

**MINUTES
GENERAL BOARD MEETING
AUGUST 27, 2015
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session August 27, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 9:00 a.m. TERRY FROST was secretary and JANINE RIFE DIDIER was scrivener. Other board members present were DAVID DOVER, JASON SWANZ, PAUL DESCHEEMAERKER, BRAD ARNTZEN and MIKE VLASTELIC. CORPORATE COUNSEL KRIS BIRDWELL, GENERAL MANAGER SCOTT SWEENEY, OFFICE MANAGER SALLY HORACEK and guest attendee MIKE EASLEY 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, MIKE VLASTELIC moved to approve it. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
- 4. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the July 30, 2015 general meeting and discussing them, TERRY FROST moved their approval. DAVID DOVER seconded the motion, which carried unanimously.
- 5. APPROVAL OF BOARD POLICIES 103 AND 104.** The Board reviewed Policy 103.0 - Delegation from the Board of Trustees to the Manager. As there were no changes, JASON SWANZ moved to approve Policy 103.0 as written. DAVID DOVER seconded the motion, which carried unanimously. After reviewing Board Policy 104.0 - Statement of functions for committees of the Board of Trustees, MIKE VLASTELIC moved to approve Policy 104.0 with changes. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
- 6. APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 566-566X for \$47,353.41 and 566-566X (A) for \$4,942.56 ending July 31, 2015, DAVID DOVER moved their approval. TERRY FROST seconded the motion, which carried unanimously.
- 7. AFFIRMATION OF CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the August 2015 estate capital credit retirements for \$5,478.61 prepared by SUSAN HINKLEY. PAUL DESCHEEMAERKER moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.
- 8. FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. Included in the items thus seen was the July operating report prepared by OFFICE MANAGER SALLY HORACEK, and the July analysis of operating statistics, prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
- 9. OPERATIONS REPORT.** The Board considered the August 20, 2015 report prepared by LINE SUPERINTENDENT DALE RIKALA outlining operations and maintenance, engineering and safety. RIKALA reported that in 2015, line crews have added 232 new poles and retired 180 old poles. To date, line crews have installed 40 new meters. On August 19, a four-person team made up of individuals from electric co-ops and MECA conducted Fergus Electric's three-year accreditation inspection. The team observed crews, inspected substations and the office/warehouse, reviewed documents and looked at our overhead and underground facilities. The team was pleased with the co-op's performance and offered a few recommendations for improvement.
- 10. POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through July prepared by VANGIE McCONNELL.

11. SOUTHERN BOARD – AUGUST 26, 2015. DAVID DOVER, JASON SWANZ and SCOTT SWEENEY reported that Southern’s decision to remove the fence was approved. Beartooth is on schedule to exit Southern on October 31. There were 16 bid packets mailed out to interested parties for the sale of both Southern and SME lands near the Highwood Generating Station. Bids are due October 6 and will be opened on October 8.

12. PRECORP’S CEO REVIEWS WHOLESALE POWER SUPPLY CONTRACT. The Board welcomed MIKE EASLEY, CEO of Powder River Energy Corporation (PRECorp) whom they had invited to speak about the power supply contract. A lengthy discussion covering the contents of the wholesale power supply contract took place. PRECorp is requesting that Fergus sign the PRECorp Class C Membership and Electric Service Agreement and the Class C Member Wholesale Power Contract at its September board meeting. MR EASLEY invited the Fergus Board to attend the PRECorp September board meeting so further discussion could take place between Fergus, Tongue River and PRECorp concerning the Wholesale Power Contract.

13. BOARD STRATEGIC THINKING AND PLANNING SESSION. The Board discussed plans to use the services of a facilitator at its strategic thinking and planning session planned for November 17-19 at Chico Resort. MANAGER SWEENEY will contact WILL LUTGEN, former NWPPA executive director who engages in consulting/board retreat work. PRESIDENT BOB EVANS asked the directors to bring topic recommendations to the September board meeting.

14. APPROVAL OF MECA ANNUAL MEETING VOTING DELEGATES. DAVID DOVER moved to appoint PAUL DESCHEEMAEKER as voting delegate, JASON SWANZ as the alternate voting delegate, MIKE VLASTELIC as primary voting delegate and BOB EVANS as secondary voting delegate to the Montana Electric Cooperatives’ Association (MECA) annual meeting. BRAD ARNTZEN seconded the motion, which carried unanimously.

15. APPROVAL OF CFC ANNUAL MEETING VOTING DELEGATE. MIKE VLASTELIC moved to appoint PAUL DESCHEEMAEKER as CFC voting delegate at the Region 9 annual meeting. DAVID DOVER seconded the motion, which carried unanimously.

16. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported that he worked on capital credit issues and on telephone/cellphone related privacy issues related to using automated telephone notification systems, which both the Federal Communications Commission (FCC) and the Telephone Consumer Protection Act (TCPA) are reviewing.

17. TODAY’S MEMBER PROGRAM CANDIDATES. PAUL DESCHEEMAEKER recommended JEREMY and JESSIE OLSEN to represent Fergus Electric as Today’s Members at MECA’s Annual meeting. The Board concurred.

18. 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.

19. FUTURE MEETINGS.

- a. Safety, September 9, Safety vs Risk; ATV & Snowmobiles & Hypothermia; Safety Meetings & Work Habits, Co-op headquarters, and
- b. Safety, September 16, Insurance, Retirement & Investment Update, Mike Stiff/NRECA, Co-op headquarters
- c. PRECorp Board, September 17, Sheridan
- d. Southern Board, September 23 & October 21, Billings
- e. SME Board, September 23 & October 21, Billings (Mtg. dates ??)
- f. FEC Board, September 24, October 29, 9 a.m. & December 4 (Nov. meeting)
- g. NRECA Region 9, September 28-October 1, Salt Lake City
- h. NRECA Course 914.1 – Cooperative Communications and Public Opinion: The Director’s Perspective, October 5, Great Falls
- i. MECA Annual and Today’s Member Program, October 5-8, Great Falls

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

21. **ADJOURN.** PRESIDENT BOB EVANS adjourned the meeting at 3:58 p.m.

SECRETARY *Tommy Frost*

ATTEST:
PRESIDENT *Bob Evans*

