

**MINUTES – BOARD MEETING
SEPTEMBER 29, 2017
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session on September 29, 2017 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 DESCHEEMAER, DAVID DOVER, CATHY KOMBOL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK and FINANCIAL ANALYST JANINE RIFE DIDIER 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 or item of interest or importance to them. No member appeared.
3. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRAD ARNTZEN 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 August 31, 2017 general meeting and discussing them, JASON SWANZ moved their approval. DAVID DOVER seconded the motion, which carried unanimously.
5. **TRUCK GARAGE.** LINE SUPERINTENDENT DALE RIKALA reported that details of the project would be submitted to the State by November 1.
6. **HANDICAPPED PARKING.** LINE SUPERINTENDENT DALE RIKALA reported that work had started on the handicap parking near the office entrance to the headquarters building.
7. **NEW METERING SYSTEM.** A conference call with RICH HALLORAN of PRECorp covered a new metering system that PRECorp and Fergus are bidding together. HALLORAN reviewed several brands of AMI's (Advanced Metering Infrastructure) covering their strong points and weaknesses. AMI's can remotely connect and disconnect systems and offer "pay as you go" programs. The Board discussed the advantages and disadvantages of power line carrier systems and radio frequency systems.
8. **MEMBERS 1ST AND PRECORP BOARD.** PAUL DESCHEEMAER and SCOTT SWEENEY reported on the September 18-19 meetings in Sheridan. They noted that PRECorp stresses the importance of employees being the foundation of their company. Members 1st annual meeting is scheduled for December 20 in Sheridan.
9. **CREDIT AND DEBIT CARD COMPLIANCE.** MANAGER SWEENEY reported that NISC, our software provider, has implemented security standards set by the Payment Cardholder Industry (PCI) for processing credit and debit card transactions. Instead of cooperative staff accepting card information, members will now use a toll-free number or internet services to make payments.
10. **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 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.
11. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through August prepared by VANGIE McCONNELL.



12. **OPERATIONS REPORT.** The Board considered the September 25, 2017 report prepared by LINE SUPERINTENDENT DALE RIKALA outlining operations and maintenance, engineering and safety. RIKALA reported that new underground cable has been plowed for a service to pump water in the Middle Fork of the Flatwillow. The other plow jobs include 2 ½ miles at the base of Highwood Baldy to replace an old section of overhead in a wooded area, the Eddies Corner underground reroute, a new service at Castle Butte, and a 400-amp service south of Harlowton. MIKE STIFF, NRECA Field Representative, presented a benefits update on September 14th. He also learned at the Superintendent's Conference that co-ops are encouraged to schedule 6 - 8 safety meetings with MECA safety/loss instructors in 2018.

13. **EXECUTIVE SESSION.** At 12:45 p.m., JASON SWANZ moved to have an executive session for discussing personnel issues. TERRY FROST seconded the motion, which carried unanimously. The general meeting resumed at 2 p.m.

14. **CENTRAL MONTANA RESOURCE COUNCIL** A video featuring five solar systems in the central Montana area will be shown at the Lewistown City Library October 19. The Central Montana Resource Council assembled the video. JANINE RIFE DIDIER and MELANIE FORAN will attend the screening.

15. **BOARD RETREAT CONFERENCE CALL.** In a conference call, WILL LUTGEN, moderator for the November 2 -3 board retreat, reviewed items to be presented for discussion. Topics included industry at large, mission statement, board policies, updating 2015 goals, strategic planning, changes such as solar and wind, and succession planning.

16. **SIGNAL PEAK AND EXPRESS PIPELINE.** The combined load factor for Signal Peak was 57.9% for the month of August. The load factor for August for Express Pipeline was 69.3%.

17. **BOARD POLICY 227.0 - HARASSMENT AND/OR DISCRIMINATION.** After a review of Board policy 227.0, DAVID DOVER moved to amend it with BRAD ARNTZEN seconding it. The motion passed, and a copy is attached.

18. **BOARD POLICY 231.0 - CONTROLLED SUBSTANCES AND ALCOHOL USE.** After reviewing, TERRY FROST moved to approve Policy 231.0 as amended. JASON SWANZ seconded the motion, which carried unanimously. A copy is attached.

19. **REPORT OF CORPORATE COUNSEL.** KRIS BIRDWELL, CORPORATE COUNSEL for the cooperative, presented items of importance for the Board's consideration.

20. **NRECA 401(K) PENSION PLAN RESOLUTION.** After a review, TERRY FROST moved to approve the Clarifying Resolution Authorizing the Amendment of the NRECA 401(k) Pension Plan regarding the Employer Matching Contribution. BRAD ARNTZEN seconded the motion, which carried unanimously. A copy is attached.

21. **NRECA 401(K) PENSION PLAN ADOPTION AGREEMENT.** After reviewing the Adoption Agreement "A" 401(k) Pension Plan to remove the \$1,479.00 benefit and to increase the employer matching contribution from 1% to 2.5% of the participants compensation, DAVID DOVER moved to approve it. JASON SWANZ seconded the motion, which passed unanimously.

22. **NRECA COURSE 2630.0.** CATHY KOMBOL, DAVID DOVER and BOB EVANS attended the CCD Course - Strategic Planning. For KOMBOL it was new training and for DOVER and EVANS, it was a review.

23. **AFFIRMATION OF CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the September 2017 estate capital credit retirements for \$18,531.47 prepared by SUSAN HINKLEY. JASON SWANZ moved to affirm the retirements and PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.

24. **CAPITAL CREDIT DISTRIBUTION.** DAVID DOVER moved to distribute the remainder of capital credits for 1984 and all the capital credits for 1985. TERRY FROST seconded the motion, which carried unanimously.

25. **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.

26. **FEDERATED REGION 9 VOTING DELEGATE.** PAUL DESCHEEMAEKER moved to appoint BRAD ARNTZEN as Fergus Electric's voting delegate to the Federated Annual Meeting in conjunction with Region 9 in Denver, October 16 – 18. TERRY FROST seconded the motion, which passed.

27. **FUTURE MEETINGS.**

- a. Tintina Mine Tour, Nov. 1
- b. NRECA Course 943.1 – Conversation Skills Outside the Boardroom, Oct. 2
- c. MECA Annual/ Today's Members, Great Falls – Oct. 2 – 5
- d. Safety; Dog Bite Prevention, Safety vs. Risk Logic, Ergonomics, Gordon McConkey of MECA; Flu Immunizations – Oct. 5
- e. Region 7 & 9, Denver, Oct. 16 – 18
- f. Members 1st/PRECorp, Sundance, Oct. 19
- g. Basin MAC, Sioux Falls, October 19-20
- h. Board, Oct. 27, Dec.1, Dec. 21, Jan. 25
- i. Strategic Planning, Nov. 2 – 3
- j. Basin Annual, Bismarck, Nov. 7 – 9
- k. Christmas Dinner, Tall Boys, Hobson, Dec. 1

28. **NEWS FROM THE DISTRICTS.**

29. **MEETING ADJOURNED.** PRESIDENT BOB EVANS adjourned the meeting at 3:30 p.m.

SECRETARY

Terry Frost

Attest: PRESIDENT

Bob Evans