

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

September 15, 2023 10:00 A.M.

1. President Hodges called the regular meeting to order at 10:13 after technical issues were resolved.
2. Directors present: Koski, Myhren, Gasperich, Urbis, Gaunt, and Lehto, with Hodges via Teams, Others present General Manager Soumis, Attorney Greeley via Teams.
3. Member comment session -- none
4. **M/S Gasperich/Myhren** Approve the agenda with the separation of Other Business 13.1 and 13.2, changed Aura to Arvon Township, all in favor motion carried.
5. Koski called for an executive session at 10:16, returning to regular session at 10:53.
6. **M/S Myhren/Lehto** to approve Minutes of the August 18 Board Meeting, all in favor motion carried.
7. Attorney Greeley reported on the letter he drafted to go to the townships regarding the collector pole placement and zoning. The letter has been mailed out and a few phone calls have been received.
8. Line Superintendent provided his report. Please see attached.
9. Metering Update Line Superintendent provided the report. Please see attached.
10. Managers' Report was provided, please see attached.
11. Financial Report
 - 11.1 Financial Statements for period ended 07/31/2023
 - 11.2 PSCR Over/Under Collection for period ended 08/31/2023
 - 11.3 Special Equipment Summary for period ended 08/31/2023 \$48,447.89
 - 11.4 RUS Form 219 Inventory of Work Orders for period ended 6/30/2023 \$167,976.06
 - 11.5 List of Bills – August 2023
 - 11.6 **M/S Myhren/Gaunt** to accept the attorney, managers, metering, line superintendent and financial reports. All in favor motion passed.
 - 11.7 **M/S Lehto/Gaunt** to authorize GM Soumis, if not already in his authority, the transfer of funds as necessary to maintain a healthy cash flow. No further discussion, all in favor motion passed.
12. Business Requiring Board Action
 - 12.1 Board Signatures for August 18 Regular Meeting Minutes
 - 12.2 Board Policy review of 200-4 – was presented for review with minor revisions. **M/S Gaunt/Koski** to adopt the policy as presented, six directors in favor one opposed as they desired more time to review the document, motion passed.
13. Other Business
 - 13.1 Arvon Township St Cry Road Line Expansion Review – Three letters were received from potential customers in Arvon Township. Their area is not currently served. A subdivision does exist and parcels are being sold. They would like an estimate to bring power in. GM Soumis and Line Superintendent Urbis will conduct a presurvey and estimate the price. Old business next agenda
 - 13.2 GM Soumis will contact Yvonne Whitman (Country Lines) regarding the service she provides to the REA in an effort to determine if the services are a necessary expense, and if it can be reduced or eliminated. Old business next agenda.
 - 13.3 WPPI Contract Review -- Energy Optimization – GM Soumis has been in contact with agencies that offer this service. He believes this program can be operated in house. In the past, there was not enough staff, and it needed to be contracted out.

- 13.4 Rate Study Review – The rate study was presented. We do need an increase. Directors were asked to take the study home and review it. A further discussion will be held during the October meeting. Old business next agenda.
- 13.5 Lineman Hiring for L'anse – Gil has provided two years notice till his retirement. Applications have been received. We will receive an update next meeting. Old Business next agenda.
- 13.6 Board Policy Update (Mike, Jack) 500-1 Safety Policy and 500-2 Use of Seat Belts were presented and will be on the agenda for October. Please review.

14. Around the Table Discussion

- 14.1 Myhren – None
- 14.2 Gasperich – None
- 14.3 Urbis – None
- 14.4 Koski – None
- 14.5 Gaunt stated, “ I have known Jack Lehto as the residential solar guy. I have now had an opportunity to connect with him and Calvin Koski on dealing with tougher issues. I appreciate our collective abilities and the willingness to lay down our arms.”
- 14.6 Lehto – None
- 14.7 Hodges – As Mike Gaunt said before, I can’t wait to be there in person! He thanked Koski, Gaunt, and Lehto for their work and stated collectively, we are a dynamic board!

15. Next Meeting Date: October 20, 2023

16. Motion to adjourn by Myhren, Sine die.

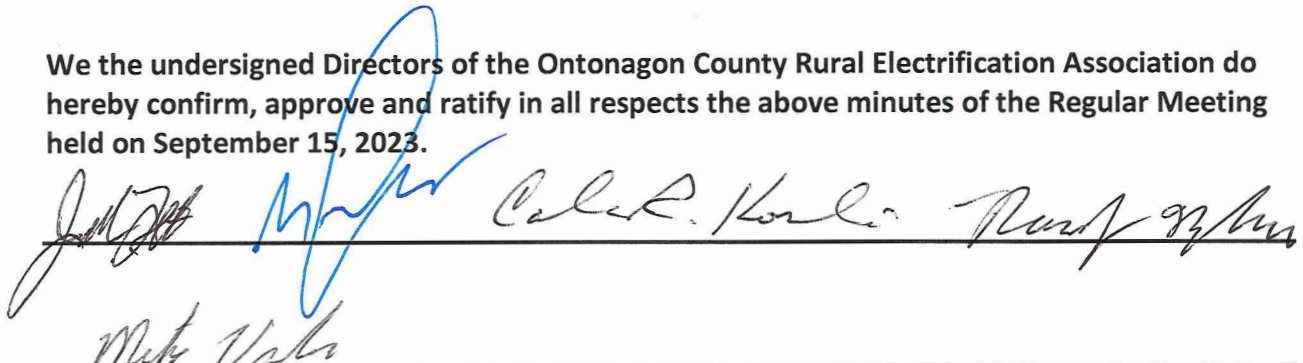


 William Hodges, President



 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 September 15, 2023.



