

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

April 19, 2023

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on April 19, 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- Bill Wotruba, District 5- Steve Wery, District 6-Jesse Betters, District 7-Kirk Bruno, District 8-Don Johnson, District 9 - Steve Dausey.

Directors absent: None

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

**Approve the Agenda:**

***Moved by Director Johnson to approve the agenda with the addition of cybersecurity under old business, support by Director Betters. Motion carried.***

**Member Comments:** None

**Minutes:**

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

**Approve the Administrative Items:**

***Motion to approve March check register in the amount of \$1,732,406.83 by Director Wery 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 Bruno, with support by Director Wery. Motion carried.***

**Old Business:**

- Safety Update
  - Tiernan reported there were no injuries, accidents, or near misses.
  - Safety Committee meeting next week.
- Gold Resources
  - Furmanski talked with Anderson
  - Nothing from the judge since the response was sent.

Aclara Update

- RA6 are working with no issues.
- Those with 77 firmware have been flawless.
- More failures this month during the upgrade.
- 500 RA6 and a couple of DCUs shipped at the end of the month for Gurley.
- Then Grand Marais, Hiawatha, Big Bay, Watson and LaBranche with yearend at White Rapids.
- 2600 will be sent to be upgraded.
- Rates Discussion
  - Labadie talked with CFC.
  - Presentation on study and options for Finance & Rates Committee before next board meeting.
- Cybersecurity
  - Alholm asked the status of the cybersecurity policy.
  - Priebe stated it wasn't ready for legal yet-hopefully by the next meeting.

**New Business:**

- Collaboration and Other Opportunities
  - Furmanski talked to an appraiser about the property next door.
  - Asking price is above what the appraiser gave but owner offered to come down.
  - ***Moved by Director Lawless to counteroffer based on a successful environmental assessment, support by Director Johnson. Motion carried.***

**Staff Reports:**

Operations Manager Report-Tiernan

- Work Plan Projects
  - Tiernan provided a Pineau-Autrain Tie Line update.
  - An Isabella Tie Line update was given.
  - Discussed Big Bay Substation outage.
  - Work Plan projects for 2024 were discussed.
- Maintenance Items
  - AD Crew continue to work on reject poles and system upgrades.
- Vegetation Crews
  - Vegetation crews are working in the Big Bay and Shakey Lakes area.
- Warehouse/Facilities
  - Working on driveway entrance gates for Pineau Sub and Watson Sub.
- Safety

- Tiernan will be attending the Michigan Safety Roundtable May 1<sup>st</sup>-May 3<sup>rd</sup> in Traverse City. (Cherryland Electric Co-op)
  - Equipment
    - Working with USSi & Custom Truck for prices on new trucks for 2025. (Digger Derrick)

#### Office Manager Report-Priebe

- Tech/IT
  - NISC -iVUE Financials sunseting. Moving to new web-based timesheet application within iVUE Connect Financials. Scheduled training May 25<sup>th</sup>. Migration within the next six weeks.
  - PC upgrades/New Hires-Network, email and security settings
    - Staking Engineer-New system installed-ipad
    - Finance Manager-Laptop-complete
    - Distribution Engineer-Laptop, office, ipad-complete
    - GIS-software download upgrade 4 PC's
  - SQL-Enhanced security license ordered-waiting on install
    - Aclara One-AO 1.17.1 SQL not at requirement-DSTech ordering licensing
  - GIS-Server received-waiting on installment
  - Internal/External Vulnerability Analysis-Cyber 74DSTech-End of May or beginning of June.
  - Incorporate a Disaster Recover/Emergency Action Plan Document
    - Harden our environment
    - Step by step manual to ensure the existence of ongoing operations and maintenance programs
- Outages
  - Total billed meters March: 10385.
    - 40% of Members on Autopay split 50/50 CC and bank accounts.
- Social Media Recap
  - Helping Ospreys
  - Scholarship application
- Expense Report
  - Provided link to expense report.
- Service/Work orders
  - March 2023 processed service orders-126.
  - March 2023 new connects-23, transfers-24.
- Zero Usage graph was provided

#### Finance Report-Labadie

- CFC Rate Study
  - Anticipate a presentation of the cost of service study results as well as rate increase options prior to the 5/17/23 board meeting.
- Audit

- Wrapping up the audit.
- Audit should be reviewed by the partner next week.
- Capital Budget
  - Continue to work on a capital budget-specifically a budget for the Autrain Tie Line project.
- Form 990
  - Initial call with Eide Bailly regarding the 2022 Form 990.
- MECA Symposium
  - Attended the MECA Symposium last week in Grand Rapids.
- January 2023
  - Preliminary balance sheet and income statement for January 2023.
  - Negative margin due to cost of purchased power for the month.

#### General Manager-Furmanski

#### Power supply-Dropped in February.

- 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 Sub.
- Attended the MECA Symposium.
- Attended the CoBank Regional meeting.
- Attended a Service Quality seminar.
- Updated Construction Costs.
- Donations to date=\$10,603.70. \$26,260.30 remaining.

#### Committee Reports & Agendas-

- Director Johnson reported on MECA Symposium
  - Projected change to ACRE by end of the year.
  - County Line Magazine looking at doing a cookbook as a fundraiser

#### Executive Session

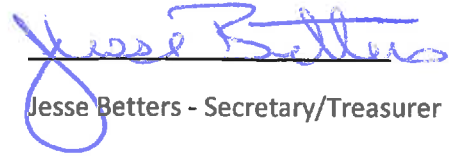
- Topic of discussion- Strategic Planning
- ***Moved by Director Johnson to move into executive session, support by Director Dausey. Motion carried.***
- Board entered Executive session at 2:24 p.m.
- ***Moved by Director Johnson to leave executive session, support by Director Small. Motion carried.***
- Board exited Executive session at 2:31 p.m.

#### Adjourn:

- ***Moved by Director Johnson to adjourn, support by Director Betters. Motion carried.***
- Meeting adjourned at 2:33 p.m. EST.

Handwritten signature of Mike Lawless in black ink, featuring a stylized 'M' and 'L'.

Mike Lawless - President

Handwritten signature of Jesse Betters in blue ink, featuring a stylized 'J' and 'B'.

Jesse Betters - Secretary/Treasurer