

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

January 20, 2021

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on January 20, 2021.

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 1:10 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 Alholm to approve the agenda as presented, support by Director Bovin. Motion carried.

Approve the Minutes:

Motion to approve the Minutes of the December 16, 2020 regular meeting by Director Bovin, support by Director Small. 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 Prestin, with support by Director Netzel. Motion carried.

Old Business:

- RUS Update-
 - An update on the easement status was provided by Terry Burkhart
 - Report will be filed in the next couple of days
- 401K Participant Audit
 - Eide Bailly will be conducting the audit virtually due to Covid and staffing changes.
- Aquila Resources
 - Dykema indicated discussions are moving forward in a positive way.
- Aclara Update
 - Meters deployed need 3 firmware updates.

- Each update takes two weeks.
- Next meters to be installed in Autrain.
- CoBank Line of Credit / RUS Update
 - The line of credit is being used.
 - AP8 is fully drawn down.
 - AR8 loan is specifically for Chocoy and AMI.
 - Debt/loans will be revisited by Caron and new Finance Manager Labadie.
- Election vs Director Appointment
 - Alger Delta's current procedure system of appointments for vacancies and elections for new terms seems to be the standard.
- Open Board Seat Appointments
 - Letter to District 8 concerning an appointment after Director Youngs passing will go out immediately.

New Business:

- New Management Team
 - ***Moved by Director Netzel to approve employment agreement with Mike Furmanski as General Manager, support by Director Prestin. Motion carried.***
 - Furmanski will start as General Manager on January 25, 2021
 - The Board of Directors welcomed Furmanski to Alger Delta.
 - A press release has been prepared.
 - Discussed attending some local meetings, such as township board, to introduce him to the community Alger Delta serves.
 - The Finance Manager Position was offered to Lynn Labadie.
 - She will start February 15, 2021.
 - She will work on a contract/hourly basis during training prior to start.
- Jim Caron & Debbie Miles Update
 - Caron is training Labadie.
 - He would like her to take the RUS accounting online course
 - Netzel requested Caron review the reports that are being presented to the Board of Directors.
 - Policy Committee to look at Policy 103 to address concerns brought correctly through the chain of command.
 - Policy committee to create a new policy to mandate decentralization of duties.
- WPPI Rate Change Document 2021
 - WPPI provided a Notice of Rate Change for 2021.

- Office Lobby
 - Recommendation to keep office lobby closed except by appointment even after Covid concerns end.
 - Addresses employee safety.
 - Simplifies and addresses PCI compliance.
 - Will save money over time.

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
 - Chocalay substation along with the distribution circuit are complete.
 - Anticipate a May 2021 cutover date.
 - Big Bay Projects are complete.
 - Will be starting the remaining Squaw Beach project summer of 2021.
- Maintenance Items
 - Crews working on hazard reports and focusing on retiring idle services.
- Vegetation Crews
 - Crews are working in Watson and Hiawatha Forest areas.
- Warehouse/Facilities
 - Jason is looking into vendor managed inventory.
- Safety/Training
 - In person Safety Meetings have been cancelled due to Covid restrictions.
- Equipment
 - Purchasing a 2021 GMC Sierra 1500 Crew Cab for the General Manager.

Technical Services Report-Priebe

- Working with Aclara on meter updates.
- Provided new service, upgrade and outage updates.
- Updated CSR computer.
- HVAC system needed updating.
- Working with IT Tape drive issues moving to cloud backup
- Working with Eide Bailly on audit.

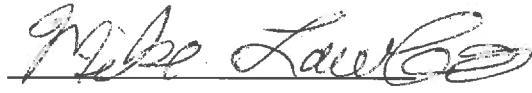
Interim Liaison Consultant

- ***Moved by Director Alholm to extend Prestin's contract as Interim Liaison Consultant with the consent of Prestin until further mutual action by the parties (Coop and Prestin), support by Director Netzel. Prestin abstained from the vote. Motion carried***

Adjourn:

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

The meeting adjourned at 4:50 p.m.

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