

MINUTES
GENERAL BOARD MEETING, AUGUST 21, 2025
FERGUS ELECTRIC COOPERATIVE, INC.

1. GENERAL MEETING CALLED TO ORDER. The Fergus Electric Cooperative, Inc. Board of Trustees met in general session August 21, 2025, in the boardroom of Fergus Electric Co-op's Roundup facility, with PRESIDENT TERRY FROST calling the meeting to order at 10:18 a.m. JANINE RIFE DIDIER was scrivener. The Board Members in attendance were BRAD ARNTZEN, PAUL BRADY, BOB EVANS, CATHY KOMBOL, BRETT MAXWELL, and JASON SWANZ. Other attendees included GENERAL MANAGER CARSON SWEENEY, OFFICE MANAGER SALLY HORACEK, LINE SUPERINTENDENT BRET OPHUS, ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE and CORPORATE COUNSEL KRIS BIRDWELL. The attendees recited the Pledge of Allegiance.

2. APPROVAL OF AGENDA. After reviewing the August 21, 2025, meeting agenda, JASON SWANZ moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.

3. MINUTES APPROVAL. After reviewing the general board meeting minutes of July 30, 2025, and discussing them, BOB EVANS, moved to approve them. PAUL BRADY seconded the motion, which carried unanimously.

4. PUBLIC COMMENT PERIOD – JIM JOHNKE: FLATWILLOW HALL UPGRADES. The Board welcomed Fergus Electric Co-op member and south Winnett area rancher, JIM JOHNKE. JOHNKE requested to meet with the Board regarding making upgrades to the 105-year-old 80-foot x 50-foot Flatwillow Hall. JOHNKE asked whether Fergus Electric would donate approximately one hundred feet of material plus labor to change the overhead service to underground. JOHNKE said that the hall has historically been used for dances. There is a good, forced air furnace in it. The hall is not handicapped accessible, and it does not have indoor restrooms. The conservation district has used it for meetings. The hall has folding chairs for 200 people. It is a Montana and National historical site. JOHNKE said that it is a non-profit community hall. In addition to requesting donated labor and material from the Co-op for a new underground electrical service, other items they hope to upgrade include installing new windows and adding new stucco. The Flatwillow Hall will be seeking grants and starting a fundraiser as they anticipate the total upgrades will cost approximately half a million dollars. JOHNKE anticipates the Flatwillow community will use the hall for wedding receptions and anniversary celebrations once it is updated. The Board thanked JIM JOHNKE and would give his request consideration.

5. PLANNING.

- i. **2026 RATES.** GENERAL MANAGER CARSON SWEENEY reported that Basin will be increasing rates by approximately 10 percent. SWEENEY said that he will have Fergus Electric's 2026 rate increase information available for next month's board meeting.
- ii. **WILDFIRE MITIGATION PLAN PUBLIC COMMENT PERIOD.** GENERAL MANAGER CARSON SWEENEY reported that he would like the Wildfire Mitigation Plan 45-day public review and comment period to run from September 15, 2025, through October 30, 2025. The notice will be posted in draft mode online and will be published in the Saturday, Wednesday, and Saturday newspapers.
- iii. **MECA ANNUAL MEETING – PAC AUCTION.** OFFICE MANAGER SALLY HORACEK asked for Board comments regarding Fergus Electric offering Charlie Russell Chew Choo Tickets, Polar Express Tickets, and a night at the Calvert Hotel as its PAC Auction donation item. The Board approved HORACEK moving forward with obtaining the items for the PAC Auction.
- iv. **NRECA Region 7/9 Meeting.** After a brief discussion, the Board agreed BOB EVANS will be the voting delegate and MANAGER CARSON SWEENEY will be the alternate for the NRECA Region 7/9 meeting October 6-8 in Bellevue, Washington.

6. FINANCIAL AND OTHER MONTHLY REPORTS. Staff presented financial and other monthly reports to the Board for discussion.

- a. **OPERATING AND RATIOS REPORTS.** OFFICE MANAGER SALLY HORACEK reviewed the July 31, 2025, Form 7 operating report. JANINE RIFE DIDIER reviewed the July 31, 2025, ratios report.

