

**MINUTES – GENERAL BOARD MEETING – SEPTEMBER 24, 2015
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session September 24, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 9 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAEKER, DAVID DOVER, JASON SWANZ, and MIKE VLASTELIC. GENERAL MANAGER SCOTT SWEENEY, OFFICE MANAGER SALLY HORACEK, FINANCIAL ANALYST JANINE RIFE DIDIER and CORPORATE COUNSEL KRIS BIRDWELL were also present. The Pledge of Allegiance was recited.
2. **PUBLIC COMMENT PERIOD.** The Board noted the regular time for member input relative to any issue of interest or importance to them. No member appeared.
3. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, PAUL DESCHEEMAEKER moved to approve it. MIKE VLASTELIC seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the August 27, 2015 general meeting, DAVID DOVER moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.
5. **CONFERENCE CALL – MIKE EASLEY OF PRECORP.** Prior to the conference call with MIKE EASLEY, manager of Powder River Energy Corporation, MANAGER SWEENEY reviewed a number of reasons for entering into a 60-year contract with PRECorp/Basin. PRECorp MANAGER EASLEY outlined points discussing the possibility of organizing a G & T to include PRECorp, Fergus Electric and Tongue River Electric. After discussion, the consensus of the Board is to go forward with joining PRECorp and to continue pursuing and investigating the G & T arrangement.
6. **APPROVAL OF PRECORP CLASS “C” MEMBERSHIP.** After a lengthy discussion, MIKE VLASTELIC moved to approve and authorize MANAGER SWEENEY to sign the agreement for Fergus Electric to become a Class “C” member of PRECorp (Powder River Energy Corporation). JASON SWANZ seconded the motion, which carried unanimously.
7. **ELECTRIC SERVICE AGREEMENT AND CLASS “C” MEMBER WHOLESALE POWER CONTRACT.** After a lengthy discussion, TERRY FROST moved to approve and to authorize BOARD PRESIDENT BOB EVANS to sign the PRECorp/Basin Wholesale Power Contract. DAVID DOVER seconded the motion, which carried unanimously.
8. **PRECORP BOARD MEETING.** BRAD ARNTZEN, SCOTT SWEENEY, BOB EVANS and MIKE VLASTELIC attended the Sept. 16-17 meeting in Sheridan, Wyoming. All four stated the meeting was important and informative for both Fergus Electric and Tongue River who had six board members attend. DAVE RAATZ of Basin Electric Power Cooperative attended the meeting and provided a detailed overview of Basin. Those attending had an opportunity to ask questions regarding Basin Electric’s services.
9. **SOUTHERN BOARD – SEPT. 23, 2015.** DAVID DOVER, JASON SWANZ and SCOTT SWEENEY reported that discussion covered Beartooth’s exit from Southern Montana, and that Southern estimated pay off of the note holders is Aug. 2016.
10. **BOARD STRATEGIC THINKING AND PLANNING DISCUSSION.** The Board and Management discussed topics for the agenda at the strategic planning retreat set for Nov. 17-19 at the Chico Resort in Pray. Then, they joined a conference call with FACILITATORS WILL LUTGEN and SCOTT LINDSAY. LUTGEN and LINDSAY reviewed the processes they use that starts with an electronic survey sent to all participants. They noted that discussion will help in setting the cooperative’s goals for 2016 and beyond (three to five years). The strategic planning is designed to help the Board and staff address future goals and ways for the cooperative to best serve the membership.

11. **BOARD POLICIES 105 AND 106 REVIEWED.** The Board reviewed Policy 105.0 – Statement of Functions of Finance and Budget Committee and Policy 106.0 – Statement of Functions of the Executive and Policy Committee. There were no changes.
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 were the August operating report prepared by OFFICE MANAGER SALLY HORACEK, and the August analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
13. **OPERATIONS REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that, to date, 47 new meters have been installed, 318 new poles have been added with 268 retired of which 262 were junked. The September safety meeting was the annual benefits update presented by NRECA FIELD REPRESENTATIVE MIKE STIFF.
14. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 567-567X for \$79,939.67 and 567-567X (A) for \$1,239.71 ending August, 31, 2015, DAVID DOVER moved to approve them. MIKE VLASTELIC seconded the motion which, carried unanimously.
15. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reported on capital credits and how the credits apply to deceased members and stated that he will work with staff on the cooperative's practice of paying estates.
16. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the September 2015 estate capital credit retirements of \$17,916.25 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and JASON SWANZ seconded the motion which, passed unanimously.
17. **BLACK BUTTE COPPER PROJECT – TINTINA RESOURCES.** Discussion covered a possible tour of the proposed copper mine near White Sulphur Springs. Mine personnel will be contacted regarding arrangements.
18. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** The combined load factor for the 50kV and 100kV Signal Peak substations was 64.0% and Express Pipeline had a total load factor of 47.4%.
19. **DELINQUENT ACCOUNTS AND NEW MEMBERS.** The Board and Management reviewed a list of past due accounts – 30, 60 and 90 days and a list of new members.
20. **MECA ANNUAL MEETING REVIEW.** VANGIE McCONNELL reviewed with the Board the MECA Annual Meeting schedule set for October 5-8 in Great Falls. MIKE VLASTELIC was appointed voting delegate for the NRECA Director Election and BOB EVANS was appointed the alternate.
21. **FUTURE MEETINGS.**

NRECA Region 9, Salt Lake City, Sept. 28 – Oct. 5 – Paul
 NRECA Director's Course 914.1 – Cooperative Communications and Public Opinion:
 The Directors Perspective, Great Falls, Oct. 5
 MECA Annual and Today's Member Program, Great Falls, Oct. 5-8
 Southern Board, Billings, Oct. 9, Oct. 28, Nov.24, Dec. 16 (possible dates)
 SME Board, Billings – Oct. 9, Oct. 28, Nov. 24, Dec. 16 (possible dates)
 PRECorp Board, Sundance, Oct. 20 – Terry
 Safety: Job Briefings, PPE Hazard Assessment & Storm Job Safety by Johnnie Stanton,
 and Flu/Pneumonia Immunizations – Oct. 28
 FEC Board, Oct. 29 – 9 a.m., Dec. 4 – 1 p.m., Dec. 18 – 9 a.m.
 Christmas dinner, Pine Meadows, Dec. 4, No Host Cocktails 6 p.m., Dinner 7 p.m.

23. **NEWS FROM THE DISTRICTS.** Each board member shared items of interest.

24. **ADJOURN.** PRESIDENT BOB EVANS adjourned the meeting at 2:10 p.m.

Tony Trost ATTEST: Robert D. Evans
SECRETARY **PRESIDENT**

