

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

May 19, 2023 9:30 A.M.

1. Call regular meeting to order at 9:32 by: President Hodges
2. Roll Call – Bill Hodges, Calvin Koski, Randy Myhren, Ann Gasperich, Mike Urbis, and Jack Lehto with Mike Gaunt via zoom.

Others Present: General Manager Eugene Soumis, and Attorney Pat Greeley, via zoom.
3. Member comment session -- None
4. Approval of the Agenda -- **M/S Myhren/Lehto**, motion passed.
5. Executive Session – Requested by Gasperich at 9:34 and returned to regular session at 9:55.
6. **M/S Koski/Myhren** to Approve Minutes of the April 21, 2023 Board Meeting, passed.
7. Attorney Reports -- Greeley stated he had no report. There is one concern he is looking into. A commercial account at the Houghton Airpark is and has been in arrears. Further discussion was held on how to proceed with a formal complaint filing.
8. The Metering Update was provided. The collector at the L'Anse shop has been set and the collector is working. The pole digger is getting the annual MDOT inspection and when it is returned to service the next pole will be set in Keweenaw Bay. Poles will then be set in Arvon Township. Meter deployment is currently happening in Aura and Keweenaw Bay. As the meters come on line, they are showing active on the map.
9. Line Superintendent's report included the next MECA safety training will be Pole Top Rescue. The new F550 bucket truck is at the Houghton Shop. The new Vermeer Mulcher is in service on the south end working in the right-of-way. The old John Deere skid steer is with the line crew that are setting the vision poles. Vegetation crews have removed 473 danger trees and completed two member reported tree tickets. Tree Crew one is finishing up in Ewen and will head to Misery Bay. Tree Crew two is working at Camp Josh then on to Betsy Line. Both crews will meet up at Misery Bay. The intent is to focus vegetation management in this area to help reduce outages.
10. Managers' Report is attached. General Manager Soumis also stated the contract with Waste Management for dumpsters has been reinstated for all three shop locations.
11. Financial Report was presented including The Financial Statements for period ended 03/31/2023, PSCR Over/Under Collection for period ended 04/30/2023, List of Bills for April 2023, there was not a Special Equipment Summary for period ended 3/31/2023 and RUS Form 219 Inventory of Work Orders for period ended 2/28/2023 for \$2,975.89 were reviewed and discussed.
12. Business Requiring Board Action
 - 12.1. **M/S Myhren/Gaunt** to accept the reports of the Attorney, Line Superintendent, Metering Update, Financial and Manager, and to authorize the President to sign the RUS Form 219, passed.
 - 12.2. **M/S Gasperich/Gaunt** to authorize the Capital Outlay expenses in the amount of \$694,000 for a Vermeer Tracked Plow and Trailer, a new digger for the Houghton Shop, and two 2022 1-Ton Utility Trucks to replace the vegetation management pick-ups. Discussion questions were asked and answered. These items were included in the capital outlay expenses approved when the budget was adopted. A Roll Call Vote was requested by Gasperich: Hodges, yes, Koski, yes, Myhren, yea, Gasperich, yes, Urbis, yes, Lehto, yes, Gaunt, yes. Motion passed.
13. Other Business
 - 13.1. President Hodges provided an update on the MECA Zoom Meeting and Michigan Energy Waste Reduction Program (MEWRP). The MECA meeting will be happening via zoom monthly to support better communication for all the member co-ops. The

primary topic is the 2023 legislative package for clean energy by 2035. If/when this legislation passes it will bring challenges and changes with power generation. A general table discussion was had on MEWRP, what programs are being offered, how can we increase member participation? A link is available on the OCREA website. It was requested to have our current provider, WIPPI come to a board meeting and give a presentation with the current programs and opportunities.

13.2. Board Meeting Attendance Policy Discussion Continued and it was determined the current policy can stand.

13.3. M/S Myhren/Gaunt to approve the revised section 200-1 section 5. b. to include receipt of a ½ per diem for attendance at a special meeting lasting one hour or less in duration (inclusive of travel time). Motion passed.

13.4. The sexual harassment policy is heading to the Attorney for review. It should be ready for the next board meeting.

13.5. Discussion about the June 17 Annual Member Meeting included Koski's concerns of the sound system at the school. Director Urbis and GM Soumis will bring some equipment to assist if the school system has not been updated. Also looking for a projector for the presentation. There will be sweet rolls and coffee available before the meeting and lunch after, all provided by Syl's Restaurant in Ontonagon.

13.6. Financial Audit GM Soumis is continuing to work with the accountants to follow the correct procedures for closing out of old work orders.

14. Around the Table Discussion

14.1 Hodges asked about the demographic study for our members. It was suggested he ask during the Annual Meeting what is important to the members, what questions should be asked in the survey. He also read an email from a member from his district who wanted to be sure we are aware of advancements in Nuclear Energy, particularly SMR's (Small Modular Reactors) that require a very small footprint to develop.

14.2 Lehto related a recent article he read about a power plant in Finland that takes the heat from sand and stores the energy.

