

**MINUTES
GENERAL BOARD MEETING, JUNE 24, 2021
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session June 24, 2021, with VICE PRESIDENT TERRY FROST calling the meeting to order at 9:05 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, CATHY KOMBOL, and BRETT MAXWELL. PAUL DESCHEEMAERKER and JASON SWANZ participated via phone. GENERAL MANAGER CARSON SWEENEY, OFFICE MANAGER SALLY HORACEK, LINE SUPERINTENDENT DALE RIKALA, and CORPORATE COUNSEL KRIS BIRDWELL were also present. The Pledge of Allegiance was recited.
- 2. APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRETT MAXWELL moved to approve it as amended. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 3. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the May 24, 2021, general meeting and discussing them, BRETT MAXWELL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 4. APPROVAL OF REORGANIZATION MEETING MINUTES.** After reviewing the minutes of the June 10, 2021, reorganization meeting and discussing them, BOB EVANS moved their approval. BRETT MAXWELL seconded the motion, which carried unanimously.
- 5. 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.
- 6. TITLE COMMITMENTS OBTAINED FOR ROUNDUP SUBSTATION PROPERTY AND MUSSELSHELL RIVER PROPERTY.** CORPORATE COUNSEL KRIS BIRDWELL reported that he received the title commitments from First American Title Company for both the Roundup Substation property and the Musselshell River property. Both properties have clean titles. Therefore, Fergus Electric is free to proceed however it chooses. BIRDWELL said that the co-op would reserve a utility easement on the properties if it were to sell.
- 7. APPROVAL OF THREE LINEMAN SCHOLARSHIPS.** The Board reviewed the three lineman scholarship applications that were received. Last month, at the May 24, 2021, board meeting, the Board recommended that the anonymous donation of five thousand dollars and the six thousand dollars from unclaimed or donated capital credits be combined and split between two lineman scholarships. Having received a third application, the Board discussed its objective to promote lineman education to help assure that electric cooperatives will continue to have a capable workforce going forward. After a period of discussion, PAUL DESCHEEMAERKER moved to add one thousand dollars to the fund and award a four-thousand-dollar scholarship to each of the three applicants. BOB EVANS seconded the motion, which carried unanimously. Congratulations to ZACHERY HOULD, Lewistown; QUENTIN LEWIS, Great Falls; and DALTON SALTHER, Roundup. Scholarship recipients will have one year to enroll in a line school. If the student is not enrolled in one year, the scholarship funds will no longer be available.
- 8. FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the May 31, 2021, operating report. JANINE RIFE DIDIER presented a condensed version of the ratios report for May 31, 2021.
- 9. FINANCING 2021 BUDGET ITEMS.** GENERAL MANAGER CARSON SWEENEY, OFFICE MANAGER SALLY HORACEK, and LINE SUPERINTENDENT DALE RIKALA provided the Board with a list of budgeted expenses due in 2021. MANAGER SWEENEY made a recommendation to the Board that the co-op borrow three million dollars from National Rural Utilities Cooperative Finance Corporation (CFC). The Board and staff spent considerable time discussing and reviewing various financing options, loan amounts, interest rates and terms that are available. BOB EVANS moved to borrow the funds from CFC with a 10-year term. CATHY KOMBOL seconded the motion, which carried unanimously.

10. OPERATIONS AND SAFETY REPORT. LINE SUPERINTENDENT RIKALA was pleased to report that OWEN THATCHER was promoted to the foreman position in Roundup and will begin working in that role on June 28th. RIKALA believes THATCHER will do a great job. RIKALA told the Board that ROUNDUP'S APPRENTICE LINEMAN BROCK PYRAH has completed his apprenticeship program and will likely test in September to become a journeyman lineman. RIKALA reported on the outages that occurred during the month. RIKALA reported that on June 11th, five of Fergus Electric's operations team volunteered to assist McCone Electric's crews in repairing damages that resulted from a severe thunderstorm. McCone had 81 transmission poles, 170 three-phase and 100-plus single-phase poles break off from the high winds. Crews worked throughout the week, during some 100-plus degree temperatures, to help get power restored. They returned home June 17th.

11. INVENTORY OF WORK ORDERS. No work orders were closed in May 2021.

12. POWER OUTAGE REPORT. The Board reviewed the May 2021 Outage Report.

13. BOARD POLICY 220 – ALLOCATING, VESTING, AND RETIRING CAPITAL CREDITS. The Board reviewed Policy 220.

14. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported that it had been a busy month having worked on several items of importance to the cooperative. COUNSEL BIRDWELL reported that he will be taking a two-day online course relevant to the utility industry from a legal perspective.

15. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY reported that he met with NANCY SCHLEPP, VICE PRESIDENT OF COMMUNICATIONS AND CORPORATE SECRETARY for Black Butte Copper Mine. SCHLEPP provided an update on the mine and gave SWEENEY a tour of the new roads and retention ponds. MANAGER SWEENEY said that he and PRESIDENT PAUL DESCHEEMAERKER attended the Basin Electric Cooperative Board meeting in June and gave a presentation on the history of the relationship between Fergus and Basin. The wholesale power contract and parity adder were discussed. The Basin Board members were appreciative of the meeting.

16. SAFETY. LINE SUPERINTENDENT DALE RIKALA reported that in-house pole top/bucket truck rescue and Mayday training occurred on June 23rd.

17. ESTATE CAPITAL CREDITS. The Board reviewed the May/June 2021 list of estate capital credits in the amount of \$19,641.70 prepared by SUSAN HINKLEY. BRETT MAXWELL moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

18. 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 also reviewed.

19. OTHER BUSINESS.

20. FUTURE MEETINGS.

- a. MECA Summer Board Meeting July 7-8
- b. Basin Electric Cooperative Board Meeting, July 13-15
- c. Safety Meeting, July 15
- d. PRECorp/Members 1st Board Meeting, July 21
- e. FEC Board, August 5, and August 30

21. NEWS FROM THE DISTRICTS.

22. ADJOURNMENT. VICE PRESIDENT TERRY FROST adjourned the meeting at 12:22 p.m.

SECRETARY



ATTEST: PRESIDENT

