, seconded, and carried, it was RESOLVED that the tree trimming bid by Stateline is approved

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Hotzler discussed the RUS Loan Engagement Letter. The letter was set for the signature of the Board President Rogness. Hotzler discussed a discrepancy regarding the depreciation schedule. He talked to Mr. Tom Jones of RUS, who advised that it was due to government accounting and that H-D could sign the Loan Engagement Letter. There was discussion amongst the Board about that issue, it was agreed to sign the Loan Engagement Letter.

Hotzler discussed the updated plans for the H-D Annual Meeting. There was discussion amongst the Board regarding the Annual Meeting.

Hotzler announced that a delegate was requested from CRC; the candidates were from the East Coast, so the Board declined to appoint a voting delegate.

There was a discussion about the following meetings coming up.

- a. Co-op Day at the Capital, February 20, 2024.
- b. NRECA Annual Meeting, March 1-6, 2024.
- c. NRECA CCD Workshop, March 12-13, 2024.
- d. H-D Annual Meeting, March 19, 2024.
- e. NRECA Director conference – April 6-9, 2024.

At the roundtable, Mr. Dale Williams discussed the CO2 pipeline.

The Board went into executive session at 12:00 p.m. before the meeting adjourned.

No Further business coming before the meeting, on motion duly made, seconded, and carried, the meeting was adjourned.