

MINUTES
GENERAL BOARD MEETING – APRIL 28, 2016
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session April 28, 2016 with PRESIDENT BOB EVANS calling the meeting to order at 9 a.m. VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAER, DAVID DOVER, TERRY FROST, JASON SWANZ and MIKE VLASTELIC. GENERAL MANAGER SCOTT SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK, FINANCIAL ANALYST JANINE RIFE DIDIER and CORPORATE COUNSEL KRIS BIRDWELL were also present. The Pledge of Allegiance was recited.
2. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, TERRY FROST moved to approve it. DAVID DOVER seconded the motion, which carried unanimously.
3. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the March 30, 2016 general meeting, MIKE VLASTELIC moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.
4. **PUBLIC COMMENT PERIOD.** The Board noted the regular time for member input relative to any issue of interest or importance to them. No members appeared.
5. **CONFERENCE CALL WITH MIKE EASLEY AND TARY HANSON.** Discussion with MIKE EASLEY of PRECorp, TARY HANSON of Tongue River and Fergus Electric covered a proposed G & T. Since the new G & T will be a member of Basin Electric, it was agreed that information regarding it will be prepared for the Basin Annual Meeting agenda. MANAGER SWEENEY will work to get the best proposal, which will benefit Fergus Electric Cooperative.
6. **COMMUNITY SOLAR.** MANAGER SWEENEY will include comments about community solar when he speaks to the membership at the Annual Meeting. A survey will be available for member comments.
7. **ANNUAL MEETING REVIEW.** JANINE RIFE DIDIER, SALLY HORACEK and VANGIE McCONNELL reviewed plans for the 78th Annual Meeting set for Saturday, June 11 at the Fergus County Trade Center. As had been previously discussed by the Board, 10, \$1,000 “luck of the draw scholarships” will be awarded, the grand prize will be a \$500 electric credit and a variety of gifts will be given away. Music will be provided by HAROLD and MARGIE MATOVICH and HANNAH CLEMENSON will sing.
8. **MEETING REPORTS.** Reports covered PRECorp Board in Sundance April 19 and Southern Board in Billings April 27. It was also noted that SME is now officially dissolved.
9. **RATE ANALYSIS.** MANAGER SWEENEY reported that plans are to have a rate consultant work on new base charges for larger single phase services (400 amp and larger, and CT metered) and to have them help analyze net metering rates and the possibility of combining two meters on one solar array.

10. BOARD POLICIES. Policy 206 – Board Member Notification, Development and Growth; Policy 207 – Membership Committees/Membership Assistance; Policy 208 – School District, Corporation, Community Center or Other Non-Individual Entities Voting at Annual Meeting; Policy 220 – Vesting and Retirement of Capital Credits were reviewed and amended. JASON SWANZ moved to approve the policies and PAUL DESCHEEMAER seconded the motion, which carried unanimously. Copies are attached.

11. OPERATIONS REPORT. LINE SUPERINTENDENT DALE RIKALA reported that, to date, 10 new meters have been installed, 97 new poles were added and 91 were retired of which 91 were junked. With another net meter connected in the Forest Grove area, the total equals 15 with two more scheduled to be connected soon. At the April 13 safety meeting, JOHNNIE STANTON of MECA discussed close calls, substation inspections and supervisor responsibilities. The meeting concluded with Safety Jeopardy. RIKALA also reviewed, with the Board, a rotation schedule for the purchase of trucks.

12. FINANCIAL AND OTHER MONTHLY REPORTS. GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. Included in the items seen was the March operating report and IRS Form 990 prepared by OFFICE MANAGER SALLY HORACEK and the March analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.

13. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 574-574X for \$81,517.39 and No. 574-574X (A) for \$3,622.90, TERRY FROST moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.

14. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported on the Atna Resources bankruptcy (Kendall mine) and other items concerning Fergus Electric.

15. METER TESTER. MANAGER SWEENEY reported that the meter tester KERBY DURBIN uses failed. Since this item is not listed on the 2016 Budget, SWEENEY requested approval from the Board for the \$42,500 unit. After discussion, DAVID DOVER moved to approve the purchase of a meter tester that is compatible with new technology and improved meter testing systems. PAUL DESCHEEMAER seconded the motion, which carried unanimously.

16. CAPITAL CREDIT RETIREMENTS. The Board reviewed the April 7, 2016 estate capital credit retirements of \$12,136.17 prepared by SUSAN HINKLEY. BRAD ARNTZEN moved to affirm the retirements and PAUL DESCHEEMAER seconded the motion, which carried unanimously.

17. DELINQUENT ACCOUNTS/NEW MEMBERS LIST. The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing. A list of new members was reviewed.

18. FIRST QUARTER WRITE-OFFS. PAUL DESCHEEMAER moved to approve writing off \$1,104.18 in bad debt and to continue with collection procedures as outlined in Board Policy. JASON SWANZ seconded the motion, which carried unanimously.

19. SIGNAL Peak, LLC. The combined load factor for the 50Kv and 100Kv signal Peak substations was 46.9%. A tour of the mine is scheduled for May 4, 2016.



20. MECA MEETINGS- APRIL 4 – 6. TERRY FROST and MIKE VLASTELIC reported on Director's Course 957.1 – How to Evaluate and Improve Board Performance. They noted that the most important piece of information was, "When in doubt, always follow policy." MIKE VLASTELIC reported that MECA's financials were in good shape (\$79,000 to the good), a number of trainings are scheduled and the safety dues will not increase. He also reported that JEFFREY CONNOR will serve as NRECA's interim manager while a new CEO search is being conducted.


21. UNION NEGOTIATIONS. MANAGER SWEENEY noted that union negotiations are scheduled for July and August. The linemen will be represented by RYAN d'AUTREMONT, LOUIE HOULD and BILL RYAN of Local 44. Management will be represented by MANAGER SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL and a board member. PRESIDENT BOB EVANS volunteered to represent the Board and the Board concurred.

22. FUTURE MEETINGS.

- a. Solar Power Workshop, Tucson, May 10-13 – Scott
- b. NWPPA Annual, Tulalip Resort, Washington, May 15-18 – Mike
- c. PRECorp, Gillette, May 17th – Scott
- d. Fergus Board, May 26, June 23 & July 28
- e. FEC Annual, Saturday, June 11

23. NEWS FROM THE DISTRICTS.

24. ADJOURN. PRESIDENT EVANS adjourned the meeting at 4 p.m.


Secretary

Attest: 
President