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



THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

2023 September Manager's Report

1. Rate Study Update
 - 1.1 CFC is has processed all of the data for the rate study.
 - 1.2 A virtual TEAMS Meeting is scheduled for Tuesday, September 12, at 10:00 AM to present the results.
 - 1.3 A Rate Notice Meeting for Members is tentatively planned for November/December.
 - 1.4 Implement Rate Increase January 2024
2. Metering AMI Project Schedule Update
 - 2.1 New Metering System is approximately 35% complete.
 - 2.2 Progress has been slow with several electric service installations during the summer construction season. Reviewing methods to get back on track including overtime or outside contractor resources.
 - 2.3 Current critical path is getting township approval to install the remaining collector poles.
 - 2.4 Targeting completion during the 1st Quarter of 2024.
3. NISC iVUE Software Implementation Update
 - 3.1 Expense Reporting is near completion. Expected to be active in September.
 - 3.2 Bank Reconciliation setup and training with NISC is scheduled to begin September 14.
 - 3.3 Working on scheduling Purchase Order application setup in October.
4. 500 KW Solar installation Update
 - 4.1 Investigating economics to install solar at each of our 12 substations (6 MW Total).
 - 4.2 Received an estimated cost of \$1.64 to \$2.5 per Watt installed from Peninsula Solar.
 - 4.3 Will be scheduling a site visit to the Ewen Sub in September to get final proposal from Peninsula Solar.
 - 4.4 Overall plan is to get formal cost estimate, apply for grants that would allow for the government to pay 80% and the cooperative to pay 20% of the total installation cost.
5. Energy Optimization Program Update
 - 5.1 Received a proposal from Michael Larson with Energy Innovations Collaborative (EIC). Cost savings are not significant enough to work directly with them.
 - 5.2 Since there are no cost savings working directly with EIC, a letter will be drafted to WPPI to terminate the contract which ends on April 30, 2024. Notice to WPPI will need to be made before December 31, 2023.
 - 5.3 The energy optimization program will continue in the future and be managed in-house.
6. Cooperative News

September Billing – 2023 Fall/Winter office hours are effective September 5. The office will be open Monday through Friday from 8:00 a.m. to 4:30 pm.



Ontonagon REA

THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

7. Cooperative EV Charger Review

7.1 Board recommended investigating installation of EV Chargers at strategic locations. Will begin getting estimates and details for one charging station tentatively located in the Gay area.

8. CFC Strategic Planning Session

8.1 Aaron Stallings with CFC is available in December. Session is now planned for the week of December 11. Tentatively December 14 and 15. Waiting for final schedule.

9. Credentialed Cooperative Director (CCD) Training

9.1 Scheduled at the Marquette, MI Landmark Inn. Monday, October 2 through Friday, October 5.

9.2 Five Directors were registered for the training and motel reservations were made.

10. Continued working on updating Operations Manager and Billing Clerk Job Descriptions.

11. Received some resumes for the L'Anse Lineman vacancy that will be opening in two years.

12. Investigated possible Kujala Road cell phone interference due to the proximity of our Meter Collectors as a result of member complaints of losing their mobile cellular signal. Vision metering responded that there has been no cellular modem interference with cellphones reported in the past.

LINE SUPERINTENDENT'S BOARD REPORT

Sept 15th 2023

SAFETY:

We have 0 accident and 1 near misses to report on in Aug. While loading wire we had a crew member notice a very large wasp's nest inside of the spool. The crew set the spool off to the side to spray the nest and informed everyone of the Hazard so it could be avoided.

TRUCKS AND EQUIPMENT

Nothing new to report on.

SERVICE INTERRUPTIONS:

Total of 12 service interruptions in Aug. This computes to .5 minutes/members for the month and 4.14 minutes/members YTD for 2023.

Vegetation Management:

Tree Crew # 1 Mowed 61 spans = 2.3 Miles/ Trimmed 42 Spans = 1.6 Miles. Removed 297 Danger Trees. Completed 6 Member Reported Tree Tickets. Tree crew 1 is in Misery Bay for the month Aug and Sept. They will also be making a move to Keweenaw Bay to mow 2 trouble areas that have had several outages this will be the HA line and the M2 line.

Tree Crew # 2 Mowed 52 spans = 2.2 Miles/ Trimmed 47 Spans = 1.7 Mile Removed 269 Danger Trees. Completed 9 Member Reported Tree Tickets. Tree Crew 2 is in the Traverse area mowing. They will also be clearing for a new service in the Hancock area when payment is received.

MISC ITEMS:

All crews are working in their areas on new services that we have received payments on. We have several that we are still waiting on member payments before we can start construction.

METERING SYSTEM:

The Crew is working on powering up the collector poles that have been installed. 19 collectors are currently online as of now. Meters exchanges are also being done in Crew 2's area.