

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

December 15, 2021

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on December 15, 2021.

**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, District 8-Don Johnson, District 9- Doug Bovin.

Directors absent: None

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

**Approve the Agenda:**

*Moved by Director Alholm to approve the agenda with the addition of MECA report and Storm Update under new business, support by Director Johnson. 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 November 10, 2021 regular meeting by Director Wery, support by Director Bovin. 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 Bruno, with support by Director Johnson. Motion carried.*

**Old Business:**

- Aquila Resources
  - No update from Jason Hanselman.
  - Gold Resources purchase is now complete.

- Aclara Update
  - Started deploying in Harvey/Deerton area.
  - Had been going well.
  - Lost 30 meters during the storm.
  - Then looking at Autrain and some meters to be changed out in Palestine.
- Rates Discussion
  - Finance & Rates Committee will look into this when it looks at the budget.
- Annual Agenda-Budget/Capital Credits
  - 1993 amount is \$530,289.12.
  - Consider options for lowering the margin with the ending of the mine program to reduce credits to be returned in the future.
- Annual Agenda-Management Compensation
  - Do be discussed at the January 19<sup>th</sup> Committee meeting.
- Annual Agenda-Construction Policies/Rules/Tariffs
  - January/February time frame.

**New Business:**

- MECA Update
  - Director Bovin provided an update.
  - The exit fee was brought up at the meeting.
  - Adopted budget for 2022.
  - Started a job performance evaluation on Craig Borr.
  - Symposium at the next meeting in Grand Rapids in April.
- EO Plan
  - \$230,000 in EO fund.
  - Board requested Furmanski put together some ideas to deplete the fund.
- ARC Power
  - Furmanski spent the day up at Cloverland.
  - Received a tour of their hydro plant.
  - Learned about their charity.
- Annual Agenda Item-Rates/Service Charges/Fees/Strategic Plan
  - Proposed dates of May 4-5<sup>th</sup> for strategic planning.
  - Location to be determined.
- Storm Update
  - Started Friday about 10:00 pm.
  - Called the second crew 1:00 am.
  - Went from 22 to 600 outages in about an hour around 6:00 am.
  - Over 1000 outages total.
  - Called in more crews.
  - Everyone was back on by Sunday night.
  - Crews are prepared for winds tonight.

- Answering service crashed and a back up communication system was discussed.
- ***Moved by Director Bruno to limit financial report to 10 minutes to prepare for the storm, support by Director Alholm. Motion carried.***

**Staff Reports:**

**Operations Manager Report-Tiernan**

- Work Plan Projects
  - MJ Electric has installed the Harvey/Deerton DCUs.
  - MJ continues to work on the Squaw Beach rebuild in Big Bay.
  - Alger Delta crew will be starting pole replacements in Watson.
- Maintenance Items
  - Crews continue to install new services and are also helping change out meters in the Harvey/Deerton area.
- Vegetation Crews
  - Bugle crews are in the Watson, Harvey and North Rapid River areas.
- Warehouse/Facilities
  - Lead times on materials and inventory items are a concern for next construction season.
- Safety
  - Attended Great Lakes Energy RESAP.
  - Working on my CLCP project.
- Equipment
  - New bucket truck has been ordered
  - Working on budget for next year's vehicle replacements.

**Office Manager Report-Priebe**

- Tech/IT
  - Worked out issues migrating our email host from WPPI to DSTech.
  - 3 servers on order NISC. Vault server ser for install at end of January.
  - Met with MPSC. Mike is looking at bringing in another coop's IT department to verify we have proper cybersecurity.
  - DSTech-state training on phishing emails.
  - Provided an overview of DSTech services currently being used.
- Outages
  - 671 total outages.
  - Two outages were billables.
- Social/community
  - Provided energy saving tips
  - Celebrated Veteran's Day.
- Billing

- Total estimated meters for billing in November-900+ due to shutting TS2 system down at the substation.
- Total meters billed in November-10,379.
- 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

- Employee Meeting
  - 12/7/21 review health insurance plan with employees-Presentation with 44N.
- November Financials
  - Currently working on closing November financials.
  - Year to date margin had a slight increase for October.
  - TIER is slightly down year to date.
  - Equity trending up year to date.
- 2022 Budget
  - Hope to finish up the week of as 12/20/21 and have a preliminary budget available for review.
  - Finance committee will meet the first week of January to look at budget.
- Finance Reports
  - Various reports were provided to the Directors via Call to Order.
- Training
  - Training on phones and answering member calls, backup for front office when they have days off.
- EO Billing
  - EO surcharge reappeared on this month's bills.
  - Got the charges reversed and fixed for future billing cycles.
- 219s
  - Submitted my first batch of 219s to RUS.
  - Did training on entering the new work plan.
- NISC
  - Met with Brian Farmer, account representative on 12/8/21.
- Audit
  - Scheduled for the week of 3/7/22.

#### General Manager-Furmanski

- Met with UPPCO representatives at Masonville substation.
- Met with Mike Heise of Cloverland Electric Cooperative.
- Attended the MECA meeting in Cadillac.

- Participated in a call with MPSC on cybersecurity and physical security.
- Met with Brian Farmer, our NISC representative.
- Continue working with WPPI on a Cost of Service study.

**Executive Session**

- ***Moved by Director Johnson to enter Executive session, support by Director Bruno. Motion carried.***
- Entered Executive Session at 2:55 p.m. EST.
- Topic to be discussed is Policy Manual.
- ***Moved by Director Johnson to leave executive session, support by Director Bruno. Motion carried.***
- Board left Executive Session at 3:03 p.m. EST.

Executive Committee will meet in January.

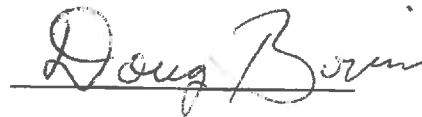
**Adjourn:**

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

The meeting adjourned at 3:05 p.m. EST.



Mike Lawless - President



Doug Bovin-Secretary/Treasurer