

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION  
Minutes of the Regular Meeting of the Board of Directors

March 15, 2023

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on March 15, 2023.

**Call to Order and Roll Call:**

The meeting was called to order by President Lawless at 12:58 p.m. EST.

Directors present: District 1-Darryl Small, District 2-Karen Alholm, District 3-Mike Lawless, District 4-Wotruba, District 5-Wery, District 6-Jesse Betters, District 7-Kirk Bruno, District 8-Don Johnson, District 9- Dausey.

Directors absent: None

Also present were (General Manager) Mike Furmanski, (Finance Manager) Lynn Labadie, (Operations Manager) Troy Tiernan.

**Approve the Agenda:**

***Moved by Director Betters to approve the agenda with the addition of building tour under New Business, support by Director Alholm. Motion carried.***

**Member Comments:** None

**Minutes:**

***Moved by Director Wery to approve minutes of February 15, 2023 regular meeting, support by Director Johnson. Motion carried.***

**Approve the Administrative Items:**

***Motion to approve February check register in the amount of \$2,054,238.34 by Director Alholm with support by Director Johnson. Motion carried.***

***Motion to approve the administrative items (membership applications, director's expenses, manager's expenses, and estate retirements) as submitted in the board packet was made by Director Johnson, with support by Director Wery. Motion carried.***

**Old Business:**

- Safety Update
  - MIOSHA did a surprise visit last week.
  - There were no citations.
- Gold Resources
  - They filed for reconsideration.
  - Alger Delta submitted a rebuttal last week.
- Aclara Update

- Good since last month.
- Firmware update next week.
- RA6 meters and some DCU's to be here in April and installed in Gourley.
- They have been good about replacing materials.
- Rates Discussion
  - CFC call yesterday about rate study.
  - They should get back to us in May.
  - **Moved by Director Bruno to give members notice for May 17<sup>th</sup> meeting, support by Director Johnson. Motion carried.**
  - Country Lines notice by end of March.
  - Director Bruno stated Finance & Rates Committee needs to be involved.
  - Director Lawless appointed Director Wotruba to fill past Director Prestin's place on the Finance & Rates Committee.

#### New Business:

- Building Tour
  - All directors walked through the main building as well as the cold storage building.
- 2023 MECA Voting Delegate
  - **Moved by Director Bruno to name Furmanski as delegate, support by Director Better. Motion carried.**
- Collaboration and Other Opportunities
  - **Moved by Director Bruno to have a special full meeting of the Board for the purpose of reviewing our strategic plan and identifying and prioritizing action plans, support by Director Johnson. Motion carried.**
- Cybersecurity Discussion
  - DsTech looked at proposed Policy 309.
  - Priebe and Furmanski will continue to work with DsTech.
  - Final draft should go to lawyer before Board adoption.
- RUS-Board President Authorization
  - **Moved by Director Alholm to adopt Resolution Authorizing the President to Act on Behalf of the Board for Alger Delta Cooperative Electric Association's AS45 Loan, support by Director Johnson. Motion carried.**

#### Staff Reports:

##### Operations Manager Report-Tiernan

- Work Plan Projects
  - We continue to prepare for the Deerton-Autrain tie line-looking at a May 2023 start date.
  - Working on preparation of the 2024 projects in the workplan.
- Maintenance Items
  - AD Crew continue to work on reject poles and system upgrades.

