

**EDITED MINUTES OF BOARD MEETING\***  
**ADAMS-COLUMBIA ELECTRIC COOPERATIVE**  
**FRIENDSHIP, WISCONSIN**  
**June 21, 2017**

**Call to order:** Chairperson Kendal Nichols called the regular meeting of the Adams-Columbia Electric Cooperative Board of Directors to order at 9:40 am on Wednesday, June 21, 2017.

**Roll Call:** Directors Alexander, Becker(Vice-Chairman), Colby, Connolly, Fahey, Gibeaut(Secretary), Link, Nichols(Chairman), and Parr(Treasurer). Employees in attendance for the meeting were CEO Porter and Mohns (Executive Assistant) who served as recording secretary. Other employees in attendance for parts of the meeting were Gessner (Operations Manager), Kerska (Member Services Manager), Miller (Manager of Safety), Roberts (Manager of Support Services) and West (Chief Financial Officer).

**Invocation/Safety Message:** The meeting began with reciting the Pledge of Allegiance followed by Gibeaut' invocation and Parr's safety message on situational awareness.

**Approval of Agenda:** The agenda was approved as sent. Chairman Nichols requested that Board Policy #2-31 Meeting Delegates be moved to the executive session.

**Chairman's Report:** Nichols expressed appreciation for the safe storm restoration and the knowledge of the employees.

**CEO's Report:** No report.

**Financial Committee Review:** Review completed by Becker, Gibeaut and Link. Motion by Link and seconded that the financial review was acceptable. MOTION CARRIED.

**Minutes and Consent Items:** The May 24, 2017 board minutes will be amended to state that Federated Youth Foundation (FYF) pays Cooperative Network an \$18,000 annual fee for E. Giebel's time as administrator of the FYF. Motion by Parr and seconded to approve the minutes with the noted change and the Consent Agenda Items. MOTION CARRIED.

**Board Action Items:**

- The updated Mission and Vision statements were reviewed, but board needed more time to digest the changes and the board was asked to email any changes to Porter prior to the next meeting.
- Motion by Becker and seconded to approve the IRS Form 990 presented by West. MOTION CARRIED.
- Motion by Link and seconded to cast ACEC's vote for Gibeaut as the RESCO Wisconsin Director – Director board position. MOTION CARRIED.
- Board Policy review of #2-32 – *Director Training, Education and Development* was discussed and Gibeaut suggested combining these two policies with the current draft of board operation policy (#2-3 *Directors Fees and Expenses*) and #2-31 - *Meeting Delegates*. Becker expressed that the board should have complete ownership of this and suggested an executive committee conference call to discuss. Board instructed staff to wordsmith and consolidate these policies and then have Attorney Berman review and present at the July board meeting. Discussion held on #2-4 *Dates of Board of Directors Meetings* and the bylaw provision, consensus to include meeting dates in the board operation policy also.
- Motion by Gibeaut and seconded to rescind policy #2-26 – *Membership in Civic, Business and Similar Organizations*. MOTION CARRIED.

- Motion by Becker and seconded to refund a member's patronage capital that had previously been forfeited to Federated Youth Foundation. MOTION CARRIED.
- Motion by Parr and seconded to participate in the ATC Third Call for Voluntary Additional Capital Contribution of \$123,450. MOTION CARRIED.
- Link shared an update of the Didion Plant explosion and the injured employees affected by this tragedy in Cambria. Motion by Parr and seconded to donate \$2,000, utilizing FYF funds to the Old Mill Foundation to help with the injured and families of deceased at the Didion plant. MOTION CARRIED.
- Motion by Colby and seconded to sponsor up to two golf teams (total of \$400) for the Columbus Community Hospital Golf Classic using FYF funds with employees paying half the golf registration fee. MOTION CARRIED.
- Motion by Connolly and seconded to correct the Board Minutes from January 25, 2017 to read: Becker, Gibeaut and Porter will attend the NRECA Legislative Conference in Washington, DC on April 23-25, 2017. An ACRE employee representative is approved to attend also. MOTION CARRIED with one abstention. It was then the consensus of the board to approve payment of two meeting days for Becker at the NRECA Legislative Conference.

