

**MINUTES – GENERAL BOARD MEETING  
MAY 31, 2012  
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session May 31, 2012 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 JOE DIRKSON, DAVID DOVER, PAUL DESCHEEMAER, JASON SWANZ and MIKE VLASTELIC. CORPORATE COUNSEL WILLIAM A. SPOJA, GENERAL MANAGER SCOTT SWEENEY and ASSISTANT MANAGER MIKE STANLEY were also present. The Pledge of Allegiance was recited.
2. **AGENDA APPROVAL.** TERRY FROST moved to approve the agenda. PAUL DESCHEEMAER seconded the motion which carried unanimously.
3. **APPROVAL OF MINUTES OF PREVIOUS MEETINGS.** After reviewing the minutes of the April 25, 2012 general meeting and discussing them, MIKE VLASTELIC moved their approval. JASON SWANZ seconded the motion which carried unanimously.
4. **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.
5. **WEBSITE REVIEW.** PAUL DESCHEEMAER, JANINE RIFE DIDIER and ERIKA MATTALIANO reviewed the changes and updates the Website Committee is implementing.
6. **ANNUAL MEETING AGENDA.** MANAGER SWEENEY led discussion on the agenda prepared for the June 7 annual meeting. JASON SWANZ said that a family vacation had been planned for that time, so he would not be in attendance.
7. **MEMBER ADVISORY COMMITTEE.** The third meeting of the Advisory Committee took place May 23 from 7 – 9 p.m. TERRY FROST, JANINE RIFE DIDIER and SCOTT SWEENEY were also present. It was decided that starting this summer, the committee would meet every other month. The next meeting is set for June 21.
8. **LAPTOPS/TABLETS.** ASSISTANT MANAGER MIKE STANLEY and VICE PRESIDENT DAVID DOVER reviewed with the Board using laptops/tablets to transmit reports and other information for use at the monthly meetings. The tablets will eliminate papers and postage, thus saving those expenses. Fergus Electric's software company NISC is providing assistance and support.
9. **CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the May capital credit estate retirements for \$12,294.80 prepared by SUSAN HINKLEY. JOE DIRKSON moved to affirm the retirements and TERRY FROST seconded the motion which carried unanimously. A copy is attached.
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 April operation report prepared by SALLY HORACEK, the analysis of operating statistics prepared by MIKE STANLEY, and new member list prepared by ERIKA MATTALIANO. Other topics were also discussed.
11. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 527-527X for \$181,347.64 and 527-527X(A) for \$6,003.48 ending April 30, 2012, JASON SWANZ moved their approval. DAVID DOVER seconded the motion, which carried unanimously. \$60,000 went to pole changes and \$111,000 was spent on the single-phase power line re-route, approximately five miles long, east of Bohemian Corner.
12. **OPERATIONS REPORT.** The Board considered the operations and maintenance, engineering and safety report of 05/24/2012 prepared by LINE SUPERINTENDENT DALE RIKALA. RIKALA reported that, to date, 244 new poles have been added and 225 old poles have been retired of which 187 were junked. Eleven new meters were installed. The May safety meeting included hearing tests conducted by T&S Mobile Hearing Express. LINEMEN BRET OPHUS and BRIAN GODBEY gave a presentation on fire safety and emergency action plans. Employees also practiced the proper use of hand-held fire extinguishers.
13. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through April by VANGIE McCONNELL. The majority of power interruptions were weather related.
14. **AMENDMENT AND RESTATEMENT OF THE RETIREMENT SECURITY AND 401(K) PENSION PLANS.** After a brief review, MIKE VLASTELIC moved to approve signing the Resolution of the Board of Trustees authorizing the Amendment and Restatement of The NRECA Retirement Security and 401(k) Plans. JOE DIRKSON seconded the motion which carried unanimously. A copy is attached.

15. **REPORT OF LEGAL COUNSEL.** CORPORATE COUNSEL SPOJA reported that he had reviewed the resolution authorizing the amendment and restatement of the Retirement Security and 401(k) Pension Plans and worked with management on several issues.

16. **MANAGER'S REPORT.** MANAGER SWEENEY covered the following: Signal Peak coal mine, co-op transparency policy and bylaw changes for G & Ts, MECA and Central bylaw changes, high loads, music at annual meeting, CFLs, survey questions for annual meeting, phone notification for annual meeting, recording hours the Board works for the cooperative, Highwood Generating Station, exempt tax form, property taxes paid to 12 counties, and website photo contest.

17. **NWPPA CONFERENCE.** DAVID DOVER reported on the NWPPA conference in Coeur d'Alene May 13 – 17. He said there were many excellent presentations. Topics included local trust; being open to change; education for certain segments of the membership; the economy; life styles; political commentary; dealing with infrastructure; energy imbalances; and capital requirements for generation, transmission, and distribution over the next 5 to 10 years.

18. **DELINQUENT ACCOUNTS.** The Board reviewed the delinquent account list prepared by ERIKA MATTALIANO.

**BUDGET BOOKS.** 2012 Budget books were distributed to the Board of Trustees.

**19. FUTURE MEETINGS.**

Special Board Meeting, June 7, 10 a.m.  
FEC Annual, June 7, 11 a.m.  
Reorganization Meeting, June 7, 3:30 p.m.  
Safety Meeting, Electric Burns, Job Briefings, Safety Audits, Wellness, June 12, 9 a.m.  
FEC Board, June 28, 9 a.m.  
MEC Manager's Meeting, West Yellowstone, June 19-20  
Member Advisory Committee, June 21, 7 p.m.  
MECA Summer Board, Sidney, July 10-11  
FEC Board, July 25, 9 a.m.

20. **NEWS FROM THE DISTRICTS.** Each director shared items of interest to the Board.

21. **MEETING ADJOURNED.** With no further business to come before the Board, PRESIDENT BOB EVANS adjourned the general meeting at 3:45 p.m.

SECRETARY Terry W Frost

ATTEST:  
PRESIDENT Robert Evans