- Vegetation Crews
  - Vegetation crews are working in the Stephenson & Cedar River area.
  - Also have a crew doing danger tickets in the Rapid River area.
- Warehouse/Facilities
  - Working on improvements in the warehouse-storage, shelving and upgrading the lighting in the back of the warehouse.
- Safety
  - Surprise MI OSHA inspection on March 8<sup>th</sup>.
  - Everything went well no citations or written issues.
- Equipment
  - The new digger truck is in service.
  - Looking at our fleet and preparing for longer than usual lead times on replacement vehicle

#### Office Manager Report-Priebe

- Tech/IT
  - SQL Server Licenses-several servers needed updated SQL license and added security.
  - NISC DBS Server-warranty renewal.
  - PC upgrades for new hires.
  - Still in process of obtaining licensing.
    - Aclara ONE-AO 1.17.1 SQL not at requirement-DSTech ordering SQL licensing.
  - GIS-server replacement ordered.
  - External/Internal Penetration testing-test our vulnerability meeting next week. Cybersecurity 74 & DSTech.
  - Zultys-migrated process started from MIXI to ZAC.
    - MIXI end of life
    - ZAC has added features
  - NRECA-cybersecurity training
    - In process of creating a CIRP (Cybersecurity Incident Response Plan) for Alger Delta-harden our cybersecurity environment.
    - Updating ERP (Emergency Response Plan).
- Outages
  - Total billed meters February: 10338.
    - 1697 members out of state.
    - 47/50 states represented.
    - 2 APO Military Bases-Handful of Canadian addresses
- Social Media Recap
  - Youth Tour deadline met.
    - One application received.
  - 3/10/23-Employee Appreciation Day
- Expense Report

- Provided link to expense report.
- Service/Work orders
  - February 2023 processed service orders-114.
  - February 2023 disconnected services-2.
  - February 2023 new connects-5, transfers-27.
  - February 2023 line maintenance & tree tickets-2.

#### Finance Report-Labadie

- CFC Rate Study
  - Submitted the majority of the information required for the rate study; finalizing details on a data request spreadsheet; first meeting to review the revenue requirements-3/14/23 @ 9:30 am.
- Audit
  - Audit moved to the week of 3/27/2023.
  - Continue to gather and upload items from the auditor's request list.
  - Preliminary Form 7 completed-also needed for rate study.
- Form 7
  - Preliminary 2022 Form 7 completed before the audit.
  - Needed for rate study as well as audit.
- Construction Costs Review
  - Several of us met with Pat Wheeler via Zoom on 3/10/23 to start the process of reviewing the construction costs.
- Capital Budget
  - Working with Pat Wheeler on developing a 2023 Capital Budget.
- NRECA
  - Completed the W-2 submission as well as the Retirement Compliance Questionnaire.
- December 2022
  - Preliminary balance sheet and income statement for year-end 2022.
  - Current margin-\$672,230.91.
- Eagle Mine Meeting
  - Opportunity to meet with their plant and operational managers to discuss a number of things: current estimate-done at the end of 2027.
- Federated Insurance
  - Continue to gather information for the May renewal.

#### General Manager-Furmanski

Power supply-Dropped in February. Negative power cost adjustment going on April bill.

- Attended TechAdvantage.
- Five Energy Optimization applications have been received.
- Continue working with Cloverland on a tie line for Isabella.
- Continue working with MBLP and ATC at the Pineau Substation.
- Toured the building next door.

- New engineer with 20 years' experience starting on the 27<sup>th</sup>.
- Craig Borr asking how many would be interested in training if brought to Marquette.

**Committee Reports & Agendas- None**

**Executive Session**

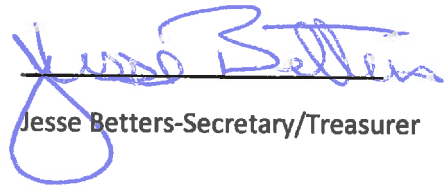
- Topic of discussion – Strategic Planning
- ***Moved by Director Johnson to move into executive session, support by Director Alholm. Motion carried.***
- Board entered Executive session at 3:19 p.m.
- ***Moved by Director Johnson to leave executive session, support by Director Bruno. Motion carried.***
- Board exited Executive session at 4:25 p.m.

**Adjourn:**

- ***Moved by Director Wery to adjourn, support by Director Wotruba. Motion carried.***
- Meeting adjourned at 4:30 p.m. EST.



Mike Lawless - President



Jesse Betters-Secretary/Treasurer