

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

April 21, 2021

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on April 21, 2021.

Call to Order and Roll Call:

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

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

Directors absent: None

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

Approve the Agenda:

Moved by Director Prestin to approve the agenda as presented with the addition of Policy under Committee Reports and moving MECA earlier in the meeting, support by Director Lawless. Motion carried.

MECA: Eric Baker & Tom Sobeck

- Baker & Sobeck discussed the benefits of being a MECA member.
- Alger Delta expressed their concerns and what they would have liked handled better.
- Next MECA meeting is June 10, 2021.
- Baker & Sobeck would like to bring Alger Delta's concerns to their board.
- They feel a face-to-face meeting would be beneficial.
- ***Moved by Director Prestin to table further discussion until the next meeting, support by Director Lawless. Motion carried.***

Approve the Minutes:

Motion to approve the Minutes of the March 17, 2021 regular meeting by Director Prestin, 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 Bruno, with support by Director Prestin. Motion carried.

Old Business:

- RUS Update-
 - Received Form 605 confirming availability of funds.
 - Submitted Form 595 for funds.
 - Will pay off the line of credit and look at paying off some higher interest loans.
- Aquila Resources
 - Nothing to report.
- Aclara Update
 - There have been weekly updates.
 - Showing progress and numbers have been holding.
 - All original firmware has been replaced.
 - Seeing a drastic slowdown in failures.
 - Solar DCU was fixed in March but was out the next day and is now working intermittently.
 - New DCU being installed today.
 - Director Bruno would like to see a timeline.

New Business:

- Annual Meeting
 - June 16, 2021 at 5:00 p.m.
 - In person with 220 attendees maximum.
 - People are already registering.
 - We will watch Covid restrictions and discuss at the next meeting.
 - Zoom option for during the business meeting.
 - Shannon presented meal options.

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Project
 - Continue finalizing Chocolay Sub.
 - Squaw Beach Rebuild is slated to start early summer. 1.5 mile rebuild in Big Bay.
- Maintenance Items
 - Crews are working on system upgrades and maintenance items.
 - Weight restrictions are on in our service area.
 - Crews with mutual aid from Cloverland & Escanaba restored members during March 28 & 29 wind event.
- Vegetation Crews
 - Started work in Autrain area as well as Carney/White Rapids.
 - Moving crews into Grand Marais as soon as restrictions are lifted.
- Warehouse/Facilities
 - Will be replacing 2 exterior doors, grading the parking lot and adding gravel.

- Safety/Training
 - Had our first in-person safety meeting.
 - Will be discussing having the crews work remotely once weight restrictions are lifted.
- Equipment
 - Will need to replace 2009 F250 this year.
 - Received a request to donate old truck.

Office Manager Report-Priebe

- Elections
 - On schedule and running smoothly.
 - 424 paper ballots received so far.
 - Election closes May 2nd.
 - SBS tabulates and delivers results by 3:00 p.m. CST day of close.
- Outages
 - Windstorm March 28-29.
 - Grand Marais outage April 12th to repair line on UPPCO side.
- CoBank Grant
 - Applied for funds for Auction.
 - Grant was denied, seeking other ways to apply for funds.
- Dashboard Updates
 - Added Tariff/Rate Book.
 - Provided link for expense report.
- Social Media
 - SmartHub and Miss Dig information.
- Service/Work Orders
 - Seeing an increase in new service applications and upgrades.
 - Workflow upgrades.
- Youth Tour/Washington
 - 2021 Youth Tour was cancelled.

Finance Report-

- Audit Update
 - Audit has been mostly reviewed by Derek Flanagan, partner.
 - Received a final list of open items on the 19th.
 - 401k Audit (every 5 years) scheduled for the week of April 26th.
- Form 7
 - Compiling numbers and entering on USDA website.
 - Eide Bailly will review once complete.
 - Granted an extension, now due 6/18/21.
- Training
 - Completed one module of NISC training.
 - Completed a webinar on work orders; Jim to do an in-house workshop as well.

- Second Month of employment here
 - Current with entering A/P invoices, weekly A/P check runs, closing prior month and payroll.
 - Work on for the next month: finishing up audits, looking at long term debt, and start looking into the budget.
- Current financials were reported to the board, including TIER, OTIER, and equity ratio, and audit update.
 - Director Prestin would like to see this information graphed so see trends.

General Manager-Furmanski

- Completed WPPI's data request they need to prepare for issuing bonds.
- Signed up for WPPI Onboarding seminar May 13th.
- Superior Solar-Marquette County solar project of 150 MW. They have reached out to WPPI.
- Will be attending a Wisconsin Operations Expo next week.
- Attended the Gourley Township meeting April 12th.
- Talked to a DCFC vehicle charger provider about potential locations on our system.

Committee Reports & Agendas

- Policy
 - Director Alholm drafted a policy regarding qualifications for Directors.
 - Policy committee will look into this per Board Consensus.
 - Policy committee will meet at 10 a.m. EST on May 12th, May 19th, and May 26th.

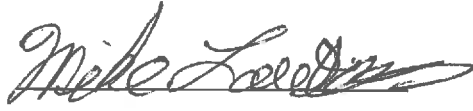
Executive Session

- ***Moved by Director Prestin to enter executive session, support by Director Small. Motion carried.***
 - Executive session was entered at 4:45 p.m. EST.
 - Topic to be discussed: Management Compensation.
 - Director Prestin left the meeting at 5:05 p.m. EST.
- ***Moved by Director Johnson to come out of executive session, support by Director Small. Motion carried.***
 - Executive session concluded at 5:12 p.m. EST.

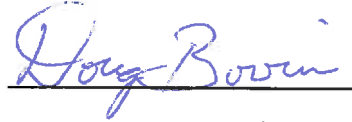
Adjourn:

- ***Moved by Director Netzel to adjourn, support by Director Small. Motion carried.***

The meeting adjourned at 5:13 p.m. EST.

Handwritten signature of Mike Lawless in black ink.

Mike Lawless - President

Handwritten signature of Doug Bovin in blue ink.

Doug Bovin-Secretary/Treasurer