

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

July 20, 2022

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on July 20, 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 5-Wery, District 6-Jesse Betters, District 7-Kirk Bruno, District 8-Don Johnson (virtual), District 9- Doug Bovin.

Directors absent: District 4-Dave Prestin

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 Wery to approve the agenda with an addition to new business, support by Director Alholm. Motion carried.

Member Comments: None

Minutes:

Moved by Director Johnson to approve minutes of May 18, 2022 regular meeting and June 15, 2022 re-organization meeting as read, support by Director Alholm. 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 Johnson, with support by Director Bovin. Motion carried.

Old Business:

- Safety Update
 - Truck made contact with an energized line.
 - No injuries or damage occurred.
 - All safety measures were in place.
 - Incident was reviewed at yesterday's safety meeting.
- Aquila Resources
 - Hearing was June 2, 2022.
 - Judge hoped to have a ruling by the end of the month, but nothing yet.

- Aclara
 - Things have been about the same, good for a while then outages.
 - A recorder was put in by the gas station in Cedar River.
 - Moved an antenna yesterday and saw immediate results.
 - Previously ordered I210 meters should be in in October.
 - The long lead times make planning ahead hard.
- Office Back-up Generator
 - One is on order.
 - Required half down.
 - Will need to upgrade gas line to generator once it is installed.

New Business:

- 990 Review
 - Summary of form 990 provided by Eide Bailly.
 - Explanation that this is how the IRS wants to view the audit information.
- Committee Assignments
 - Executive Committee: Lawless, Alholm, Bovin
 - Finance and Rates: Betters, Bruno, Prestin, Wery
 - Policy: Alholm, Johnson, Bovin, Small
 - Personnel: Bovin, Betters
 - ***Moved by Director Bovin to approve Committee assignments, support by Director Wery. Motion carried.***
- Geothermal Discussion
 - Tabled until next meeting.
- 2021 Margin Allocation
 - ***Moved by Director Betters to approve Resolution for Margin Allocation for 2021, support by Director Wery. Motion carried.***
- Annual Meeting Discussion
 - Island Resort & Casino is already booked for the regular meeting date 2023.
 - By-laws allow for date to be moved 30 days prior or after regular meeting date.
 - More information will be available at the next meeting.
 - Director Bruno asked Furmanski to have a voting procedure put in place before the 2023 annual meeting.
- Annual Agenda-Code of Conduct
 - Furmanski provided copies of the Code of Conduct for Board review and signature.

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects

- Deerton-Autrain Tie line has been designated and waiting on permits.
 - Working with the USFS on wetland permits on the Isabella project.
- Maintenance Items
 - Crews are working on service upgrades/installs along with outages due to the storms the last few weeks.
- Vegetation Crews
 - Bugle crews continue to work in the Harvey and Grand Marais area.
 - Tree Ticket crew are working throughout our territory removing danger trees.
- Warehouse/Facilities
 - Pineau Sub site materials/equipment.
- Safety
 - Incident last week involving a digger derrick in contact with an energized line.
- Equipment
 - USSI is delivering our new 47' bucket truck this week.
 - Donating truck 54 (2013 F250) to Munising Public Schools.

Office Manager Report-Priebe

- Tech/IT
 - DSTech-Upgrades on Zulty's phone system.
 - NISC-iVue Linus service patched/upgraded.
 - Updates performed by NISC's Cybersecurity Services Team
 - Remit Server-Updates/Admin Portal.
 - iVue Completed Training: Secure Payments Data Security-Best Practices on 6/30/22.
- Outages
 - Total billed meters June: 10,034.
 - Billable/member caused outages-0.
- Social/community
 - Safety reminders were posted.
 - Alger Delta employees with their families participated in the 4th of July parade.
- Storm
 - Photo of tree on a line with a reminder to stay away.
- Rate Restructure Meetings
 - Receiving heavier call volume due to rate restructure.
 - Only a handful of disconnects due to increased service charge.
- Expense Report
 - Provided link to expense report.
- Service/Work orders

- Construction season is upon us/New service applications and calls on the rise.

Finance Report-Labadie

- 2021 Audit & Auditor's Presentation
 - 2021 final Audit and the Audit Presentation are now on the Dashboard for future reference.
- CoBank-Sharing Success Program
 - We have received three matches of \$2500 each to: 2022 U.P. State Fair Sponsorship, Bay Cliff Health Camp, and Holms Township-generator, thus each entity received \$5000.
- New Work Plan
 - Submitted and waiting for approval.
- Form 990
 - Completed and ready for Board approval
 - **Moved by Director Alholm to accept Eide Bailly's Form 990 draft, support by Director Johnson.**
- Federated Insurance
 - Currently reviewing our cybersecurity insurance coverage with the help of DS Tech and Federated Insurance.
- Mileage Reimbursement
 - IRS has changed the mileage reimbursement from \$.585 to \$.625 effective 7/1/22.
- April & May Financials
 - Margin for May is (18,420.50); the start of our higher power costs. Power cost adjustment should help alleviate the higher power costs.


General Manager-Furmanski


Updated power supply costs by Month-1st billing adjustment was a negative number, but costs are going up.

- The billing system worked well for the newly restructured rates.
- Continue working with MBLP on possible collaboration at the Pineau Sub.
- Working on gathering information on geothermal heating systems for possible Energy Optimization program.
- Working with AT&T on our AVL system.
- Director Bovin did attend the MECA meeting and provided an update.
- MECA had a communication program in June that Furmanski attended.
- Thursday August 18th looks best for the Cloverland Trip, Furmanski will get a time.

Executive Session

- Topic of discussion-Power Supply Costs and Management Compensation


Mike Lawless- President


Doug Bovin- Secretary / Treasurer