

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  
August 12, 2022

1. **The regular meeting was called to order by President Bill Hodges at – 9:34**
2. **Member comment session -- none**
3. **M/S Gasperich/Myhren** to Approval the Agenda, with the addition of setting the September meeting date and reviewing/updating our policies added to Other Business motion passed.
4. **Executive Session -- None**
5. **M/S Myhren/Lehto** – To Approve Minutes of the July 15<sup>th</sup> reorganizational meeting with the correction of changing the word agenda to minutes at the top, and the regular meeting minutes as presented, motion passed.
6. **Attorney Reports** – Pat reminded us to get back on track with Franchise Agreements with the municipalities where we have service and to continue the easement review. The application for service does include some wording for the easement.
7. **Metering Update** – Mark provided the update on the metering system, poles and collectors continue to be installed. Pelkie and Keweenaw Bay area are having the poles installed. The collectors need a software upgrade, that will be accomplished at the office instead of in the field. Mark and the crew decided it would be prudent to take a little longer and run the wiring through the pole instead of along the outside. Life of the wire in the sun is only 10 years. This should allow for a longer life span of the connectors. All meters are deployed in Ewen Trout Creek with the exception of the school. Arrangements are being made with the custodian to make an appointment to complete the install.
8. **Line Superintendent's Report** Five new services were connected in July. The John Deere mower is having cooling issues. It is almost four years old and has over 2000 hours on it. Mark asked the board to review the possibility of ordering another Vermeer to use in place of the Deere. **M/S Gasperich/Gaunt** to bring this item down to Other Business, passed. Brushing crews are in the North End, they have removed 464 Danger Trees and completed 10 tree tickets.
9. **Manager's Report** was presented and the board was provided an in-depth explanation of the Statement of Operations. Due to the mixed batch of meters in service, and the procedure to acquire readings on the turtle system, our energy sold and purchased do not line up for the same period. This may not correct itself until all of the new vision meters are in place. We have accurate data. The date difference is adjusted as the numbers get updated.
  - a. Financial Statements for periods ending 06/30/2022
  - b. PSCR Over/Under Collection
  - c. And presented the list of bills**M/S Myhren / Gaunt** to accept the reports of the Line Superintendent, Attorney, and Manager.
10. **Business Requiring Board Action**
  - a. SES for Period ended 6/30/2022 in the amount of \$171,078.40 **M/S Lehtol/Urbis** to authorize the SES and pay the bills, passed.
11. **OTHER BUSINESS**
  - a. Purchase agreement for Dynamite hill property has been signed. A copy will get to the Attorney for his review.
  - b. Bill provided an update on the Senate bill for Direct -Pay Incentives for Co-Ops. This has been in play with for profit utilities, and now a possibility for not for profit energy co-ops as well.

- c. Board Compensation Review. Bill provided documents he requested us to review prior to the next meeting, **M/S Lehto/Gaunt** to table till September, passed.
- d. General Manager Transition Update from Eugene was very positive. He is set up with all access to all systems, he is answering customer calls and working his way through them with support from Debbie and Fay. Again, he reiterated, there is a lot to learn.
- e. September meeting date is September 16<sup>th</sup>. After discussion Bill will participate remotely for the September meeting. If he is unable, Calvin will run the meeting.
- f. Ontonagon REA Policy Updates – Mike Gaunt and Jack Lehto will review the existing policies. The item will be on the September agenda for further discussion.
- g. M/S Gaunt/Myhren to approve the ordering of a new Vermeer for \$238,000. Much discussion was had. A roll call vote went as follows: Gaunt yes, Myhern yes, Koski yes, Urbis yes, Lahti yes, Gasperich yes, Hodges yes, passed. It was determined the John Deere would be kept in operation but not as a mower cutter.

**12. Adjournment – Motion to adjourn – Myhren /sin die TIME 11:58-**

**The next regular monthly board meeting is scheduled for Friday, September 21, 2022**

**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 July 15, 2022.**

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