

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

December 16, 2020

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held virtually on December 16, 2020.

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 1:00 p.m. EST.

Directors present: District 1-Darryl Small, District 2-Karen Alholm, District 3-Mike Lawless, District 4-Dave Prestin, District 5-Ivy Netzel, District 7-Kirk Bruno, District 8-Vacant, District 9- Doug Bovin.

Directors absent: District 6-Sederquist.

Also present were (Operations) Troy Tiernan, (Technical Services) Shannon Priebe, Jim Caron (Interim Finance Manager), Debbie Miles.

Approve the Agenda:

Moved by Director Bovin to approve the agenda with a change to move Caron and Miles to second under Old Business, support by Director Netzel. Motion carried.

Approve the Minutes:

Motion to approve the Minutes of the November 18, 2020 regular meeting by Director Alholm, support by Director Netzel. Motion carried.

Approve the Administrative Items:

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

Old Business:

- WPPI Funds-Brett Niemi
 - Update on remaining funds was provided.
 - Niemi recommends using remaining funds for Covid supplies to the seven schools serviced by Alger Delta.
 - Board Consensus approves.
 - Niemi will contact the schools to let them know funds are on their way.
- Jim Caron and Debbie Miles
 - Books for October are closed.
 - Novembers are being worked on.
 - Caron feels like things are under control.

- RUS AR8 Update, Burkhardt Resolution
 - Some property descriptions are being confirmed.

Moved by Director Alholm to approve the resolution to authorize the Board President, Mike Lawless, the General Manager, Dave Prestin, or the Board's attorney, Terry F. Burkhardt to take whatever other actions the United States of America, Rural Utility Services, USDA National Rural Utilities Co-Operative Finance Corporation, and/or CoBank, ACB might require to correct the Mortgage in question Motion carried.

- Aquila Resources
 - Jason checked on status November 30, 2020.
 - On December 14, 2020 Jason (Dykema) received a call that Aquila Resources wishes to continue discussions .
 - A call is scheduled for Thursday to work out the details.
- Aclara Update
 - DCU's are installed in the three locations.
 - 97.62% success rate.
 - Changing out the meters that were locked.
 - New firmware/updated programs to be installed.
 - Removing modules that were not needed.
 - Aclara was here doing more site studies for future DCU locations.
- CoBank Line of Credit Update
 - The increase has been initiated.
 - There has been a 2 million draw down.
- Open Board Seats & Discussion
 - Draft of letter to members in District 8 has been created.
 - Timeframe tabled until next meeting.
 - March meeting date may be moved. Board will check their schedules and decide next month.
- 401K Participant Audit
 - Audit by Eide Bailly given they are already familiar with Alger Delta.
 - ***Moved by Director Bruno to accept Eide Bailly engagement letter, support by Director Alholm. Motion carried.***
- Director Election Timeline
 - In the process of getting the SBS contract signed.
 - Timeline steps the same.
 - Directors Prestin, Lawless, and Alholm are up for election.
 - Priebe will check on getting candidate info into Country Lines.

New Business:

- Co-Link Access
 - CoLink accounts have been set up for Preibe and Tiernan.
- Healthcare and HAS Update
 - Met with Jennifer at 44 North to go over changes from last year's plan.
 - A 50/50 split of the increase in employee's deductible exposure was proposed to the Union.
 - Union accepted the offer.
 - **Moved by Director Bruno to approve increased contributions, support by Director Netzel. Motion carried.**
 - 50% of the increased deductible exposure will go into the employees HSA.
- Covid Response Guidelines
 - Plan is based off MIOSHA plan and adapted to Alger Delta and looked at by Public Health.
 - **Moved by Director Alholm to approve and accept the Covid Response Plan, support by Director Netzel. Motion carried.**
 - Sent to staff as guiding document.
 - Employees meet tomorrow and they can discuss the plan.
 - Prestin is drafting vaccine document to present at next board meeting.
- Background Search for new hires / Finance Manager.
 - Verified First account set up and includes federal records.
 - Charges are on a case-by-case basis, no membership fees.
 - Alger Delta never has possession of confidential information.
 - Priebe recommends it be used for all new hires.
 - Will be incorporated into the hiring policy.
 - There have been 20 applicants for Finance Manager.
 - Secondary interviews after Christmas.
 - Prestin and Caron will conduct the first interview.
 - **Motion by Director Netzel to delegate the hiring of the Finance Manger to the Executive Committee. Motion fails due to lack of support.**
 - Hiring will be done by the whole Board.
- General Manager Interview
 - Meet & Greet on day one with interview on day two.
 - Will be held in person at the Island Resort and Casino over lunch.
 - NRECA will attend virtually.
 - Credit checks have been ordered.

Staff Reports:

Finance Report-

- Current financials were reported to the board, including TIER, OTIER, and equity ratio, and audit update.

Operations Manager Report-Tiernan

- Work Plan Project
 - Chocolay project is 95% complete.
 - Overhead line build estimated to be completed at the end of January.
 - Marquette Light & Power is willing for us to stay on their power until we are ready to transfer load in the spring.
- Maintenance Items
 - Crews continue to work on new service and maintenance projects.
- Vegetation Crews
 - Crews are working in Watson and Hiawatha Forest areas.
- Warehouse/Facilities
 - Jason is preparing for winter.
- Safety/Training
 - Working within the Covid procedures.

Technical Services Report-Priebe

- Priebe is confident Aclara will work out fine.
- Provided new service, upgrade and outage updates.
- Christmas hams and turkeys are available at Frapp's meats.
- Continue updating website and social media.

Committee Reports & Agendas

- Executive Committee

Executive Session

- Moved by Director Alholm to enter executive session, support by Director Netzel.
 - Entered executive session at 3:47 p.m.
- Discussion:
 - Interim Management
 - General Manager search
 - Finance Manager search
- Moved by Director Small to leave executive session, support by Director Netzel.
Motion carried.
 - Executive session ended at 5:14 p.m.

Management Personnel

- *Moved by Director Prestin to increase Priebe's pay in the form of \$1000 per month, to be reviewed and renewed by the Board monthly with compensation retroactive to November, support by Director Bovin. Motion carried unanimously.*
- *Moved by Director Prestin to provide a \$1000 one-time Covid bonus for all full-time employees, support by Director Netzel. Motion carried unanimously.*
- *Moved by Director Netzel to provide a one-time additional payment of \$5000 to Mike Lawless for extensive serviced rendered above and beyond the expectations of the President's role, respective workload, and responsibilities, support by Director Alholm. Motion carried unanimously.*

Adjourn:

Motion to adjourn by Director Netzel, support by Director Bovin. Motion carried.

The meeting adjourned at 5:20 p.m.

Mike Lawless - President

Doug Bovin-Secretary/Treasurer