

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Minutes of the Regular Meeting of the Board of Directors

February 16, 2022

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on February 16, 2022.

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 1:02 p.m. EST.

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

Directors absent: None

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

Approve the Agenda:

Moved by Director Alholm to approve the agenda with the addition of Island Resort and Casino under new business, support by Director Small. Motion carried.

Member Comments: None

Safety Update:

- Tree trimming contractor put a tree on the line, but no one was hurt.

Approve the Minutes:

Motion to approve the Minutes of the January 19, 2022 regular meeting by Director Johnson, support by Director Wery. 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 Johnson. Motion carried.

Old Business:

- Aquila Resources
 - Things are progressing faster than under previous owners.
 - No new updates.
- Aclara
 - Works for a while, but lose meters when it storms
 - Had a call last week we shared our concerns.

- They admitted we aren't the only one having problems.
- Problem is in the communication.
- They have not paid a bill yet.
- They requested a per meter charge rather than hourly.
- The offered \$35/meter and travel time to be considered as an additional charge.
- Rates Discussion
 - Now working with someone different at WPPI.
 - Furmanski feels much more comfortable with them.
 - Rates Committee would like a timeline and communication plan.
 - Bruno and Furmanski will set up a committee schedule for the next two months.
 - Committee should have rates plan to recommend to the board in 2-3 months.
 - General Manager has already submitted his letter for in Country Lines.
 - WPPI will help with communication plan.
- Annual Agenda-Construction Policies/Rules/Tariffs
 - Hopefully information available next month.

New Business:

- Cost of Service Proposal
 - Guernsey provided a fee proposal for Cost of Service Study.
 - Would not be complete until September.
 - With new people at the table Furmanski recommends continuing with WPPI.
- NLMR Request
 - Eagle Mine approached Alger Delta with a second request.
 - Furmanski is ok with their request.
- Annual Agenda-Annual Meeting
 - Room is reserved at the Island Resort and Casino.
 - Menu options are available, 2022 prices were not available yet.
- Island Resort and Casino
 - Director Wery informed the Board that they are willing to enter a discussion.
 - Director Wery will set up a meeting with them to see if there is anything we could do with them that would be beneficial to both parties.

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - Crews continue to work on the Watson pole replacements.
 - Working with UPPCO on a Masonville substation project.

- Maintenance Items
 - Crews continue to work on maintenance and inspections throughout the system.
- Vegetation Crews
 - Bugle crews are in the Watson and Harvey areas.
 - Sending letters to members in the Seney/Grand Marais area for ROW clearing start in the spring.
- Warehouse/Facilities
 - Working on setting up the Pineau Substation yard for the Marquette crew.
- Safety
 - Continue to have monthly safety meetings and looking at starting a safety committee to review safety practices and methods.
 - Meeting next week to discuss Covid
- Equipment
 - Discussing the lead time for future equipment and repairs.

Office Manager Report-Priebe

- Tech/IT
 - DSTech racked server-NISC transferring to new server.
 - 2 servers-waiting on materials back ordered and should arrive end of month.
 - 2 PCs updated.
 - Preparing a tech rotation schedule.
- Outages
 - 116 total outages.
 - Zero were billable.
- Social/community
 - Link to apply for assistance on social media.
 - Scholarship information is out.
- Billing
 - Total estimated meters for billing in January-8.
 - Total meters billed in January-10,369
- Elections
 - All 3 available seats were uncontested.
 - Bio's will be published in the next issue of Country Lines.
- Service/Work Orders
 - Transfer of accounts continue to rise.
 - Upgrade and new service applications have been coming in steady.
 - Continued GIS updates.
- Expense Report
 - Provided link to expense report.

Finance Report-Labadie

- Open Positions
 - Was part of the interview committee, we interviewed 5 candidates for the Marquette position and offered the position on 2/11/22.
 - Scheduling interviews for 2/17/22-2/19/22 for the Gladstone position.
- December Financials
 - Preliminary December financials included on the dashboard-just received 3 invoices for December storm the week of Feb. 7.
 - Year to date thru December margin is @ \$377,294.39.
 - TIER is trending down year to date.
 - Equity trending slightly up year to date.
 - Priority needs to be placed on rate restructure/possibly consider PSCR
- Form 633
 - Forms due to the townshi-2/10/22.
 - Debbie Miles and Kyle Stabile-Cloverland have helped with various calculations; Shannon assisted with the miles of line computation.
- New Work Plan
 - Working on gathering a list of items for the loan application.
- Finance Reports
 - Various reports were provided to the Directors via Call to Order.
- Audit
 - Working on completing the PBC list for the audit scheduled the week of 3/7/22.
- Line of Credit
 - Took a 2nd draw from the Line of Credit on 2/4/22.

General Manager-Furmanski

- Power supply-spike in July & August and November & December.
- Working with the Landmark Inn and CFC in preparation for the Strategic Planning Session.
- Gathering information on the Symposium, which is scheduled for April 11-14 in Grand Rapids.
- Have started planning for the annual meeting, which will be held on June 15, 2022 at the Island Resort and Casino.
- Interviewed lineworkers for the Marquette area last week.
- Will be interviewing lineworkers for Gladstone this week.
- ***Moved by Director Johnson to move August meeting to the 24th and November meeting to the 9th, support by Director Alholm. Motion carried.***

Adjourn:

- ***Moved by Director Johnson to adjourn, support by Director Wery. Motion carried.***
- Meeting adjourned at 2:55 p.m. EST.

The meeting adjourned at 2:55 p.m. EST.

A handwritten signature in black ink, appearing to read "Mike Lawless". The signature is written in a cursive style with some overlapping letters.

Mike Lawless - President

A handwritten signature in blue ink, appearing to read "Doug Bovin". The signature is written in a cursive style with a prominent "B" and "v" in "Bovin".

Doug Bovin-Secretary/Treasurer