

CLOVERLAND ELECTRIC COOPERATIVE  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
MANISTIQUE, MI | COMFORT INN  
FRIDAY, JANURY 19

Call to Order

A regular session of the board of directors of Cloverland electric Cooperative was held on Friday, January 19, at 9:30am, at Comfort Inn in Manistique, Michigan.

Chairperson Monroe called the meeting to order and led the board in the Pledge of Allegiance.

The board recited the Mission statement.

Roll Call

Roll Call was taken and the following were present: Chairperson Monroe, Vice Chairperson Ron Provo, Secretary/Treasurer Charles Litzner, Directors Newland, Legault, LaLonde, Bonacci, St. Onge, and Sawruk. President and CEO Dan Dasho was also present.

Review and Approval of Minutes

Charlie Litzner asked that a sentence be added, that a petition regarding the fence was given to the board and a discussion was made among the board members. Director Sawruk asked that the language be changed in Director Litzner's motion regarding the additional fence.

A motion was made by Director Sawruk, supported by Director Lalonde to approve the minutes as amended. All directors voted in favor and the motion passed unanimously.

Board Concerns

Director St. Onge apologized to the board of directors for his absence at the previous board meeting.

Director Bonacci asked further questions regarding the decorative fencing along the canal.

### Public Comment

Mike Lang from Garden Peninsula addressed the board of directors regarding Heritage and whether they are in communications with Cloverland Electric Cooperative for sharing the use of lines and right of way. Fourteen members of the Garden Peninsula attended the Public Comment section of the meeting. A major concern was putting poles on both sides of the road. Mike provided a letter, and petitions to not allow Heritage use of Cloverland poles and easements. Dan Gordon from Fairbanks presented his concern to the board regarding the clearing of the easements. He also provided a letter from Linda Ranguette, Fairbanks Township Treasurer. John Stapleton presented his concern for the aesthetics that the poles will bring as well. All fourteen members made clear that they are all in support for what the presenters have discussed.

### Board Concerns

Director Litzner questioned who responds to emails that come into CEC Board. Most emails are answered by Director of Communications Todd Chapman. Director Litzner also questioned the budget plan for members and the process surrounding the details. Director Litzner also brought forth the information for the United Way golf outing.

Director Bonacci asked about rescheduling meetings away from Fridays.

A motion was made by Director Bonacci, supported by Director Provo to hold the meetings on the fourth Tuesday of the month, rather than the third Friday of the month. All directors voted in favor and the motion passed unanimously.

Director St. Onge spoke to the board regarding the purchase of property on Mackinac Island from the City of Mackinac Island.

A motion was made by Director LaLonde, supported by Director Sawruk, to allow Director St. Onge to continue negotiations for possible real estate on Mackinac Island. A roll call vote was taken; Directors Sawruk, St. Onge, LaLonde, Bonacci, Monroe and Litzner voted yes, with Directors Legault, Provo and Newland voting no. The motion passed.

Director St. Onge discussed Mission Point and the progress of current projects.

### Financials, Power Marketing and PSCR

CFO Robert Malaski entered the board meeting via phone conference, along with Human Resource Director and Assistant Comptroller Dianne Hemming, to discuss the available financial reports, power supply, PSCR factor and the budget.

A motion was made by Director St. Onge, supported by Director LaLonde to approve the estate retirements in the amount of \$2,113.30. All directors voted in favor and the motion passed unanimously.

CFO Robert Malaski answered questions regarding the 2018 Proposed Budget which was presented to the Board in December.

A motion was made by Director Provo, supported by Director Legault, to approve the 2018 budget as presented to the board of directors. A roll call vote was taken, Directors Sawruk, St. Onge, LaLonde, Legault, Provo, Monroe, Newland and Litzner voted in support, Director Bonacci voted against the motion. The motion passed.

#### President and CEO Report

President and CEO Dan Dasho presented his report to the board.

A motion was made by Director Litzner, supported by Director LaLonde to enter into executive session.

The board returned to regular session.

President Dasho met with the City of Sault Ste Marie this week, as well as LSSU.

CFC needed a voting delegate and an alternate for the annual meeting. Director Monroe will be voting delegate for CFC, and alternate for Federated. Director Provo is voting delegate for Federated and alternate for CFC.

A Resolution was presented to the board regarding the Great Lakes Pilot Association.

A motion was made by Director St. Onge, supported by Director Provo to adopt the Resolution as presented, all directors voted in favor and the motion passed unanimously.

President Dasho discussed the Detour diesel engines with the board of directors. Director Sawruk asked CEO Dasho about the status of the overhauls and the budget. The original amount budgeted was \$750,000.00, the year to date amount spent is 1.3 million. President Dasho explained the costs and expects one diesel to be running by the end of March.

A motion was made by Director St. Onge, supported by Director Newland to accept the consent agendas. All directors voted in favor and the motion passed.

Chairperson report

There was no Chairperson report.

Old business

There was no old business.

New business

Strategic Planning will be in April.

A motion was made by Director Bonacci, supported by Director Sawruk to reduce both the CEO salary and benefits, and the board of director's stipends, by 20 percent.

There was discussion that this motion was a potential violation of Dasho's existing contract.

A roll call vote was taken, Directors Sawruk, St. Onge, LaLonde, and Bonnaci voted in support, while Directors Legault, Provo, Monroe, Newland and Litzner voted against the motion. The motion failed.

Director St. Onge thanked President Dasho for completing the sale of Lighthouse.net.

Next Regular Meeting of the Board

The next regular meeting of the board of directors will be on Tuesday, Feb 20 in Sault Ste. Marie, MI.

Vision Statement

The board recited the Vision Statement.

Adjournment

A motion was made by Director Lalonde, supported Director Litzner to adjourn the meeting. All directors voted in favor and the motion passed unanimously.

By:   
Secretary/Treasurer Charles Litzner