

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

October 20, 2021

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

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 1:03 p.m. EST.

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

Directors absent: None

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

Approve the Agenda:

Moved by Director Alholm to approve the agenda, support by Director Bruno. Motion carried.

Member Comments: None

Safety Update:

- Safety meeting tomorrow.
- No accidents or issues since the last meeting.

Approve the Minutes:

Motion to approve the Minutes of the September 15, 2021 regular meeting, by Director Alholm, support by Director Johnson. Moved by Director Prestin to amend the motion to approve agenda after rewording the safety update, support by Director Betters. Motion carried. Original motion also 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 Betters, with support by Director Johnson. Motion carried.

Old Business:

- District 5 Interviews
 - Four candidates were interviewed for the position.
- Aquila Resources

- Director Prestin asked if Jason Hanselman could be put on the agenda for next month's meeting.
- Aclara Update
 - What we have is working well.
 - Waiting for parts before we can expand.
 - Call scheduled for tomorrow.
 - Plan to wait until the 28th to get a reading and switch on the 29th.
- NRECA Training
 - October 27, 2021 at 9:00 am EST.
 - Will be held at the Delta Chamber of Commerce.
 - Strategic planning will be the focus.
- Rates Discussion
 - Furmanski had a call with WPPI.
 - They are working with more information provided by Furmanski.
 - **Moved by Director Johnson to lower the cost of the blocks in the renewable program through WPPI from \$3 to \$2, support by Director Bruno. Motion carried.**
 - **Moved by Director Alholm to discontinue collecting payments for Energy Optimization due to surplus and the program being terminated in January, support by Director Small. Motion carried.**
- Annual Agenda
 - Tabled until next month.

New Business:

- Form 990
 - Presentation was given about the audit and Form 990 by Eide Bailly.
 - No big changes in numbers compared to previous year.
 - IRS will provide to two other companies that publish for public disclosure upon board approval.
 - **Moved by Director Johnson to accept Eide Bailly's draft of Form 990, support by Director Alholm. Motion carried.**
- Load Forecast
 - Pat Wheeler presented a ten-year load forecast.
 - Included a local study, trends, estimated new consumers and pandemic caused changes.
 - **Moved by Director Alholm to accept load forecast as presented, support by Director Johnson. Motion carried.**
- Construction Work Plan
 - Pat Wheeler then presented a construction work plan.
 - The plan includes both site specific and non-site specific work.
 - **Moved by Director Johnson to approve the work plan as presented, support by Director Bruno. Motion carried.**
- 2022 Annual Meeting
 - Tabled until more information is provided.

- Updated Policy Manual Approval
 - Policy 302 is not listed in the Table of Contents.
 - Policy 122 needs its name changed in the Table of Contents
 - ***Moved by Director Alholm to accept the recommended changes to the Policy Manual effective today with the corrections listed above, support by Director Johnson. Motion carried.***
 - Director Alholm recommends the Policy Manual go for legal review.
- Bucket Truck Approval
 - Quote from Utility Sales & Service of \$201,448.
 - 11-month lead time if ordered in November.
 - No one else has one available with a more reasonable lead time.
 - ***Moved by Director Bruno to allow General Manager to move forward with the purchase with a onetime exemption to Policy 206 due to the limited supply situation, support by Director Bovin. Motion carried.***

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - Squaw Beach rebuild may be moved to the 28th due to lack of DCU's
 - Pineau Sub-Worked last week preparing for an Oct 28th cutover.
 - DCU installs-MJ to start in Harvey & Autrain October 25th. Expected to be completed in a week. Chapman is scheduled to do meter exchange November 8th.
- Maintenance Items
 - Crews continue work on service upgrades/new services & maintenance.
 - Historical number of new services, expect to be over 200 by year's end.
- Vegetation Crews
 - Crews continue to clear ROW in the Deerton, Watson areas.
 - We are optimistic to get majority of Deerton/Sand River before the snow becomes a factor.
 - Hoping to add additional crews to help in that progress.
- Warehouse/Facilities
 - Jason and the crews have been preparing the warehouse and equipment for winter along with getting the ATV's prepped.
- Safety/Training
 - MECA has been conducting monthly safety meetings at the office with Alger Delta staff only.
 - Tiernan is currently attending his final course to complete his two-year CLCP Credentials.
 - Troy thanks the Board for giving him the opportunity.
- Equipment
 - Tiernan and Furmanski have been getting prices on a new bucket truck.

