

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

May 19, 2021

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on May 19, 2021.

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 6-Jesse Betters, 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 Alholm to approve the agenda as presented with the addition of MECA under Old Business and Special Meeting Minutes of May 4, 2021, support by Director Netzel. Motion carried.

Approve the Minutes:

Motion to approve the Minutes of the April 21, 2021 regular meeting by Director Alholm, support by Director Bovin. Motion carried.

Motion to approve Minutes of the May 4, 2021 special meeting by Director Alholm, support by Director Johnson. 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 Bovin, with support by Director Netzel. Motion carried.

Old Business:

- RUS Update-
 - Received First draw on April 27th.
 - Paid off CFS line of credit on April 29th.
 - Paid off CoBank line of credit on May 4th.
 - Will now analyze long term debt.
- Aquila Resources

- ***Moved by Director Alholm to approve letter sent indicating our current position on the appeal, support by Director Bovin. Motion carried.***
- Aclara Update
 - Have received a timeline chart.
 - Will be doing another call about scheduling DCU's tomorrow.
 - Has been working well, holding steady.
 - More meter deployment starting in July.
- Donation Discussion
 - Solar installation requests have come in.
 - ***Motion by Director Prestin to discontinue funding renewable installations with WPPI funds, support by Director Netzel. Motion carried.***
- MECA
 - Craig Borr (MECA) has requested a meeting with Director Bovin and President Lawless to discuss how he can communicate better with the Alger Delta Board.
 - President Lawless requested Director Bovin handle it.
 - A phone call is set for Friday.
 - Director Bovin is hoping for a letter of apology sent to all of Alger Delta Board.

New Business:

- Annual Meeting
 - Registrations filled fast.
 - A wait list has been started.
 - Meal has been chosen.
 - Give-a-ways are all set.
 - Border states will be there.
 - Priebe will have the owl set up.
 - Guest speaker is Tom Butz of Power Systems Engineering.
 - Reminder to do the Pledge of Allegiance.
 - Director Bruno requested the Board see/hear the General Manager and President speeches beforehand.
- By-Law Modification
 - Proposed amendment to Article III Section 2 (c)-Based on the best Cooperative business practices, former Alger-Delta Cooperative management employees are ineligible to serve as a Director of the Cooperative for four years after his or her separation of employment.
 - Proposed amendment to Article III Section 7 (f)-Notwithstanding (e), a director who is absent from three consecutive regular board meetings, for whatever reason, including an extended illness or other disability...shall be removed as a Director, unless otherwise determined by the Board of Directors.

- (a) The presence in person or virtually of a majority of the board shall constitute a quorum for the transaction of business at any meeting of the Board.
- (b) If less than a quorum is present at a meeting, a majority of the directors' present may adjourn the meeting without further notice.
- (c) Nevertheless, a Director is required to be physically present at eight regularly scheduled board meetings each year.
- ***Moved by Director Alholm to put proposed amendments to Article III Section 2 (c) and Section 7 (f) be put forward to members for vote at the 2021 annual meeting, with advanced notice being given to the members, support by Director Netzel. Motion carried.***
- ***Moved by Director Netzel to adopt the proposed changes to Article V with the addition of "unless otherwise determined by the Board" to the end of Article V Section 4 (c), support by Director Prestin. Motion carried unanimously.***
- Meeting Date Changes
 - ***Moved by Director Bovin to change August's meeting date to the 11th and November's meeting date to the 10th, support by Director Johnson. Motion carried.***
- Add Labadie to RUS/FFB Documents
 - ***Moved by Director Alholm to pass the resolution to add Lynn Labadie as a signatory on RUS/FFB documents, support by Director Netzel. Motion carried.***
- ACRE
 - Furmanski informed the Board that ACRE donations are due.
- NRECA Director Elector
 - ***Moved by Director Alholm to name Furmanski as the voting member to NRECA with Director Bovin as alternate, support by Director Johnson. Motion carried.***

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - Squaw Beach rebuild
 - Choccolay Sub
 - Pole replacements
- Maintenance Items
 - Crews continue work on service upgrades and maintenance repairs.
- Vegetation Crews
 - Crews continue to clear ROW in the Stonington, Autrain and Hiawatha Forest areas.
- Warehouse/Facilities

- General Manager will follow policy to distribute once completed.
- 401K Audit has been completed.
- Form 7
 - Revised version has been sent to Eide Bailly.
 - We will file upon completion of the audit.
 - Granted an extension-new due date of 6/18/21.
- Training
 - Majority of employees attended an overview of work orders workshop on 5/18/21.
 - June 8-10, 2021-Virtual "Basic Benefits Training" NRECA.
- Third Month
 - April financials in board packet, looking for thoughts on different reports.
 - Work on for the next month: finalize the audit and distribute audited financials, continue to look at long term debt, graphs of TIER and Equity Ratios.
- 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

- Met with Eagle Mine personnel and toured some of Big Bay.
- Attended the WPPI Onboarding seminar last week and will attend Board of Directors meeting on May 21st.
- Met with Brett Niemi regarding donations.
- Took part in a call with RUS on our next work plan.
- Troy and I met with MBLP regarding possible ties.
- Talked to a DCFC provider about potential locations on our system.

Committee Reports & Agendas

- Policy
 - Met last Wednesday and earlier today.
 - Code of Conduct to be referred to legal.
 - Next meeting June 8th.
 - Tiernan asked to review Policy 230-Workplace Attire.
 - Labadie to check on current practice to cover costs and how insurance handles things relating to Policy 302.

Executive Session

- ***Moved by Director Bovin to enter executive session, support by Director Alholm. Motion carried.***

- Executive session was entered at 3:36 p.m. EST.
- Topic to be discussed: Management salaries.
- ***Moved by Director Johnson to come out of executive session, support by Director Bovin. Motion carried.***
 - Executive session concluded at 4:12 p.m. EST.

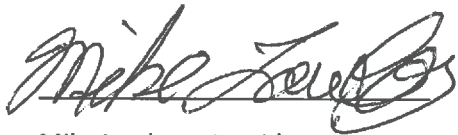
Management Salaries

- ***Moved by Director Bruno to accept the General Manager's wage recommendations for the Operations and Office Managers retroactive to January 1, 2021, support by Director Bovin. Motion passed unanimously.***

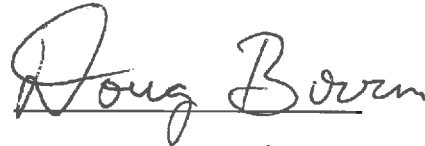
Adjourn:

- ***Moved by Director Prestin to adjourn, support by Director Alholm. Motion carried.***

The meeting adjourned at 4:14 p.m. EST.



Mike Lawless - President



Doug Bovin-Secretary/Treasurer