

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Minutes of the Regular Meeting of the Board of Directors

May 17, 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 101 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.

**Approve the Agenda:**

***Moved by Director Johnson to approve the agenda with the addition of USDA Cooperative Energy Innovation Program under new business, support by Director Small. Motion carried.***

**Member Comments:** Eric Milbach from District 6 asked how Alger Delta comes up with their rate plan. Lyle Bero from District 1 and 2 was concerned about the rate plan and asked about donations made by the Cooperative.

**Minutes:**

***Moved by Director Alholm to approve minutes of April 19, 2023 regular meeting, support by Director Wery. Motion carried.***

**Approve the Administrative Items:**

***Motion to approve April check register in the amount of \$1,760,984.36 by Director Betters 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 Alholm, with support by Director Dausey. Motion carried.***

**Old Business:**

- Safety Update
  - No injuries, accidents, or near misses to report.
  - Safety Committee meeting was held last Thursday.
- Gold Resources

- Furmanski met with Anderson.
- Aclara Update
  - Has been working well.
  - Just a few lost during outages.
  - Can come off the agenda and just be included in General Manager's report.
- Cybersecurity
  - Draft policy has been sent to legal today.

**New Business:**

- COSS and Rate Study Results
  - Finance Committee met to go over the COSS and Rate Study.
  - Their recommendation is to stay at the \$45 fixed cost as planned.
  - 625 kw is the average member usage.
  - ***Moved by Director Bruno to Proceed with implementing the rate changes as proposed by management and the first quarter of 2023 rate study, support by Director Wery. Motion carried.***
- USDA Cooperative Energy Innovation Program
  - Director Bruno received an email about the program, which has \$9.7 billion available for Cooperatives.
  - Applications are accepted July 1-August 1.
  - There may be some of the 5 Year Work Plan that would qualify.
  - Requested Management look into this as there might be something else that would apply to Alger Delta.

**Staff Reports:**

**Operations Manager Report-Tiernan**

- Work Plan Projects
  - A Pineau-Autrain Tie Line update was given.
  - An Isabella Tie Line update was given.
  - Discussed Big Bay Substation outage.
- Maintenance Items
  - AD Crew continue to work on reject poles and system upgrades.
- Vegetation Crews
  - Vegetation crews are working in the Big Bay, Stephenson and Deerton areas.
- Warehouse/Facilities
  - Installed entrance gates for Pineau Sub and Watson Sub.
- Safety
  - Continue to work on RESAP improvements.
- Equipment
  - Looked at a used F550 Bucket Truck in Appleton.

**Office Manager Report-Priebe**

- NISC Training
  - Systems Monitoring & Maintenance Virtual Workshop held May 3-4, 2023.
- SQL
  - Enhanced security license ordered and install completed this week.
  - Aclara ONE-AO 1.17.1 SQL was not a security requirement.
- GIS Server Replaced
  - NISC-Onboarding this week.
  - DSTech-monitoring software installed after onboarding completed.
- Internal/External Vulnerability Analysis-Cyber74/DSTech
  - Scheduling for June 2023
    - Review of the following: internal security policies, active directory permissions, Windows update, Office 365, AV settings, firewall policies, NIST 800-53 risk questionnaire, dark web scans.
- Disaster Recovery/Emergency Action Plan Document in review stage
  - Incorporate a comprehensive cybersecurity disaster recovery plan.
- Billing/Outages/Events
  - Total billed meters April: 10180.
  - Total estimated-12
- Social Media Recap
  - Scholarship
  - MISS Dig
  - Easter
  - Lineworker Appreciation
  - Storm
  - Admin Assistant Day
- Expense Report
  - Provided link to expense report.
- Service/Work orders
  - April 2023 processed service orders-145.
  - April 2023 new connects-0, transfers-25.

#### Finance Report-Labadie

- CFC Rate Study
  - CFC Presentation to Rates & Finance Committee on 5/3/23.
- Audit
  - Waiting for a copy of the preliminary audit to review.
  - Audit will be presented at the July meeting.
- Marquette Journey Lineworker Opening
  - There are three interviews scheduled for this week.
- NISC
  - Completed 3 WebEx meetings with NISC to convert Capital Credits/Retirements portion of program from Cobol to Java as Cobol is being discontinued.

- January-March 2023
  - Balance sheets and income statements in Call To Order.
  - Year to date margin: \$333,452.28; in line with last March-under budget (decrease slightly in sales, increase in expenses).

General Manager-Furmanski

Power supply-Continue to be down, third month in a row with a negative power cost adjustment.

- Attended the WPPI meeting in Sun Prairie.
- Worked with CFC on the COSS and Rate Study.
- Attended the Invest UP CEO Summit.
- Preparing for the Annual Meeting.
- Had a journey lineworker leave, seeking a replacement.
- Five Energy Optimization applications have been received.
- Continue working with Cloverland on a tie line for Isabella.
- Continue working with MBPL and ATC at the Pineau Substation.
- 7 energy related bills in Michigan House.

**Committee Reports & Agendas-**

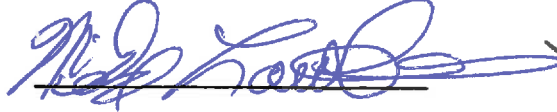
- Director Johnson reported on MECA
  - CDD Certification possibly held in Marquette.
  - Minimum of 20 participants.
  - 5 classes/1 per day-can do all or one.
  - Looking at October 2-6, 2023.
  - Six Directors would be interested in attending, two have first level and one has all three levels.
  - Director Johnson provided the Board with MECA's response to Senate Bills 271 & 278.

**Executive Session**

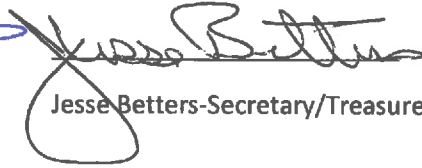
- Topic of discussion – Management Compensation
- ***Moved by Director Alholm to move into executive session, support by Director Bruno. Motion carried.***
- Board entered Executive session at 2:22 p.m.
- ***Moved by Director Alholm to leave executive session, support by Director Wery. Motion carried.***
- Board exited Executive session at 3:07 p.m.
- ***Moved by Director Betters to accept the General Manager's salary as proposed by the Executive Committee, support by Director Alholm. Motion carried.***

**Adjourn:**

- **Moved by Director Johnson to adjourn, support by Director Wotruba. Motion carried.**
- Meeting adjourned at 3:12 p.m. EST.



Mike Lawless - President



Jesse Betters-Secretary/Treasurer