

CLOVERLAND ELECTRIC COOPERATIVE
REGULAR MEETING OF THE BOARD
CITY HALL | ST. IGNACE, MI
FEBRUARY 26, 2019

Call to Order

A regular meeting of the board of directors of Cloverland Electric Cooperative was held on Tuesday, February 26, 2019 at City Hall, St. Ignace, Michigan.

Chairperson St. Onge called the meeting to order at 9:32 a.m. 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 Legault, Monroe, Provo, Oberle, Nettleton and LaLonde.

President and CEO Mike Heise, CFO Aaron Wallin, Executive Assistant Julie Chadwick and Corporate Attorney Erin Evashevski was also in attendance. One member was in attendance during the open meeting section.

Agenda

Chairperson St. Onge asked for additions to the agenda. The directors were informed of documents which were added to Call to Order earlier this morning.

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

Minutes

Corporate Attorney Erin Evashevski suggested improvements to the final motion regarding the City of Sault Ste. Marie and the Power Canal trail. Director Nettleton requested that the number of public visitors be listed in the minutes each month.

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

Public Comment

There was no public comment.

Board Concerns

The board discussed having public visitors sign in at a regular board meeting.

The board expressed thanks to the employees for all the work they have been doing with recent outages. Chairperson St. Onge suggested that a Cloverland employee be located directly with the 9-1-1 operators when outages such as this happen.

The board discussed a member's call regarding the leasing of Cloverland property.

President and CEO Report

President and CEO Mike Heise presented his report as previously distributed to the board of directors.

The board discussed the 2019 budget information.

Mr. Heise discussed the banner policy request. He suggested that we make corrections to the current pole attachment contract; finding out pole locations and how many poles are involved.

Mr. Heise discussed the corporate purchasing policy. Director Oberle asked if there was a buy local provision in the new policy. CFO Aaron Wallin reviewed the bidding process and informed the board that all bidding documentation will be on file. Director Oberle suggested that there be a paper process in which members, who are interested in bidding on future projects, complete and is then kept on file.

A motion was made by Director Oberle, supported by Vice Chairperson Sawruk to rescind current board policy 204. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

Mr. Heise discussed the Cloverland 2019 goals and values.

A motion was made by Director Oberle, supported by Vice Chairperson Sawruk to accept the 2019 goals and values as presented. All directors voted in favor and the motion passed unanimously.

Finance, Power Supply and PSCR

CFO Aaron Wallin discussed the financials, PSCR, Power Supply and check register as previously presented to the board of directors.

Consent Agendas

A motion was made by Director Oberle, supported by Director LaLonde to approve the consent agendas. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

Chairperson of the Board

The Chairperson did not have a report.

Old Business

Director LaLonde discussed the hydro plant open house cancellation.

The board took a break at 10:25 a.m., returning to session at 10:40 a.m.

New Business

There were no estate retirements.

A motion was made by Director Oberle, supported by Director LaLonde to accept the resolution adding Michael Heise as primary agent and signer on all Old Mission Bank and Central Savings Bank accounts and removing Chairperson St. Onge and adding Vice Chairperson Sawruk as primary signer for the board. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

A motion was made by Director Oberle, supported by Director LaLonde to accept the resolution appointing Aaron Wallin, CFO and Director of Power Marketing and Regulatory Affairs, as administrator of the Rabbi Trust fund held by Homestead Funds on behalf of the Cooperative. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

A motion was made by Director Oberle, supported by Director LaLonde to accept the resolution that Michael Heise be the certifier on behalf of the Corporation, who shall be responsible for submitting and certifying to the Rural Utilities Service, and Aaron Wallin be the Security Administrator on behalf of the Corporation. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

A copy of these resolutions will be kept on file.

Next Meeting

The next regular meeting of the board will be at the Comfort Inn, Manistique, MI on March 26, 2019 at 4:00 p.m.

Executive Session

A motion was made by Director LaLonde, supported by Vice Chairperson Sawruk to enter into executive session at 10:58 a.m. All directors voted in favor and the motion passed unanimously.

A motion was made by Director Oberle, supported by Director LaLonde to enter into regular session at 11:48 a.m. All directors voted in favor and the motion passed unanimously.

New Business

A motion was made by Director Oberle, supported by Director LaLonde to adopt the changes to board policy 104, board committees. A roll call vote was taken, directors Bonacci, LaLonde, Oberle, Sawruk and St. Onge voted for the motion; directors Legault, Monroe, Nettleton and Provo voted against. The motion passed with a 5 to 4 vote.

A motion was made by Director LaLonde, supported by Secretary/Treasurer Bonacci to authorize Chairperson St. Onge to sign and approve the Letter of Agreement with board attorney Erin Evashevski. A roll call vote was taken, all directors voted in favor and the motion passed unanimously.

Executive Session

The board entered executive session at 12:00 p.m.

A motion was made by Director LaLonde, supported by Secretary/Treasurer Bonacci to return to regular session at 2:07 p.m.

Adjournment

A motion was made by Vice Chairperson Sawruk, supported by Secretary/Treasurer Bonacci to adjourn the meeting at 2:07 p.m. All directors voted in favor and the motion passed unanimously.

A handwritten signature in black ink, appearing to read 'Carmine Bonacci', is written over a horizontal line. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Secretary and Treasurer Carmine Bonacci