

**MINUTES
GENERAL BOARD MEETING
FEBRUARY 29, 2012
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session February 29, 2012 with PRESIDENT BOB EVANS calling the meeting to order at 10 a.m. JASON SWANZ was assistant secretary and VANGIE McCONNELL was scrivener. Other board members present were PAUL DESCHEEMAERKER, JOE DIRKSON, DAVID DOVER and MIKE VLASTELIC. CORPORATE COUNSEL WILLIAM A. SPOJA, GENERAL MANAGER SCOTT SWEENEY and ASSISTANT MANAGER MIKE STANLEY were also present. TERRY FROST was absent. The Pledge of Allegiance was recited.
2. **ASSISTANT SECRETARY APPOINTED.** In the absence of SECRETARY TERRY FROST, JOE DIRKSON moved to appoint JASON SWANZ as assistant secretary. MIKE VLASTELIC moved to approve the motion by unanimous ballot. PAUL DESCHEEMAERKER seconded the motion which carried unanimously.
3. **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 at this meeting.
4. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, DAVID DOVER moved to approve it. JOE DIRKSON seconded the motion which carried unanimously.
5. **APPROVAL OF MINUTES OF PREVIOUS GENERAL MEETING.** After reviewing the minutes of the January 31, 2012 general meeting and discussing them, JOE DIRKSON moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
6. **NOMINATING COMMITTEES.** MANAGER SCOTT SWEENEY reported that the nominating committees met and set dates for their district meetings: District 3 – new Hilger Fire Hall, March 12, 6:30 p.m.; District 5, Roundup – Busy Bee, March 12, 6 p.m. and District 7 – Windham Bar 87, March 15, 6 p.m.
7. **MEMBER ADVISORY COMMITTEE.** PRESIDENT BOB EVANS, TRUSTEE PAUL DESCHEEMAERKER and MANAGER SWEENEY along with committee members BRAD ARNTZEN, JOE WHISONANT, KIM KUZARA, BOB LEE and STEVE MICHELS attended the Advisory Committee meeting on February 9 at 6:30 p.m. The committee gave a number of good suggestions for topics to be discussed at future meetings. The next monthly meeting is set for March 20 at 7 p.m.
8. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 524-524X for \$54,765 and 524-524X (A) for \$75.38 ending January 31, 2012, DAVID DOVER moved their approval. MIKE VLASTELIC seconded the motion, which carried unanimously. This includes \$38,588.50 in pole replacements.
9. **REVIEW OF NEW BILLING SCHEDULE.** MANAGER SWEENEY reviewed with the Board the new billing software and schedule implemented by NISC. Member electrical billing statements will be mailed around the 5th of the month, will be received around the 12th and the due date changes to the 25th of the month.
10. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for their perusal and discussion. Included in the items thus seen were the following: The January 31, 2012 Form 7 prepared by SALLY HORACEK, analysis of operating statistics prepared by MIKE STANLEY and new member list prepared by ERIKA MATTALIANO. Other topics were also discussed.
11. **OPERATIONS REPORT.** The Board considered the operations and maintenance, engineering and safety report of 02/24/2012 prepared by LINE SUPERINTENDENT DALE RIKALA. RIKALA reported that to date, 3 new meters have been installed. 101 new poles have been added and 98 have been retired of which 95 were junked. The February 15 safety meeting covered OSHA compliance issues presented by ART KING of MECA.
12. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January prepared by VANGIE McCONNELL.
13. **CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the February capital credit estate retirements for \$14,576.20 prepared by SUSAN HINKLEY. JASON SWANZ moved to approve the retirements and JOE DIRKSON seconded the motion which carried unanimously. A copy is attached.
14. **REPORT OF LEGAL COUNSEL.** CORPORATE COUNSEL SPOJA reported that he had worked on several contracts for the cooperative.
15. **DELINQUENT ACCOUNTS.** The Board reviewed a list of delinquent accounts.

16. **WEBSITE PRESENTATION.** KATHERN EVANS gave a presentation on criteria for a user-friendly website. She recommended ways to improve Fergus Electric's website and also suggested that a website committee be formed.

17. **TRANSMISSION LINE.** The 2012 budget includes engineering and right-of-way for rebuilding 24 miles of 50kV transmission line replacement from Winnett Junction to Winnett. .

18. **BYLAWS AND TRANSPARENCY POLICY.** MECA and Southern Montana are working on bylaw changes for the G&T's. MECA is also working on a co-op transparency policy. MANAGER SWEENEY suggested that, when completed, Fergus Electric adopt the changes.

19. **HIGH LOADS.** MANAGER SWEENEY noted that high loads are becoming a real problem. The loads are going to the oil sands in Alberta. It is estimated that 200 loads will move through the area in the near future. There are 120 crossings where Fergus Electric crews must raise wires. This involves one long day or a day and a half with power interruptions. To accommodate a load of 25 feet, STAKING ENGINEER GUY JOHNSON estimated it could cost 1.5 million dollars to bury the lines under the highway, which the high load mover will pay.

20. **SOUTHERN MONTANA BANKRUPTCY.** A number of meetings in regard to the bankruptcy have taken place and are scheduled.

21. **SME AND SOUTHERN MONTANA REPRESENTATIVE.** MIKE VLASTELIC moved and JASON SWANZ seconded the motion to cast a unanimous ballot for JOE DIRKSON to represent Fergus Electric on the SME and Southern Montana boards and to represent the cooperative at all meetings of the two organizations. The motion carried unanimously. Copies of the resolutions are attached.

22. **FEMA.** To date, Fergus Electric has received four checks from FEMA for flood-related damage - \$150,000. An additional \$20,000 may be paid as well.

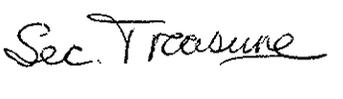
23. **3-RIVERS ANNUAL MEETING.** BOB EVANS was appointed to attend the 3-Rivers Telephone Cooperative's annual meeting set for March 19.

24. **FUTURE MEETINGS.** Nominating committees, Mar. 12 and 15
Safety – Hazardous Energy Control, Safety Meetings, Work Habits and Stray Voltage, Mar 14
Member Advisory Committee, Lewistown, Mar. 20
FEC Board, Tues., Mar. 27, 10 a.m.
Audit Report, Mar. 27 – Duane Smith
Central G & T Annual, Great Falls, Mar. 29
Upper Missouri G & T, Sidney, Mar. 30
NRECA Course 945.1, Under Scrutiny, Great Falls, Apr. 3
MECA Spring Board, Great Falls, Apr. 4 – 5
FEC Board, Wed. April 25, 10 a.m.

25. **NEWS FROM THE DISTRICTS.** The Board received reports from the trustees relative to events of interest or concern involving members within the area of each trustee.

26. **MEETING ADJOURNED.** With no further business to come before the Board, PRESIDENT BOB EVANS adjourned the general meeting at 4:45 p.m.


Robert D. Evans, President

 
Terry W. Frost Sec. Treasure