- b. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT BRET OPHUS reported that today, August 21, MECA'S SAFETY INSTRUCTOR JERRY LEMM is leading the safety meeting in Lewistown. LEMM will be providing instruction on Medical / Exposure Records and OSHA reporting, Crane Signal and Signalperson Review, Job Briefings / Tailboard Review and Hand and Power Tool Safety / Machine Guarding. OPHUS stated that the September safety meeting will be the annual benefits update by NRECA REPRESENTATIVE LORI SLABODA. SLABODA will cover insurance, retirement, and investments. Within the next month, we will have Red Rock Power Company assist with pole changes and some conductor upgrades. They will be working out of the Utica and Straw Substations to start. ROW clearing on Indian Hill is complete and the crew hired to clean and stack branches and smaller trees did a fine job. ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE reported on the improvements made with the sectionalizing equipment. NELLERMOE said that it has really reduced the number of complaints of blinks on the power lines.
- c. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 641-641X for \$189,856.12 dated July 31, 2025, CATHY KOMBOL moved to affirm them. JASON SWANZ seconded the motion, which carried unanimously.
- d. **POWER OUTAGE REPORT.** LINE SUPERINTENDENT BRET OPHUS reviewed the July 2025 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.

7. POLICIES.

a. Review:

- i. **202 – CONSULTANTS.** The Board reviewed Board Policy 202.
- ii. **203 – TRUSTEE EXPENSES AND FEES.** The Board reviewed Board Policy 203.
- iii. **204 – TRUSTEE OR EMPLOYEE LOANS AND / OR PURCHASES OF MATERIAL, EQUIPMENT, ETC.** The Board reviewed Board Policy 204.

8. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL thanked the Board and MANAGER SWEENEY for sending him to the cooperative-based legal counsel seminar in Providence, Rhode Island that he attended. BIRDWELL said that it was a worthwhile conference.

9. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY covered items included in his written report. SWEENEY reported that CHS will need until late summer 2026 to complete construction and begin using power. Therefore, SWEENEY will mostly leave them out of the expense budget for 2026. SWEENEY said that he very much appreciated being able to accept the invitation to travel to Cambridge, Massachusetts to attend the three-day Harvard Professional and Executive Development Program. SWEENEY said that his class of 30 electric cooperative executives were given the opportunity to develop relationships across the industry while collectively learning from three Harvard Professors. The class, events, and meals were sponsored by CFC, Federated Insurance, and NRTC. SWEENEY said that the classes were excellent. SWEENEY reported that he, STAKING ENGINEER SCOTT OLSON and VantagePoint Consultants, worked together to finalize Fergus Electric's Wildfire Mitigation Plan. After the public comment period and the public meeting, the Co-op has 60 days to consider the public input and approve/ commence a wildfire mitigation plan no later than December 31, 2025. SWEENEY said that he will use the non-board approved rates from the Basin Annual Meeting in his budgeting process to fully understand its impact on the Co-op's members and large industrial loads. SWEENEY explained non-coincident peak and coincident peak to the board meeting attendees.

10. MEETING REPORTS.

- a. **BASIN ANNUAL MEETING, AUGUST 12-15, BISMARCK, ND – TERRY/JASON/CARSON.** The group reported on the rate increase discussions that occurred during the meeting.

11. EXECUTIVE SESSION.

- a. **ESTATE CAPITAL CREDITS.** The Board reviewed the list of estate capital credits for August 2025 totaling \$31,349.59, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. JASON SWANZ moved to affirm the retirement and BRETT MAXWELL seconded the motion, which carried unanimously.

b. **DELINQUENT STATUS, NEW MEMBERS.** The Board reviewed the delinquent accounts showing accounts paid in full and accounts still owing.

12. OTHER BUSINESS.

a. **CORPORATE RESOLUTION.** CORPORATE COUNSEL KRIS BIRDWELL stated that he is finishing the purchase of approximately one acre of land from CHS for one hundred dollars.

13. NEWS FROM THE DISTRICTS.

14. FUTURE MEETINGS.

a. Safety Meeting; September 25, 2025

b. FEC Board Meetings 2025:

i. September 25 – 10:00 a.m.

ii. October 30 – 10:00 a.m.

iii. November 25 – 10:00 a.m.

c. MECA Annual Meeting: Great Falls, MT; September 30 – October 1

d. NRECA Region 7/9 Meeting: Bellevue, WA; October 6-8

e. MECA Winter Meeting: Great Falls, MT; December 2-3

f. MidWest Electric Consumers Association Annual Meeting: December 9-11; Denver, CO

g. Members 1st Board Meeting: December 15, Sheridan WY

15. NEWS FROM THE DISTRICTS.

ADJOURNMENT. PRESIDENT TERRY FROST adjourned the meeting at 1:25 p.m.

SECRETARY Braden Amstutz ATTEST: PRESIDENT Terry Frost