**Resolutions:** None

**Departmental Reports:** Departmental reports were given by the staff. Porter assured the board that the Badger Group still exists and the relationship with Rock Energy and Central WI will continue. Nichols expressed disappointment that he lost his Dairyland Power Cooperative (DPC) director seat. He felt Porter was premature in sending the letter to discontinue ACEC's membership in the Badger Power Cooperative (BPC). Becker noted there has been extreme backlash from the other cooperatives and noted the bylaws of BPC states one year is needed before removal from the cooperative is granted. Porter assured the board that any time they wanted the educational aspect of the BPC, speakers could be arranged, but that the annual filing documents state "the corporation did not engage in actual business during the past year". The BPC has a historical record of inactivity with the state and can be reinstated any time in the future.

Porter shared that he was disappointed that Alliant will not allow ACEC to make monthly payments ahead of the closing date of the RECE contracts to save the 7.5% AFUDC being charged. The Public Service Commission is reviewing the contracts and Porter will sign once all four contracts are approved.

Porter noted that Brakebush has a meeting room at the Pioneer Westfield hotel that could be utilized for future centralized board meetings or board could use the other ACEC service locations. No action taken by board.

Mohns was instructed to ask the Operation Round-Up board for ideas to enhance the scholarship program.

Gessner shared the recent Waushara County storm restoration efforts; showing the daily outage viewer and photos from the storm, the damage of approximately forty poles, the use of Zielies for road clearing as the townships were not equipped to clear and the use of ROPE requesting three 2-man crews (last time was in 2011). Discussion was held on who is ultimately responsible for the cost of road clearing, West will pursue the possibility to charge the towns involved.

Board expressed appreciation to Kerska for her Strategic Planning Identified Imperative #1: *Develop and implement a plan to effectively communicate with and engage all generations of members and the communities within the cooperative's geographic area.*

Other board reports and updates were given including Becker's written reports from the WECA Legislative Meeting, CFC Forum and DPC's Annual meeting. Becker noted that WECA held a board conference call to approve their budget, noting they will add two new positions at the statewide and increase membership fees 3% and one cent on the magazine subscriptions.

**Calendar:**

- The next regular board meeting will be Wednesday, July 26, 2017 at 9:30 am at the Friendship Office. Mike Bunney from CFC will attend the July board meeting to assist with developing Strategic Planning Identified Imperative #3: *Review and recommend an updated long-range financial policy/plan that provides strategic guidance on equity, financial coverage ratios, plant investment and patronage capital retirement.* Board members confirmed they received the books: Equity Management and Commitment to Excellence from CFC to prepare for the creation of the equity management plan.
- Parr may join the September board meeting via conference call.
- The July Operations Safety Meetings are scheduled for July 12 at the Pardeeville service center and July 13 at the Wautoma service center, no board attendees. Board requested the yearly topics/dates of future safety meetings rather than just the monthly meeting notice.
- WECA District 1 meeting will be held on July 19, 2017 at Clark Electric Cooperative in Greenwood. Alexander, Becker, Connolly, Gibeaut (voting delegate) and Porter will attend. Becker expressed interest in the open seat for a District 1 Director-Director. Becker shared that he has already approached all the other cooperatives and he has their support. Gibeaut will help Becker draft letter of support and will nominate him from the floor at the meeting.
- WECA will hold the BL course #943.1 Conversation Skills Outside of the Boardroom, to be held on August 1, 2017 at Clark Electric, Connolly and Fahey will attend.
- WECA will hold the Emerging Energy Issues Summit on August 15, 2017 in Stevens Point; Alexander, Becker, Connolly, Fahey, Gibeaut, Nichols and Porter will attend.
- NRECA's Region 5 & 6 meeting will be held on September 20 & 21, 2017 in Minneapolis. Becker will attend as the NRECA state representative, noting NRECA will register and handle the hotel room reservation for him. Gibeaut, Link and Porter will also attend.
- Possible board tour suggestions were Heartland Farms, Sand Valley and Springwater substation/including recent Waushara storm area.
- Member Advisory Committee meetings with the original objective of small group discussion feedback and possible future director pool was discussed and the possible need for restructuring. Becker suggested a possible youth board. The fall meetings in October will address the Strategic Planning Identified Imperative #5: *Create and execute a plan focused on increasing the cooperative's revenue through wise growth in energy sales and related services.*

**Executive Session:** Board went into the Executive Session at 2:40 pm to discuss board compensation and proper accounting of hours on the Form 990. Board came out of executive session at 4:00 pm.

**Adjournment:** Motion by Fahey and seconded to adjourn. MOTION CARRIED. The meeting adjourned at 4:10 pm.

Cheri Gibeaut, Secretary  
Board approved on July 26, 2017

*\*These minutes have been edited to remove any confidential or sensitive information.*

**Note: Minutes of the monthly board meeting will not be published until after board approval at the following monthly board meeting.**