

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Minutes of the Regular Meeting of the Board of Directors

September 18, 2024

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on September 18, 2024.

Call to Order and Roll Call:

The meeting was called to order by Chair Betters at 1:02 p.m. EST.

Directors present: District 1-Darryl Small (virtual), District 2-Karen Alholm, District 3-Tim Jenkins, 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.

Approve the Agenda:

Moved by Director Wery to approve the agenda as presented, support by Director Dausey. Motion carried.

Member Comments: Furmanski took a comment yesterday about the reconnect fee. The customer now understands.

Minutes:

Moved by Director Wery to approve minutes of August 7, 2024 regular meeting, support by Director Dausey. Motion carried.

Approve the Administrative Items:

Motion to approve check register in the amount of \$1,834,949.63 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 Alholm, with support by Director Dausey. Motion carried.

Old Business:

- Safety Update
 - No injuries to report.
 - Safety meeting on the 26th.
 - Insurance claim was filed for a vehicle deer accident.
 - Tiernan is going to look into a grant to be used for pole top rescue.

New Business:

- Capital Credits
 - Up to 1993
 - Policy 202-can't let equity ratio below 30% and must remain compliant with all mortgage covenants.
 - There is no date a decision must be made according to policy.
 - Labadie would need 30 days to set up disbursement.
 - Bruno suggests paying them during a positive cash flow time frame.
 - Many others are at 20-30 years.
 - Furmanski and Labadie are comfortable retiring at least half, if not all of current year barring any major/unexpected events.
 - **Moved by Director Bruno to retire full 1993 amount, support by Director Johnson. Motion carried.**
- Grid Resiliency Grant
 - Applied for last November. (Kiva Line Rebuild)
 - State approved in March.
 - Department of Energy approved a couple of weeks ago.
 - State Historic Preservation office and Tribal approval needed, but not expecting any problems.
 - Estimated start date during the coming winter.
 - **Motion by Director Alholm to authorize Furmanski to sign grant agreement, support by Director Wery. Motion carried.**

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - We continue to work on the overhead to underground conversions in the White Rapids area.
 - MJ Electric will be starting the line rebuild on G-12 in Lake Township on September 30th,
- Maintenance Items
 - Marquette crew is working on a system upgrade project on M-28. Crews are finding broken hardware.
 - Gladstone crews are working on reject poles along with system upgrades in the North Delta and Isabella areas.
- Vegetation Crews
 - Vegetation crews are working in the Isabella and White Rapids areas.
- Warehouse/Facilities
 - Working on getting estimates to build a garage in Harvey.
- Safety
 - This month's safety meeting will be pole top/bucket rescue.
- Equipment
 - Purchased a used 53'van trailer for our workplan projects and a mobile storm response warehouse.

Office Manager Report-Priebe

- Meter Exchanges -Completed Nathan, Watson/Cornell and moving to Big Bay area.
 - Border States began using a new App for exchanges-major adjustments on our end.
- Work Order Completion-As-built/Final inspection.
- IT-Servers-5-year age limit-New main server migration 90% complete, working out antivirus issues.
 - Issues with Remit/Payment server-looking at migrating to a new mainframe server.
- Mapping-Misplaced meter locations- Equipment and Facility ID issues- as-built/new construction
 - Idle Service Audit-set up field inspection for linemen.
- Cybersecurity-Daily monitoring/Reports DSTech
- ESRI (mapping software)/NISC-Mapping bundle renewal complete.
- Billing/Outages/Events
 - Total members billed September 2024: 10495
 - Total estimated-September: 30 due to end-of-month meter exchanges
- Link to Country Lines Magazine was provided.
- Link to Facebook page was provided.
- Social Media Recap
 - Meter exchanges
 - Storm damage
 - Jr Market Livestock Auction
- Service/Work Orders
 - August 2024 processed service orders-319.
 - August 2024 new meters-41
 - August 2024 new services-4
 - August 2024 transfers-57

Finance Report-Labadie

- Capital Credits
 - Reviewed Policy 202 and provisions set forth in the mortgage covenants.
- Line of Credit
 - 9/9/24-Drew down \$300,000 from the line of credit.
- RUS Loan
 - Waiting to process a drawdown after the Federal Reserve meets.
- UP State Fair Livestock Auction
 - Purchased a steer and a hog. (WPPI funds)
 - Entry form for meat bundle drawing-Sept/Oct issue of Country Lines-30 bundles.
- Power Cost Adjustment-2024

- 1/2/24 billing= (.0046), 2/1/24 billing=(.0051), 3/1/24 billing=(.0133), 4/1.24 billing=(.0008,), 5/1 billing=(.0116), 6/1 billing=(.0123), 7/1 billing=(.0050), 8/1 billing=(.0048), 9/1 Billing-.0044, 10/1 billing=.0099/
- July 2024 & August 2024 Financials
 - Financial information is available on the Dashboard.

General Manager-Furmanski

Power Costs-August was up from last year, less than 2022.

Power Sales-Still below previous two years.


- Evaluating various EWR options-MECA, WPPI, State of Michigan.
- Started MIP training. Furmanski thinks it is very good training. His project will be an employee handbook.
- Harvey Building zoning application.
- Attended NRECA Region 1 and 4 meeting. Directors Bruno, Johnson and Alholm also attended.
- Asked Marquette BPL for the money for the agreement.
- Director Bruno will be attending the WPPI meeting in WI Dells.

Committee Meetings:

- Policy Committee to meet 11:30 am before the regular October meeting.
- Executive Committee to meet directly following this meeting.

Adjourn:

- ***Moved by Director Alholm to adjourn, support by Director Jenkins Motion carried.***
- Meeting adjourned at 2:32 p.m. EST.


Jesse Betters - President


Kirk Bruno-Secretary/Treasurer