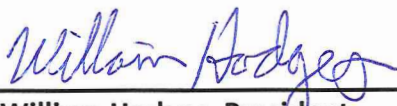


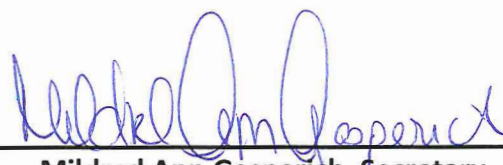
The Ontonagon County Rural Electrification Association
Annual Meeting of Members
Chassell Township School
41585 Highway US 41 Chassell, MI 49916

MINUTES
Saturday, June 16, 2018

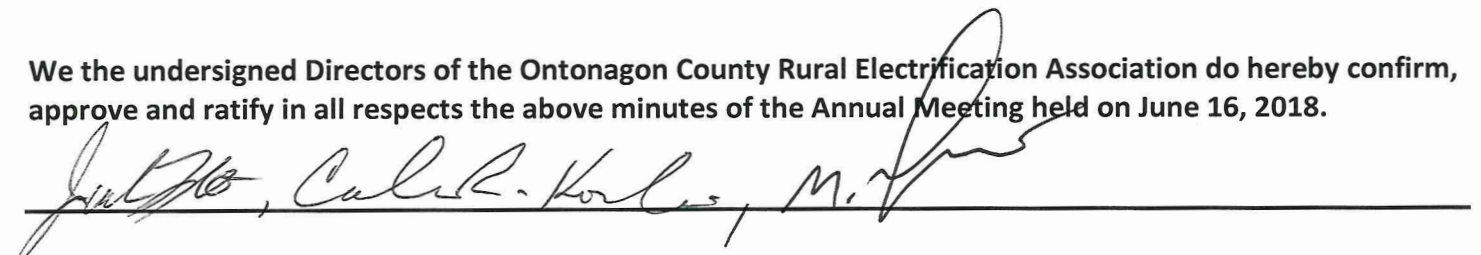

1. The Annual Meeting of Members of the Ontonagon County Rural Electrification Association was held at the Chassell High School on June 16, 2018. The President, Calvin Koski, called the meeting to order and welcomed the members.
2. The invocation was given by President Koski and the Pledge of Allegiance was recited.
3. The President then introduced Ted Greeley, attorney for Ontonagon County R.E.A.; who moderated the meeting. Mr. Greeley introduced the Board of Directors, employees and retired employees. No election committee was needed; as Calvin Koski ran unopposed and there were no nominating petitions for District 7 (Lake Linden). He then went over the meeting agenda.
4. George Rajala read the proof of mailing. Sixty-two members were present. Cheryl Vandermulen made a motion that the reading of last year's minutes be dispensed with as there were copies available to read, seconded by Jack Lehto. Motion passed. Jack Lehto, seconded by Cheryl Vandermulen made a motion to approve the 2017 Meeting minutes. Motion passed.
5. Jonathan Mantila was introduced and gave a presentation on his 5-day trip to Washington DC as part of the Youth Leadership Tour. He toured many historic places, met congressmen and youth from all parts of the country. Jonathan thanked the membership for making his trip possible.
6. Mr. Greeley talked about redistricting and by-law changes. ONTREA has a new Purchase Power Agreement with Wolverine Power Cooperative, of Cadillac, MI, a new union contract was negotiated and MECA is lobbying on behalf of all the co-ops.
7. Calvin Koski gave the Audit Report from Makela, Pollack and Ahonen of Ironwood. George Rajala gave the financial report of the cooperative. Paul Koski gave the operations report. He talked about the dangers of the job, equipment purchased, we had 20 new services built and 18 service upgrades, 31 miles of line replacement, 7 ½ miles of 3-phase line in Boston. Eighty Five percent of the site specific included in the last four-year work plan have been completed.
8. Debbie Miles, General Manager, gave the Financial Report. The coop refunded \$133,000 of PSCR in 2017, and has applied for a \$40,000 refund in sales tax.
9. There being no old business, the meeting moved on to new business.
10. Pat Kitzman, a member from Ewen-Trout Creek, questioned the transparency of meetings and felt his civil rights had been violated when he was ejected from the office and not allowed to attend a board meeting. Mr. Greeley explained why the meetings are closed. Doug Hayrynen, Toivola, also questioned why more people can't go to the meetings. Melvin Haskell, Green- Firesteel, suggested they have a system where a certain number of members are allowed to attend each meeting, except for executive sessions.
11. John Bosio questioned why capital revenue fell short of budget by \$200,000. Ms. Miles said she used previous sales to base the budget on and sales had decreased by 2%.
12. A member questioned the cost of the under-utilized Boston substation.
13. Jerry Kitzman, Ewen-Trout Creek, questioned whether there are secret meetings or issues that are omitted from meeting minutes. George Rajala stated that the manager's salary is the lowest in the state of Michigan, and the board members receive the lowest per diem. The manager also turned down a \$10,000 bonus in 2017.

14. Chris Green asked how many members are there in the co-op versus how many services. Why were new lines drawn so that Calvin Koski could remain in his district? Mr. Koski stated that the lines were not drawn by the directors; and our districts are more equally divided than other coops.
15. Mildred Gasparich commended the board and employees for doing a great job, and working towards transparency is going well.
16. Bruce Johanson, Green-Firesteel, asked why elections were not held by district after re-districting was done. Article 3, Section 9 of the by-laws contain the rules for the election process.
17. A member asked about dangerous trees and was told to contact the office if there was a tree that is a danger to the line.
18. Sarah Greene introduced three member resolutions; Membership Audit: The Co-op shall conduct a transparent audit of members relative to services. Redistricting: Elections for all reassigned directors and Transparency: The board shall act in an open and transparent manner in relations with members.
19. John Bosio seconded; motion carried.
20. A member asked what was considered renewable energy sources. Mr. Greeley explained and said the information is printed in Country Lines.
21. A member questioned whether the purchase agreement with Wolverine of 7 and 5 years might be too long. It was explained that now and, in the future, this will be the cheapest source of purchased power.
22. A member asked if the Pelkie sub now being built will impact the REA. Not much was known about it by anyone, and it was felt it would not.
23. Sarah Greene discussed election of future directors, economy of supplying broadband internet, and solar gardens. She also thanked the members for attending the meeting and being involved. It was explained by the board that internet would be too expensive, there is a solar garden coming to Lanse and Baraga, but not on REA lines.
24. It was questioned why board meetings can't be in a central location. The Board has no site to hold these meetings, but would consider video conferencing in the future.
25. Under the election of directors; Calvin Koski ran unopposed for the Aura district and there were no petitions filed for the lake Linden District, therefore, there was no election. Applications will be taken from interested members for District 7.
26. Drawing for prizes was held and the meeting adjourned.


 William Hodges, President


 Mildred Ann Gasparich, 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 Annual Meeting held on June 16, 2018.



 Being, all of the Directors of the Ontonagon County Rural Electrification Association