

A REGULAR MEETING OF THE ONTONAGON COUNTY R.E.A.
BOARD OF DIRECTORS WILL BE HELD AT 500 JAMES K PAUL STREET
ONTONAGON MICHIGAN

MINUTES
March 15, 2024 9:30 A.M.

1. President Hodges called the regular meeting to order at 9:33.
2. Roll Call – Bill Hodges, Calvin Koski, Randy Myhren, Ann Gasperich, Jack Lehto and Mike Gaunt with Mike Urbis via zoom.

Others Present: General Manager Eugene Soumis, Dallas Aho and Attorney Pat Greeley, via zoom.

3. Member comment session – Gasperich reported on a member contact for information on the next public meeting. The next member meeting is in June, the Annual Meeting. Each Board meeting has an item on the agenda for Member Comments and he is welcome to attend. The Board meeting is held on the third Friday of the month at 9:30. The agenda item is a member comment period, not a time for questions and answers. If he has questions, ask him to submit them and we can get responses back to him.
4. **M/S Gaunt/Lehto** to approve the agenda, all in favor, motion passed.
5. **M/S Myhren/Koski** to approve the minutes of the January 19, Regular Board Meeting
6. **M/S Myhren/Koski** to approve minutes of the February 1, Special Board Meeting
7. **M/S Myhren/Koski** to approve the minutes of the February 16, Regular Board Meeting
8. Attorney Report – a settlement offer has been made regarding the personnel issue.
9. Operations Report (see attached) Update 2.1 The truck is back on line this week, 2.2 The Vermeer will be back in service in the next ten days or so, 2.3 there has been little progress in eliminating the excess vehicles from inventory. Koski reported he has knowledge of a potential purchaser for the bucket truck. He will be notified as when the process continues.
10. Metering Update (see attached) Update – The meter exchange is now at 75% complete.
11. Managers' Report (see attached) Eugene reported on his contact with NRECA as to the Time Interest Earning Ratio(TIER). He is waiting to hear on the questions posed regarding the TIER being a rollover number or a restart each year.
12. Financial Report
 1. Financial Statements for period ended 1/31/2024
 2. PSCR Over/Under Collection for period ended 02/29/2024
 3. RUS Form 219 Inventory of Work Orders for period ended 12/31/2023 Inv # 0124-1 \$3,942.60 and Inv # 1223-1 \$13,467.34 for a total of \$17,409.94,
 4. List of Bills – February 2024

M/S Koski/Myhren to accept the reports and pay the bills as presented, discussion, Gasperich stated it was unnecessary for the board to receive a copy of the payroll and monthly bills, Koski stated he desired to maintain the report distribution as is, all in favor to accept and pay the bills, passed.

13. Business Requiring Board Action
 1. Board Signatures for January 19, Regular Meeting Minutes
 2. Board Signatures for February 1, Special Meeting Minutes
 3. Board Signatures for February 16, Regular Meeting Minutes
 4. Board Policy Approvals
 - i) Policy 500-2 (Hands-free Driving Addition)
 - ii) Policy 400-4 (Drug Free Workplace)
 - iii) Policy 600-1 through 1100-1 (Individually Approve or Table)

M/S Gasperich/Myhren for Gaunt to make minor corrections, update the date reviewed and submit all to the Attorney for review, all in favor, motion passed.

14. Other Business
 1. MECA Symposium Update – Gasperich, Gaunt, Hodges and Soumis will attend. Next year other Board members will attend.

2. Billing Clerk Staffing Update – Offer has been verbally submitted and accepted. Offer letter is being prepared for official confirmation. Discussion followed regarding a physical exam prior to hire. This will be placed on the April agenda.
3. Wolverine Wholesale Power Contract Update – Soumis and Hodges participated in an initial meeting. Other providers will be contacted. In the past, other cooperative providers did not respond to our request.

15. Around the Table Discussion

Gasperich commented on the Federal Energy Regulatory Commission change in requirements for Hydro generation inspections due to the Oroville Dam Spillway incident in California.

Myhren – Nothing

Urbis – do we have a current employee on a restricted license? Yes, we are following the Union contract. Further discussion on policy vs contract, April Agenda item.

Koski – Nothing

Gaunt asked we place the items from the strategic plan session on the agenda so next year we have looked at the items and can report accordingly.

Hodges spoke to the response demand webinar held. We should have the aggregator conversation placed on the April agenda as well.

16. Executive Session called by the President at 11:07.


Returned to regular session at 12:41. No action taken.

17. Next Meeting Date: April 19, 2024

18. Adjournment by Myhren at 12:42 sine die.

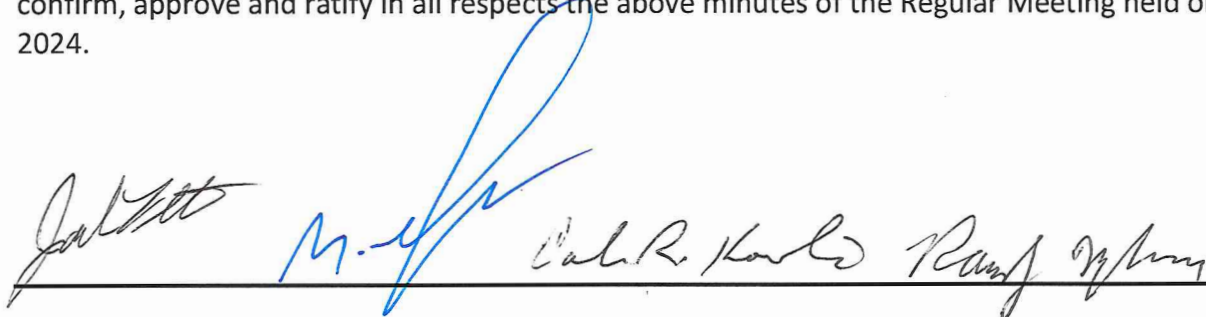


William Hodges, President



Mildred Ann Gasperich, Secretary

We the undersigned Directors of the Ontonagon County Rural Electrification Association do hereby confirm, approve and ratify in all respects the above minutes of the Regular Meeting held on February 16, 2024.





THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

2024 March Operations Report

1. Safety

- 1.1 There were zero accidents and zero near misses reported in February.
- 1.2 The MECA Safety Meeting was held on February 21. The safety meeting included review of near misses and accidents, hazard recognition, and the Ontonagon REA Emergency Restoration Plan.
- 1.3 The February MECA Safety Meeting will be held on March 13.

2. Trucks and Equipment

- 2.1 Tree Trimming Crew #1 Utility Truck Transmission Failed in December and is currently in the shop for repair. There is a delay for repairs due to additional parts needed.
- 2.2 Tree Trimming Crew #2 Vermeer Mower track and frame parts failed and is at the Vermeer repair shop. Repairs should be completed
- 2.3 Continued working on getting a total of five old fleet vehicles sold. Will be soliciting used vehicle dealers and other potential buyers in the local area.
- 2.4 Beginning late February in to March, the annual trailer and vehicle MDOT inspections will be completed.

3. Service Interruptions

- 3.1 In the month of December, we had 1256 service interruptions with a total duration of 675 Minutes. This computes to 7.6 minutes/member for the month, based on a total of 5,125 members. The majority of these minutes was due to a planned outage in the L'Anse area on February 17, for ATC Transmission line repairs.

4. Vegetation Management

- 4.1 Tree Crew # 1 Mowed 64 spans = 3.2 Miles. Trimmed 13 Spans = 0.65 Miles. Removed 357 Trees.
- 4.2 Tree Crew # 2 Mowed 43 spans = 2.15 Miles. Trimmed 12 Spans = Miles. Removed 549 Trees.
- 4.3 Crew 1 is continuing work in the Trout Creek area Crew 2 in the Mass City area.
- 4.4 Measurement Units: 1 Span is approximately 265 Feet. 1 Mile is 5,280 Feet. 20 Spans in 1 mile.

5. Miscellaneous Items

- 5.1 Road Restrictions are still currently in effect and will remain in place until further notice. This will delay the AMI Metering Collector Pole Installations.
- 5.2 Crews continue to work in their service territories on service work orders.

Metering System

- 5.3 Over 1000 meters were exchanged in the Hancock and L'Anse areas in February, with current total of 3,501 new vision meters installed.
- 5.4 24 collectors are currently online. The L'Anse Biltonen Road collector antenna cable was damaged from high winds in March and is planned to be repaired in mid to late March.

6. Maintenance

- 6.1 OCR and Regulator Inspections continue each month in all service territories.



THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

2024 March Manager's Report

1. Miscellaneous Business Updates

- 1.1 The annual financial audit got off to a late start and is currently in progress with a target completion date of mid-April.
- 1.2 Completed the 2023 line miles update and submitted Forms 632 and 633 to the townships for the 2024 property tax assessments.
- 1.3 Working with Pat Wheeler on annual load forecasts for ATC.
- 1.4 Completed and submitted the US Department of Energy 2023 Form EIA-861S.
- 1.5 Paid off \$750,000.00 on the CFC Line of Credit in February.
- 1.6 Contract development is in progress for a new wholesale power contract that will begin on January 1, 2026.
- 1.7 The Energy Waste Reduction Plan details are being reviewed and a plan needs to be approved by the board and submitted to the state by the end of this year.
- 1.8 The Michigan Energy Assistance Program (MEAP) is being reviewed with MECA.
- 1.9 Checking into MDOT requirements for the cooperative.
- 1.10 Paid and received license plate tab and registration renewals for all vehicles.

2. Metering AMI Project Update

- 2.1 Currently 3,501 New Vision Meters are installed. The new Metering System is approximately 71% complete, based on 4,964 Active Meters. More than 1000 meters were installed in February.
- 2.2 Road restrictions remain in effect and will delay the meter completion date until May.

3. Staffing Updates

- 3.1 The Billing Clerk interviews were completed in February. Candidates will be notified during the week of March 11. Target Hire date is April 6 to allow for a 4-month cross training with Fay.
- 3.2 Four lineman employees have interest in the Operations Manager Position. We have received resumes and cover letters from all four candidates. Interviews will be scheduled in mid-April.
- 3.3 We will be posting a Lineman opening for the L'Anse territory this spring. Employees were notified for possible apprenticeship opportunities, currently one employee has interest.

4. Youth Tour Update

- 4.1 A Chassell High School Student will be sponsored by the cooperative. Tour details will be passed along to the family. A visit with the student will be made in early May.

5. 500 KW Solar installation Update

- 5.1 Evaluating quotes received from Peninsular Solar and Bay Electric. Estimated installation cost is \$1 million. Includes all equipment and installation.

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