

**MINUTES
GENERAL BOARD MEETING, MARCH 7, 2018
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session March 7, 2018 with VICE PRESIDENT PAUL DESCHEEMAEKER calling the meeting to order at 10:00 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, CATHY KOMBOL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL, ASSISTANT GENERAL MANAGER DAVID DOVER, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK and FINANCIAL ANALYST JANINE RIFE DIDIER were also present. BOARD PRESIDENT BOB EVANS participated through a conference call. 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, JASON SWANZ moved to approve it. TERRY FROST seconded the motion, which carried unanimously.
- 4. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the January 31, 2018 general meeting and discussing them, JASON SWANZ moved their approval. TERRY FROST seconded the motion, which carried unanimously.
- 5. METER DATA MANAGEMENT.** MANAGER SWEENEY reported that he had signed an agreement with NISC to purchase and activate a Meter Data Management System (MDMS). He also reviewed several meter types and their capabilities. Costs for the various types will be discussed at the next board meeting.
- 6. METER DEPARTMENT.** MANAGER SWEENEY reported that with current METER TECHNICIAN KERBY DURBIN retiring in March, the department will be shorthanded. SWEENEY would like to make some in-house personnel changes, which could also include hiring another lineman.
- 7. TRUCK GARAGE.** LINE SUPERINTENDENT DALE RIKALA reported that steel for the truck garage was delivered and paid for. Construction will begin after the snow and frost are gone.
- 8. PRECORP/MEMBERS 1ST.** ASSISTANT GENERAL MANAGER DAVID DOVER participated in a conference call with PRECorp's board February 22.
- 9. BLACK BUTTE COPPER MINE PROJECT.** DAVID DOVER, SCOTT SWEENEY and Staff met with JOHN SHANAHAN and BOB JACKO of Sandfire American Resources, formerly Tintina, regarding progress on the new mine.
- 10. SIGNAL PEAK COAL MINE.** Representatives from the coal mine: CEO BRAD HANSON, CONTROLLER DARRELL ROLAND, ACCOUNTING MANAGER CLIFF PINKERTON and ELECTRICAL MANAGER MIKE LUCAS met with the Board and Management and gave an interesting presentation on mine operations. They were especially proud of four safety awards they have received. MANAGER SWEENEY told the mine representatives that the co-op was pleased to work with them and appreciated their on-time payments.
- 11. FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. The reports included the January operating report prepared by OFFICE MANAGER SALLY HORACEK and January analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.



- 12. OPERATIONS REPORT.** The Board considered the March 2, 2018 report prepared by LINE SUPERINTENDENT DALE RIKALA outlining operations and maintenance, engineering and safety. RIKALA reported that new services have been connected in the Harlowton, Grass Range, Roy, Benchland and Buffalo areas. Also, crews have been busy repairing wires and poles that have been damaged by members removing snow. A high voltage demonstration was given for Casino Creek Concrete and CPR, First Aid and AED training took place at the February 15 Safety meeting.
- 13. POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January prepared by VANGIE McCONNELL.
- 14. 50kV REBUILD.** MANAGER SWEENEY reported that Fergus and PRECorp are working on the rebuild from Carters Substation north towards Hilger. STAKING ENGINEERS GUY JOHNSON and MELANIE FORAN drove the route with PRECORP ENGINEER JAMES CARLIN. They primarily looked at snow drifts ☺.
- 15. NEW METERING SYSTEM.** MANAGER SWEENEY noted that Fergus and PRECorp are continuing to work together on a new metering system. Plans are to have recommendations to the Board at the next meeting.
- 16. REVENUE DEFERRAL PLAN.** The Rural Utility Service (RUS) has approved Fergus Electric's request to defer funds from 2017 forward to 2018 and 2019.
- 17. BUCKET TRUCK.** MANAGER SWEENEY reported that the new bucket truck for Roundup arrived and the final cost was \$267,000.
- 18. DIRECTOR FOR DISTRICT 2.** Discussion covered the appointment of a director for District 2. Several members expressed an interest. Discussion will continue at the next board meeting.
- 19. NOMINATING COMMITTEES.** The following members comprise the nominating committees: District 3. DIRK HASSLER, RON HEGGEM and ROGER BERG; District 5 - JIM PEDRAZZI, GIL MAJERUS and SAM OHANESIAN; District 7 - JIM DYE, WES DEEGAN and KEON HOLZER.
- 20. RUS.** RUS FIELD REPRESENTATIVE DENVER SCHLAEPP, is scheduled to meet with staff to complete an RUS System Operation and Maintenance Review covering 2014 - 2017. The purpose for the review is to provide information on the electric borrowers' O&M practices.
- 21. ENBRIDGE.** NICK KANESKI, Energy Management Specialist for Enbridge (Express Pipeline), met with staff about billing and other procedures.
- 22. BOARD POLICY 241 - IDENTITY THEFT PREVENTION.** The Board reviewed Policy 241 and BRAD ARNTZEN moved to amend it. JASON SWANZ seconded the motion, which carried unanimously. A copy is attached.
- 23. BOARD POLICY 242 - WHISTLEBLOWER COMPLAINT PROCEDURE.** The Board reviewed Policy 242. No changes were made.
- 24. BOARD POLICY 243 - CAPITAL CREDIT ALLOCATION.** After reviewing Policy 243, TERRY FROST moved to amend it. BRAD ARNTZEN seconded the motion, which passed unanimously. A copy is attached.
- 25. ADDITION TO SECTION 7.2 OF ARTICLE VII OF THE BYLAWS.** After reviewing the suggested language for Section 7.2 of Article VII of the Bylaws, JASON SWANZ moved to present the new language to the membership at the June 7 annual meeting for approval. BRAD ARNTZEN seconded the motion which carried.
- 26. REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reviewed amendments to Board Policy 220 - Allocating, Vesting, and Retiring Capital Credits.

27. **ESTATE CAPITAL CREDITS.** The Board reviewed the February 2018 estate capital credit retirements of \$9,886.13 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which passed unanimously.

28. **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.

29. **FUTURE MEETINGS.**

- a. Credentialed Co-op Director, Course 2620 – Board Operations and Process, Lewistown, Mar. 13
- e. Credentialed Co-op Director, Course 2640 – Financial Decision Making, Lewistown, Mar. 14 & 15
- f. Safety – Annual Hearing Tests, Weed Identification by Extension Agent, and Meth Lab and Active Shooter by Sheriff, Mar. 14
- g. PRECorp/Members 1st, Sundance, Mar 19 – 20
- g. Board, March 29, April 26, May 30
- h. BLC 929.1 – Current Issues in Policy Development, Great Falls, Apr.3
- g. MECA Board, Apr. 4 & 5, Great Falls
- h. NRECA Legislative Conference, Washington, D.C. Apr. 8-10
- i. FEC Annual Meeting, June 7

30. **NEWS FROM THE DISTRICTS.**

31. **ADJOURN.** VICE PRESIDENT PAUL DESCHEEMAEKER adjourned the meeting at 4:00 p.m.

SECRETARY



ATTEST: PRESIDENT



 Auditors ✓

