

CLOVERLAND ELECTRIC COOPERATIVE
REGULAR MEETING OF THE BOARD OF DIRECTORS
SAULT STE MARIE, MI | ADMINISTRATION BUILDING
JUNE 19, 2018

Call to Order

A regular session of the board of directors of Cloverland Electric Cooperative was held on Tuesday, June 19, at 9:30 a.m., at Cloverland's administration building, Sault Ste Marie, Michigan.

Chairperson St. Onge 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 directors were present: Chairperson St. Onge, Vice Chairperson Sawruk, Secretary/Treasurer Bonacci, Directors Monroe, Nettleton, Legault, Provo and LaLonde. Director Oberle was unable to attend the meeting until 2pm via phone call. President and CEO Dan Dasho was also present. Directors of Operation Paul Warner and Jim Mackie were also present.

Agenda

A motion was made by Director Sawruk, supported by Director LaLonde to approve the agenda. All directors voted in favor and the motion passed unanimously.

Review and Approval of June Minutes

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

Public Comment

There was no public comment.

Board Concerns

Director Provo expressed concern regarding the cost of the special meeting of the board which was held on Saturday, June 16 instead of the originally scheduled meeting on June 19. This meeting cost the members over \$4,000.00 dollars, Director Provo asked that Directors St. Onge, Sawruk, and Bonacci, who called the special meeting, explain the reason for holding the meeting. Director Sawruk noted that he requested the June meeting be postponed one week from original date, as newly elected Director Oberle would be out of town on business. When then Chairman Monroe denied his request, it became necessary to call the special organizational meeting to enable Director Oberle to attend.

Chairperson St. Onge stated that the reason for holding the special meeting was due to the fact that Director Oberle was not able to attend the regular meeting of the board on Tuesday, June 19. It was extremely important that all board members attend to vote for the board officers.

A motion was made by Chairperson St. Onge, supported by Director Sawruk that the special meeting director per diem of \$400.00 be waived for the Saturday, June 16 meeting. A roll call vote was taken; Director Bonacci-yes, LaLonde-yes, Legault-no, Monroe-no, Nettleton-no, Provo-no, Sawruk-yes, and St. Onge-yes. The vote was split 4/4, the motion failed.

Chairperson St. Onge stated he would bring the motion forward again once Director Oberle is able to call into the meeting later this afternoon.

President and CEO Report

President Dasho reviewed his report as previously presented to the board of directors.

President Dasho updated the board on current changes with staff. There are several employee changes happening throughout staff and union employees. The union contract is up for negotiations this year, and one board member will be asked to attend negotiations.

President Dasho discussed the cost comparison of using local contractors versus staff to run routine maintenance, such as snowplowing. He showed that hiring contractors is more cost effective than hiring additional staff and equipment. There was a discussion with the directors regarding the best use of employees.

The next regular meeting of the board of directors will be held on Thursday, July 19, 2018.

The MEPC conference will be July 25-27 in Acme, Michigan.

Financials, Power Marketing, and PSCR

CFO Aaron Wallin discussed the May Financial Summary, Financials, Power Supply, and PSCR as previously presented to the board of directors.

There was a discussion between CFO Wallin and the directors regarding the SSR charges. The board also discussed the May check register.

CFO Wallin discussed the RUS Audit process that Cloverland had. Everything went well, they found nothing to bring to attention.

A motion was made by Director Provo, supported by Director Monroe to approve the estate retirements in the amount of \$2,459.78 as presented. All directors voted in favor and the motion passed unanimously.

A motion was made by Director Bonacci, supported by Director Sawruk to table the Carmeuse contract decisions, to allow for further review, until the July meeting of the board. All directors voted in favor and the motion passed unanimously.

A motion was made by Director Monroe, supported by Director Sawruk to not participate in the LIEAF program. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

CFO Wallin presented a Financial Forecast Scenario Summary to the board of directors. A discussion regarding the summary was held.

Consent Agendas

President Dasho discussed and reviewed the consent agendas as previously presented to the board of directors. The consent agendas include engineering, safety, operations, IT, member services & key accounts and communications. Paul Warner, the new Director of Operations was introduced to the board.

Director Provo requested that the write-offs be presented as both a cumulative number and individual graphs in the member services and key accounts report.

The directors reviewed the action items listed in the Communication report. The directors did not have enough candidates for Operation Round-Up. Todd Chapman will call the directors for their list of volunteers in their districts.

A motion was made by Director Provo, supported by Director Nettleton to approve the \$1,000 donation request to participate in the Sault Tribe Scholarship Classic golf tournament. All directors voted in favor and the motion passed unanimously.

A motion was made by Director LaLonde, supported by Director Monroe to approve the \$1,400 donation request to participate in the Jewel at Mackinac Golf Tournament. All directors voted in favor and the motion passed unanimously.

A motion was made by Director Sawruk, supported by Director LaLonde to approve the consent agendas. A roll call vote was taken and the motion passed unanimously.

Chairperson of the Board Report

The chairperson did not have a report.

Attorney's Report

The cooperative attorney was invited to be present at 1 p.m. for the meeting.

Old Business

There was a discussion regarding the Cloverland bidding process.

A motion was made by Director Sawruk, supported by Director LaLonde that President Dasho and Cloverland staff develop a bid process and buy local policy. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

New Business

There was no new business

Adjournment

A motion was made by Director Monroe, supported by Director LaLonde to adjourn the meeting of the board. All directors voted in favor and the motion passed unanimously.

The meeting adjourned at 12:30pm.



Secretary/Treasurer Carmine Bonacci