

EDITED MINUTES OF BOARD MONTHLY MEETING*
ADAMS-COLUMBIA ELECTRIC COOPERATIVE
FRIENDSHIP, WISCONSIN
December 20, 2017

Call to order: Chairperson Kendal Nichols called the regular meeting of the Adams-Columbia Electric Cooperative Board of Directors to order at 9:30 am on Wednesday, December 20, 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), Huhnstock (Key Accounts), Miller (Safety Manager), Reuterskiold (Manager of Sales/Services and Transportation), Roberts (Manager of Support Services) and West (CFO).

Invocation/Safety Message: The meeting began with reciting the Pledge of Allegiance followed by Fahey's invocation and Gibeaut' safety message on holiday travel and home safety.

Approval of Agenda: The agenda was approved as sent.

Chairman's Report: No report.

CEO's Report: Porter reported that our CFC representative Mike Bunney will be retiring at the end of January 2018.

Director Reports: Director report was given by Parr, noting that fundraising will begin for a new YMCA facility in Adams and hopes that ACEC would support the project. He also commented that the line clearing by Zielies is great and their interaction with our members is commendable. Connolly noted that Fox Valley Technical College will be expanding in Wautoma.

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

Minutes and Consent Items: Motion by Parr and seconded to approve the November 28, 2017 board meeting minutes and the Consent Agenda Items. MOTION CARRIED.

Board Action Items:

- Roberts reviewed in depth the fourteen items for the Rules and Regulations and Rate Schedule that needed adjustment. The items presented were:
 - 1) Increase all commercial demand charges by \$1.00
 - 2) Increase irrigation rate by \$10 in the facility charge, and \$1 per KW
 - 3) Eliminate demand forgiveness in irrigation rate
 - 4) Bill demand monthly (all months) for irrigation
 - 5) Remove the 50 kVa reference from all farm and residential rate verbiage
 - 6) Align the dairy farm demand threshold with all other rates at 40 KW
 - 7) Raise the yard light pole charge adder on the bill from \$0.75 to \$1.75
 - 8) Require new yard light installations to provide contribution in aid to construction
 - 9) Increase our PCA base rate by seven-tenths of a cent, and spread appropriately

- 10) Change generation supply cost figure from \$0.027 to \$0.028
- 11) Eliminate footage fee refunds
- 12) Forego collecting the engineering fee, but retain some language if abused
- 13) Standardize our point of demarcation
- 14) Increase residential and irrigation mobilization fees, decrease per foot costs

Motion by Alexander and seconded to approve items listed except for items: 8, 9 and 11, with any rate increases to be effective April 1, 2018. MOTION CARRIED by roll call vote. (The roll call vote is included in these minutes.) The board expressed appreciation to Roberts for his historical and detailed explanation on each of the items.

- Motion by Parr and seconded to participate in ATC's Notice of First Call for Voluntary Additional Capital Contributions for \$123,450. MOTION CARRIED.
- Request by Becker to table the review of board policy #2-16, Federated Youth Foundation, Inc. till the January meeting.
- Motion by Parr and seconded to approve the redlined changes to board policy #2-20 Inspection of Books and Records. MOTION CARRIED.
- Motion by Link and seconded to accept the redlined changes to board policy #2-21 Administrative Policies. MOTION CARRIED.
- Motion by Connolly and seconded to accept the redlined changes to board policy #2-22 Hostile Takeover Protection. MOTION CARRIED.
- Motion by Parr and seconded to approve the discounting rate of the estate patronage retirements, setting the rate using CFC's 20-year rate as of December 15th (or the first business day following a weekend/holiday) plus 1 percent for Board Policy #8-2 Payment of Patronage Capital Belonging to Deceased including Table A for discounting rates effective 1/1/18. MOTION CARRIED.
- Motion by Colby and seconded to accept the five-year Union Labor Contract agreement. MOTION CARRIED. Board expressed appreciation for the labor agreement work by Porter and staff noting the five-year contract was not the usual time frame.
- Motion by Parr and seconded to accept the board expense vouchers and authorize payment. MOTION CARRIED.

Resolutions:

- Motion by Parr and seconded to approve the Resolution of Appreciation for Evergreen Resort & Campsites. MOTION CARRIED.
- Motion by Gibeaut and seconded to approve the Retirement Resolutions for two employees. MOTION CARRIED.

Departmental Reports: Departmental reports were given by the staff. Porter reported that he had two members at the Pardeeville office during his December discussion day and Gibeaut inquired if board members should attend. If a member requests a director attend, Porter would set up a joint meeting. Porter noted the tentative closing date for the WREF (West Riverside

Energy Facility/formerly called RECE) will be December 27, 2018. Parr was impressed by the Toys for Tots program this year.

Miller presented the Evolution of Safety Programs, including NRECA, RESAP, Federated, ACEC and regulatory efforts. Board expressed appreciation for his diligence in the safety culture at ACEC.

Mohns presented the recommended changes/updates for ACEC's Scholarship Program, noting the application and announcement will be on the website by year end and in the January WECNews. Board in agreement to try the changes.

Becker gave a verbal report on a legislative contact and the NRECA board meeting. Porter offered to review bylaw sections or rate information at future board meetings.

Calendar:

- The next regular board meeting will be Monday, January 22, 2018 at 9:30 am at the Friendship Office.
- The 2018 Operations Safety Meeting schedule was not available.
- WECA Education & Lobby Days will be held at the Concourse Hotel & Governors Club in Madison on February 14-15, 2018. All attending board members are available to stay for legislative visits if needed the afternoon of February 15, 2018. Porter will invite not only the employees that are ACRE members but also other employees to see firsthand the legislative issues that we address with our elected officials.
- Becker and Fahey will attend the NRECA Annual Meeting and split serving as voting delegates for the NRECA, NRTC, Federated, CFC and NISC meetings.

Executive Session: Board went into the Executive Session at 4:08 pm. Board came out of executive session at 2:45 pm.

Adjournment: Motion by Parr and seconded to adjourn. MOTION CARRIED. The meeting adjourned at 5:10 pm.

Cheri Gibeaut, Secretary
Board approved on January 22, 2018

***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.

Roll Call Vote Form

Meeting Date: 12/20/17 Item: **Rules & Regulations/Rate Changes**

District	Last Name, First Name	Y	N	P
1	Alexander, Gene	X		
2	Connolly, Patrick	X		
3	Colby, Marj	X		
4	Becker, Lawrence	X		
5	Nichols, Kendal	X		
6	Gibeaut, Cheri	X		
7	Link, Scott	X		
At Large	Parr, Scott	X		
At Large	Fahey, Karen	X		
TOTALS		9	0	