



STEARNS ELECTRIC ASSOCIATION NEW OPERATIONS AND HEADQUARTERS FREQUENTLY ASKED QUESTIONS GUIDE

April 2024

1. WHAT EXACTLY IS THE OPERATIONS CENTER AND NEW HEADQUARTERS PROJECT?

Stearns Electric will be replacing its current 54-year-old operations center and headquarters in Melrose with a new facility. The new operations center will provide the space necessary to support the Cooperative's growing operations efficiently and effectively. The new facility will be located on the same property Stearns Electric already owns, directly to the west of the current building.

2. WHY DOES STEARNS ELECTRIC NEED A NEW HEADQUARTERS FACILITY?

Since moving to our current location, built in 1970, Stearns Electric has outgrown its headquarters in virtually every way. Outdated equipment and cramped facilities are impacting the efficiency and cost-effectiveness of service. In particular, the garage, shop and mechanic areas need more space and updated equipment to accommodate the size and demands of today's fleet vehicles and provide appropriate space for employees to work safely and efficiently.

Today, there is no aspect of operations, administration and member service that isn't impacted by the current building's inadequate size, age and antiquated design. The facility can no longer provide the needed space for large equipment, tools and supplies.

Stearns Electric has been deeply committed to serving our community for the last 87 years and looks forward to ensuring our members' power needs are met for the next 87 years. The new operations center represents an important investment in our long-term ability to continue high-quality service.

3. HOW WILL A NEW OPERATIONS CENTER ADDRESS THE CHALLENGES OF THE COOPERATIVE'S AGING FACILITY?

The new operations center and headquarters will serve as the foundation for the Cooperative's operations for the next 50 years and beyond. The facility will provide the design and space we need to support our operations, engineering, member service, finance, information technology and administrative teams.

Critical features include larger garages, an enhanced mechanic shop, meeting areas and storage spaces for important material and equipment like poles, wires, transformers and meters. Office departments and workspaces will be designed to make workflow more productive and efficient.

4. IN WHAT WAYS HAVE STEARNS ELECTRIC EMPLOYEES HELPED SHAPE THE PROJECT?

Our employees have played a key role in developing the new headquarters and operations center. We extensively surveyed our employees for ways to be efficient with space and help them be more effective at their jobs. Their guidance and support directly informed the design of several aspects of the new building and gives us even more confidence that this investment will help us better serve our members.

As you might imagine, there were many great ideas brought forward for consideration to incorporate into the new facility. We are excited to implement ideas that align with our business and our budget.

5. DID STEARNS ELECTRIC CONSIDER RENOVATING THE CURRENT FACILITY INSTEAD OF BUILDING A NEW ONE?

After careful consideration of costs, location and the needs of employees, the Stearns Electric Board decided that new construction was the best option to support our mission of providing safe and reliable electricity to our members. The new headquarters will be on the same property as our current building in Melrose to maximize value and limit disruptions to our operations.

6. WHAT WILL HAPPEN TO THE CURRENT HEADQUARTERS WHEN THE NEW FACILITY IS COMPLETED?

The Stearns Electric Board of Directors, along with Cooperative leadership, are exploring options to either sell or lease the existing facility. Member value will always be the driving force behind such decisions.

7. WHAT WILL HAPPEN TO THE STEARNS ELECTRIC BRANCH IN ST. JOSEPH?

The Stearns Electric branch office in St. Joseph will be unaffected by this project. The St. Joseph Branch, where one-third of Cooperative employees start their workday, will maintain its critical role in our ability to support our more than 28,000 member-consumers effectively.

8. WHY NOT CONSOLIDATE ALL OPERATIONS INTO ONE FACILITY?

Stearns Electric has had two office facilities since 1989 - in Melrose and St. Joseph. The Melrose office is the geographic center of our service territory, which serves parts of six different counties, while the St. Joseph office is closer to growing areas near St. Cloud and Sartell.

9. DID STEARNS ELECTRIC CONSIDER BUILDING JUST A FLEET FACILITY?

As the Cooperative explored various options, it was determined a new headquarters and operations center would produce the best long-term value.

Using two facilities to support operations positions the Cooperative for improved outage response times and strategic disaster recovery plans, among other benefits.

10. WILL STEARNS ELECTRIC CONSIDER INVESTING IN THE ST. JOSEPH OFFICE?

There are no plans to make a major capital investment in the St. Joseph office, which was built less than 15 years ago. The Cooperative will continue to properly maintain the facility and make improvements that support our employees and operations, when appropriate.

11. WHERE CAN I FIND MORE INFORMATION OR ASK OTHER QUESTIONS?

Our website includes a dedicated webpage about the project. We will continue to update that webpage and provide more information about the project in the monthly Power Connection newsletter.

If you have questions or wish to speak directly to a Cooperative representative, call our offices during regular business hours at (800) 962-0655.



TO LEARN MORE:

Please contact our office during regular business hours.

(800) 962-0655 | [STEARNELECTRIC.ORG/MELROSE-FACILITY](https://stearnelectric.org/melrose-facility)