14.3 Gaunt spoke to the SMR as a tiny nuclear power plant. And stated he truly appreciates being at our meeting in person. Zoom is good, in-person is great!

14.4 Koski reminded us two board members spent their careers working in the nuclear environment.

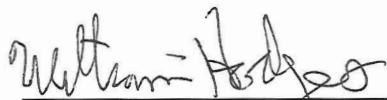
14.5 Urbis voiced his concern that we continue to hit topics where there is no end result. We discuss and discuss but don't make the decision.

14.6 Myhren reminded us Ontonagon REA supported the Electrical Line Technician school in Gwinn. The one-year program is still active and is part of NMU.

14.7 Gasperich wants all of us to remember our sensitivity training.

15. Next Meeting Date: June 16, 2023

16. Motion to adjourn by Myhren at 12:04, sine die.

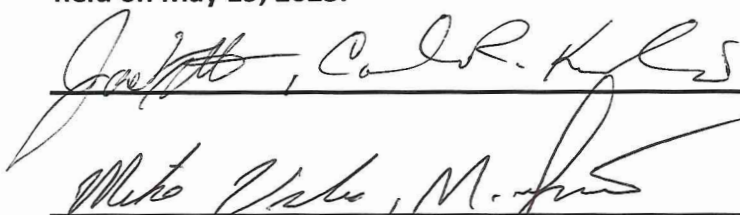


William Hodges, President



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 May 19, 2023.



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



THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

2023 May Manager's Report

1. Audit Update - 6 Items Remaining.
2. Rate Study Update
 - 2.1 Began April 1.
 - 2.2 Need all documents submitted in July.
 - 2.3 Final Proposal in August
3. Annual Meeting Update
 - 3.1 Added Notice to REA Website
 - 3.2 Added Notice to REA Facebook Page
 - 3.3 Received Petitions from Ann and Mike, no other petitions received. Running unopposed.
 - 3.4 Made 35 signs total for posting at each of the 7 districts. (Will distribute at the board meeting).
 - 3.5 Will do radio and paper advertisement during the 1st week of June.
 - 3.6 Ordered door prizes. Including 1 portable cooler, 2 lawn chairs, color books (for kids), 2 water bottles, 8 mini flashlights, 2 cooler bags.
4. Metering Project Schedule Update
 - 4.1 Project schedule updated with Non-working Holidays added.
 - 4.2 Updated Progress on Schedule
5. Received proposal to get on state emergency radio system.
 - 5.1 This would eliminate Winona Tower
 - 5.2 Get better service coverage and reception.
 - 5.3 800 MHz Frequency.
 - 5.4 Current system is low frequency and obsolete.
6. Purchased 3 AED's. 1 for each service shop.
7. Received quote for new office security system. In the process of purchasing.
8. Cooperative News
 - 8.1 May Billing – Added new office hours (M-F, 7 am to 5:30pm). Also updated answering service with new office hours and the REA Website.
 - 8.2 June Billing – Will include Annual Meeting Notice.

LINE SUPERINTENDENT'S REPORT TO BOARD

May 19th 2023

SAFETY:

We have 0 accident and 0 near misses to report in April. The next MECA safety meeting will be May 23rd.

TRUCKS AND EQUIPMENT

The new F550 bucket truck has been purchased and is at the Houghton shop. I canceled the order with Utility Sales because of numerous delays. We then found a truck in Texas that was available and at a lower cost.

The new Vermeer Mulcher has been delivered and was put to work on the ROW the next day.

The old John Deere Skid Steer has been put with line crew who will be setting the vision poles. This will leave the older service plow available to be used for member services for now.

I would also like to ask if the equipment budget could be talked about and approved this meeting? due to time frames on equipment and trucks availability. When we do move forward with supplying our crews with these tools, we will be buying off the lot due to long wait times on specialized equipment.

SERVICE INTERRUPTIONS:

Total of 35 service interruptions in April. This computes to .05 minutes/members for the month and .89 minutes/members YTD for 2023. this number increase was due to the storm that hit Herman. All crews work long days and nights to restore power to those members.

Vegetation Management:

Tree Crew # 1 Mowed 76 spans = 3.2 Miles/ Trimmed 0 Spans = 0 Miles. Removed 231 Danger Trees. Completed 2 Member Reported Tree Tickets. Tree crew 1 is finishing up in Ewen and will be heading to Misery Bay.

Tree Crew # 2 Mowed 74 spans = 3.2 Miles/ Trimmed 0 Spans = 0 miles which is due to road restrictions. Removed 242 Danger Trees. The crew has a long tap to mow at Camp Josh then will head to the Betsy Line. After that they will meet up with crew #1 in Misery Bay to gang up on the area as requested by Crew 3. This is because of the long drive from the shop during outages

METERING SYSTEM:

We have set and connected the L'Anse shop collector pole to the vision headend. The big pole digger is getting inspected at RMS, as soon as it is done, we will move to the next pole setting in Keweenaw Bay. We have also received the go ahead for collector poles in Arvon Township so that will follow the Keweenaw Bay Collector. Crew 2 has started their meter deployment in their area. The meters in that area are showing up on the map and reading.