- Lead times on new trucks are concerning.

Office Manager Report-Priebe

- Livestock Auction
 - 60 meat bundles were raffled.
 - Alger Delta received many thank yous.
- Outages
 - 482 outages in September.
 - Two outages were billables.
- Social/community
 - Showcased Alger Delta donation to the UP State Fair.
 - Alger Delta donation helped local township install a generator as a safeguard.
- Billing
 - Total estimated meters for September billing-8.
 - Aclara meters-5.
 - Total meters for September billing-10,249.
- Service/Work Orders
 - Transfer of accounts continue to rise.
 - Upgrade and new service applications have been coming in steady.
 - Continued GIS updates.
- Expense Report
 - Update made to the expense report.
 - Added a field named other and a line description.
 - Please record an expense report if you spend time on Co-op business even if not qualified for per diem.

Finance Report-Labadie

- August & September 2021 Financials
 - Completed reports through September 2021 can be seen on Call to Order.
 - Year to date margin has decreased over the last two months.
 - TIER is slightly down year to date.
- 2020 Capital Credit Retirement of 1992
 - Retirement process ran in "live" files on 9/27/2021.
 - Active members credit will be on their 10/1/2021 bills.
 - Checks mailed to inactive members via NISC on 10/13/2021.
 - List of members with unclaimed capital credits will be in the Nov/Dec issue of Country Lines.
- Union Negotiations
 - Participated in union negotiations on 9/29/2021.
 - Reviewing union contract language in proposed contract.
- Meat Bundles
 - Helped Shannon call winners-everyone was very excited and thankful.

- Budget
 - Working on the budget will be the next project.
- October 6, 2021
 - Toured Deerton, Big Bay, and Chocolay substations.
 - Toured Bay Cliff and Huron Mountain Club.
- Finance Reports
 - Various reports were provided to the Directors via Call to Order.

General Manager-Furmanski

- Power supply analysis shows rates and useage both increase in summer.
- Toured the Casino in Harvey as a potential location for annual meeting.
- Met with a member regarding possible rates for geothermal heating systems.
- Met with Brett Niemi and Amy Richmond and others from Alger County to do a check presentation photo op at their water well generator site.
- Continue working with WPPI on a Cost of Service Study.
- Toured Bay Cliff and Huron Mountain Club.
- Attended the MECIT Conference.
- Continue working on CWP.
- ***Moved by Director Bruno to allow up to \$20,000 in capitol spending to replace servers as needed, support by Director Johnson. Motion carried.***

Executive Session

- ***Moved by Director Alholm to enter Executive session, support by Director Bruno. Motion carried.***
- Entered Executive Session at 4:46 p.m. EST.
- Topic to be discussed is management compensation.
- ***Moved by Director Johnson to leave executive session, support by Director Alholm. Motion carried.***
- Board left Executive Session at 5:19 p.m. EST.

Director Prestin moved to accept Mr. Steve Wery via board consensus for District 5 Director, support by Director Small. Motion passed.

Director Alholm moved to compensate Donna \$500 for her work on the policy manual outside of a regular meeting, support by Director Betters. Motion passed.

Adjourn:

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

The meeting adjourned at 5:21 p.m. EST.

Handwritten signature of Mike Lawless in cursive script.

Mike Lawless - President

Handwritten signature of Doug Bovin in cursive script.

Doug Bovin-Secretary/Treasurer