

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Minutes of the Regular Meeting of the Board of Directors

November 9, 2022

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on November 9, 2022.

**Call to Order and Roll Call:**

The meeting was called to order by Director Alholm at 12:59 p.m. EST.

Directors present: District 1-Darryl Small, District 2-Karen Alholm, District 3-Mike Lawless (virtual), District 4-Vacant, District 5-Wery, District 6-Jesse Betters, District 7-Kirk Bruno, District 8-Don Johnson, District 9- Doug Bovin.

Directors absent:

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

**Approve the Agenda:**

*Moved by Director Johnson to approve the agenda with support by Director Wery. Motion carried.*

**Member Comments:** None

**Minutes:**

*Moved by Director Wery to approve minutes of October 19, 2022 regular meeting, support by Director Bovin. Motion carried.*

**Approve the Administrative Items:**

*Motion to approve October check register in the amount of \$1,482,405.02 by Director Bruno with support by Director Small. 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 Bovin, with support by Director Johnson. Motion carried.*

**Old Business:**

- Safety Update
  - No incidents to report.
- Gold Resources
  - Furmanski hasn't heard anything new.
- Aclara Update
  - Have been holding up well even with the recent storms.
  - There have been some DCU improvements.

- Receiving better customer service with the staff changes.
- Next firmware update is coming up.
- Hoping to have Autrain on the system by the end of the year.
- Office Back-up Generator
  - The conduit has been run.
  - Delivery date by early December.
  - Plan is to have it up and running by mid-December.

#### **New Business:**

- Cybersecurity
  - Directors Alholm, Johnson, and Bovin attended.
  - Recommended the Board adopt a cybersecurity policy after attorney approval.
  - Josh Marenger from DSTech would also like to review the policy before it goes to the attorney.
  - Marenger explained what coverage/services Alger Delta currently has.
  - Stressed having a record in minutes of Board actions and progress.
  - Board consensus allows for attorney and DSTech review.
  - Currently working with Federated to up Alger Delta cybersecurity coverage.
  - Directors should also participate in training.
  - DSTech can extend training from employees to include Directors.
  - An annual audit should be considered.
- District 4 Vacancy
  - There is the potential for another District vacancy.
  - ***Moved by Director Bruno to table this topic until there is a clear picture of vacancies and number of directors, support by Director Wery. Motion carried.***
- Annual Agenda-Rates/Service Charges/Fees
  - Study results by spring.
  - Furmanski will be working on Strategic Plan.

#### **Staff Reports:**

##### Operations Manager Report-Tiernan

- Work Plan Projects
  - MJ Electric to begin the River Road project November 7<sup>th</sup>.
  - Pineau-Autrain tie line update.
  - Isabella-Garden Corners tie line update.
- Maintenance Items
  - Alger Delta crews along with mutual aid crews worked day and night during a wind/snowstorm event starting October 17<sup>th</sup> thru October 19<sup>th</sup> to restore power to over 1,800 members throughout our service territory.

- Vegetation Crews
  - Vegetation crews continue to work in the Grand Marais area.
- Warehouse/Facilities
  - Continue to make necessary improvements in the back warehouse along with repairing the driveway and installing a gate at our Watson Substation.
- Safety
  - No reported accidents or near misses during the major storm or daily work this month.
- Equipment
  - Scheduled to get our new F550 bucket truck in December. This truck will be a welcome addition to our fleet.
  - We are in the process of ordering a new digger derrick with an expected delivery date of 2025-2027.

#### Office Manager Report-Priebe

- Tech/IT
  - NISC/iVUE-Upgrade 2022 year end.
    - Prepare for year end 2022-Financial enhancements
      - Allocation process streamlining
    - Mapping & Staking Improvements to flow model loading speed.
      - Flow integrity checks-Network flow checks
    - Outage Management enhancements and performance
  - Resolved meter download issues-Aclara/Landis & Gyr
  - Bill print updates-Hours/PSCR Adjustment
  - Mapping & Staking snapshot errors-cleaned up & removed outdated data
    - Server 5 years old-memory issues, budget item next year
  - Call Capture issues-member payment line-ongoing with DSTech/NISC
  - NISC-Mapping Staking modeling issues-open case with N ISC
- Outages
  - Total billed meters October: 10,456.
  - Total estimated: 13-7 Aclara/6 Ts2
  - Billables/member caused outages: 0
- Social/community
  - Meter tampering post.
  - Big Bay outage October 23<sup>rd</sup>.
  - Food Safety/Outages post.
  - Tri-County Safe Harbor's Donation.
  - Outage updates with photos.
  - SmartHub video.
  - Alger Delta visits Powell Township School.
- Expense Report
  - Provided link to expense report.

- Service/Work orders
  - October 2022 processed service orders-314.
  - October 2022 disconnected services-14, total year-88.
  - October 2022 new connects-6, transfers-56, total new members October -62
- Outage Management Report was provided.

#### Finance Report-Labadie

- Union Negotiations
  - Preparation for union negotiations starting on 11/4/22.
- September Financials
  - Final numbers for September 2022 can be found on the dashboard.
- 2022 Proforma Income Statement
  - Updated the proforma after the final numbers ran for September: in addition, included an expense in December 2022 for \$75,000-Karcz pole inspection invoice (budgeted).
- 2023 Budget
  - Continue to work on the 2023 Budget
- Income and Balance sheets were provided.
- Provided WPPI's estimated power costs for 2023 by month compared to 2022 actual.

#### General Manager-Furmanski

Power supply over the past couple of months currently below 2021.

- Working on the 2023 budget.
- Preparing for negotiations.
- Completed Energy Optimization application forms.
- Continue working with Cloverland on a possible tie line for Isabella.
- Re-evaluated the Harvey to AuTrain tie line project

#### Committee Reports & Agendas- None

#### Executive Session

- Topic of discussion - negotiations.
- ***Moved by Director Wery to move into executive session, support by Director Johnson. Motion carried.***
- Board entered Executive session at 2:19 p.m.
- ***Moved by Director Johnson to leave executive session, support by Director Small. Motion carried.***
- Board exited Executive session at 2:35 p.m.

#### Adjourn:

- **Moved by Director Bovin to adjourn, support by Director Johnson. Motion carried.**
- Meeting adjourned at 2:36 p.m. EST.

Handwritten signature of Mike Lawless in black ink, written over a horizontal line.

Mike Lawless - President

Handwritten signature of Doug Bovin in blue ink, written over a horizontal line.

Doug Bovin-Secretary/Treasurer