

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

January 19, 2022

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on January 19, 2022.

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 1:05 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.

Directors absent: None

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

Approve the Agenda:

Moved by Director Bovin to approve the agenda with the addition of MECA report and Storm Update under new business, support by Director Alholm. Motion carried.

Member Comments: None

Safety Update:

- No accidents or issues since the last meeting.

Approve the Minutes:

Motion to approve the Minutes of the December 15, 2021 regular meeting by Director Wery, 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 Alholm, with support by Director Bovin. Motion carried.

Old Business:

- Aquila Resources
 - Their motion to dismiss was denied.
 - Gold Resources is moving faster than previous company.
 - Currently doing feasibility study.
 - The new footprint will not affect wetlands.
- Aclara

- Lost 30-40 meters during storms.
 - Vendor we purchased from is putting pressure on Aclara.
 - They have not paid a bill yet.
 - Harvey Deerton is finished.
 - Down to three in Palestine.
 - Three members do not want an AMI meter.
 - We have meters, but are short on DCUs.
- Rates Discussion
 - Finance & Rates Committee talked about rates and provided some thoughts.
 - Combine farm and home with seasonal.
 - Reviewed situation regarding fixed costs. Currently \$25.
 - They will address numbers and come up with a recommendation for the board.
 - Think we can come up with an accurate estimate on our own.
 - Consider reaching out to Guernsey.
 - Rate structure once set should have a power cost adjustment set and a line to bill customers right after.
 - Mike asked WPPI to review the rate study.
 - Guernsey option would be \$20,000 plus.
 - A communication plan needs to be put together.
 - Board provided consent for General Manager to have authority to proceed with getting a rate study proposal to bring to the next meeting.
 - ***Moved by Director Johnson to accept the following recommended rates for the member owned renewable operation system: 3.918 cents for >20 kw and 4.75 cents for < 20 kw, support by Director Small. Motion carried.***
 - Annual Agenda-Budget/Capital Credits
 - Budget will be discussed further down the agenda.
 - Annual Agenda-Management Compensation
 - Moved to executive session.
 - Annual Agenda-Construction Policies/Rules/Tarrifs
 - Discussed above.

New Business:

- EO Plan
 - State may soon be looking at Energy Waste Reduction Program.
 - Recommends keeping Energy Waste Reduction Program even though it is no longer required.
- ATC Voluntary Addition Capital Contributions

- **Moved by Director Bovin to make the payments, support by Director Alholm. Motion carried.**
- NRECA -delegate and alternate
 - **Moved by Director Betters to have Furmanski as delegate and Lawless as alternate, support by Director Prestin. Motion carried.**
- MECA-delegate and alternate
 - **Moved by Director Prestin to have Bovin as delegate and Alholm as alternate, support by Director Johnson. Motion carried.**
- Community Solar Discussion
 - Director Alholm received a call from a member about a community solar garden.
 - Furmanski provided the BOD with information from Ann Arbor.
- Annual Agenda Item-director elections
 - Notice went up on Monday.
 - Elections to be held in Districts 1, 6, & 7.
 - Petitions are due February 1, 2022.

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - Squaw Beach rebuild is complete.
 - Alger Delta Crew started the Watson pole replacements.
 - Alger Delta crew retiring old overhead lines in the Nahma area.
- Maintenance Items
 - Crews continue to inspect and repair hazard reports created from doing line inspections.
- Vegetation Crews
 - Bugle crews are in the Watson, Harvey and Rapid River areas.
- Warehouse/Facilities
 - Installed new racking and material carts.
- Safety
 - Attended Wisconsin Operations Expo.
 - Safety meetings on schedule.
 - Creating a Safety Committee.
- Equipment
 - **Moved by Director Bruno to donate the ARGO to Masonville Fire Department, support by Director Prestin. Motion carried.**
 - New trucks are on a significant delay.
- Two employees have left, applications are due by month's end.

Office Manager Report-Priebe

- Tech/IT

- Preparing for new server installations at the end of January.
- Outages
 - 2834 total outages.
 - One outage was billable.
- Social/community
 - Journey lineworker ads are out.
 - Notice of Board seats up for election are out.
- Billing
 - Total estimated meters for billing in December-35.
 - Total meters billed in December-10,358.
- 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

- 2022 Budget
 - Presented 2022 budget to Rates & Finance Committee on 1/11/22.
 - ***Moved by Director Bruno to accept 2022 budget as presented, support by Director Wery. Motion carried.***
- Line of Credit
 - Took a draw from the Line of Credit last month.
- December Financials
 - Currently working on closing December financials.
 - Year to date margin had a slight decrease for November.
 - TIER is slightly down year to date.
 - Equity trending up year to date.
- 219's
 - Submitted remaining 219s (thru October 2021) to RUS.
- Finance Reports
 - Various reports were provided to the Directors via Call to Order.
- New Work Plan
 - Entered new work plan into RD Apply; reviewing and editing with Robyn at RUS.
- Audit
 - Received PBC list from auditors, completed the confirmations requests.
- Job Postings
 - Reviewed job postings and assisted with posting jobs internally/externally.

General Manager-Furmanski

- Power supply costs spiked in July & August and November & December.

- Attended the December WPPI Board meeting.
- Continue working with WPPI on a Cost of Service/Rates study.
- Presented draft rates to Rates & Finance Committee on 1/11/22.
- Had 2 journeyman lineworkers leave in January.
- NRECA PowerXchange in Nashville March 6-9, 2022, Furmanski plans to attend.
- Director Johnson is also interested in attending.
- MECA Symposium April 11-14, 2022, in Grand Rapids.
- CFC Strategic Planning May 4-5, 2022, at the Landmark Inn, Marquette.

Executive Session

- ***Moved by Director Alholm to enter Executive session, support by Director Small. Motion carried.***
- Entered Executive Session at 2:56 p.m. EST.
- Topic to be discussed is the Executive Committee Report.
- ***Moved by Director Prestin to leave executive session, support by Director Alholm. Motion carried.***
- Board left Executive Session at 3:35 p.m. EST.

Policy Committee will meet in February.

Moved by Director Wery to support the General Manager's salary recommendations for the Operations Manager and the Office Manager, support by Director Small. Motion carried.

Moved by Director Prestin to support the Executive Committee's Recommendation of compensation for the Finance Manager and the General Manager, support by Director Johnson. Motion carried.

Adjourn:

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

The meeting adjourned at 3:45 p.m. EST.



Mike Lawless - President



Doug Bovin-Secretary/Treasurer