

**MINUTES
GENERAL BOARD MEETING, APRIL 26, 2018
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session April 26, 2018 with PRESIDENT BOB EVANS calling the meeting to order at 9 a.m. TERRY FROST was secretary and JANINE RIFE DIDIER was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAERKER, CATHY KOMBOL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL, ASSISTANT GENERAL MANAGER DAVID DOVER, LINE SUPERINTENDENT DALE RIKALA and OFFICE MANAGER SALLY HORACEK were also present.
- 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, TERRY FROST 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 March 29, 2018 general meeting and discussing them, PAUL DESCHEEMAERKER moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 5. NEW METERING SYSTEM EVALUATED.** At 9:20 a.m., the Board welcomed RICH HALLORAN and MIKE POMMERANE of PRECorp to speak to the regular attendees and to SERVICEMAN/METER TECH BRIAN GODBEY about two types of Advanced Metering Infrastructure (AMI) systems that Fergus Electric Co-op has spent much of the past several months learning about and considering as a replacement for the co-op's current "turtle" metering system, which is obsolete and becoming increasingly more difficult to maintain. HALLORAN and POMMERANE gave detailed and comprehensive comparisons of Radio Frequency (RF) and Power Line Carrier(PLC) AMIs and allowed time for questions throughout the presentation. PRECorp's presentation concluded at 11:30 a.m. with the Board thanking HALLORAN and POMMERANE for all their work preparing facts and figures.
- 6. IMPLEMENTING NEW METERING SYSTEM.** MANAGER SWEENEY explained that as of January 1, 2021, Fergus Electric Co-op will no longer be guaranteed support of the current turtle metering system. The integration of a new metering system will have to correspond with the timeline of National Information Solutions Cooperative (NISC), Fergus Electric Cooperative's software provider. To have a new metering system fully deployed by the end of 2020, Fergus Electric needs to move forward with selecting a metering system.
- 7. NRTC/SILVER SPRING NETWORKS.** At the end of Powder River Energy Corporation's (PRECorp's) presentation on Advanced Metering Infrastructure, the Board and Management continued their discussion on the comparable, although not equal, differences between the RF and PLC metering systems to decide which would be the better option for Fergus Electric Cooperative as committing to purchasing either metering system would be a significant investment. After considerable deliberation, JASON SWANZ moved to recommend approving National Rural Telecommunications Cooperative NRTC/Silver Spring as the preferred vendor and directs staff to develop and present a project plan, plan of finance, and related equipment purchase agreements for consideration at the June Board Meeting. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 8. DISTRICT 2 DIRECTOR CANDIDATES INTERVIEWED.** At 12:30 p.m., PAUL DESCHEEMAERKER moved to go into executive session for the purpose of interviewing candidates for Board District 2, JASON SWANZ seconded the motion, which carried unanimously.
- 9. GENERAL SESSION RESUMED.** At 3:50 p.m., TERRY FROST moved to return to general session. BRAD ARNTZEN seconded the motion, which carried unanimously.

- 10. DISTRICT 2 BOARD DIRECTOR APPOINTED.** During its executive session, the Board of Directors interviewed two qualified candidates for Board Director of District 2. District 2 includes the Glengarry, Kolin and Straw substation areas as well as the Nihill West area, which includes members west of Highway 191 and north of Highway 12 in Wheatland and Meagher Counties. Upon its return to general session, the board moved forward with a vote after which TERRY FROST moved to appoint BRETT MAXWELL to fill the vacant seat in District 2 and serve as its Board Director for the two-years remaining in the current term. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 11. TRUCK GARAGE.** LINE SUPERINTENDENT DALE RIKALA reviewed progress on the proposed truck garage. BIRDWELL BUILDERS dropped off rebar. RIKALA will meet next week with BRETT BIRDWELL to go over the status of the project's progress.
- 12. SANDFIRE RESOURCES AMERICA – BLACK BUTTE COPPER MINE PROJECT.** JASON SWANZ reported that he, MANAGER SCOTT SWEENEY and ASSISTANT MANAGER DAVID DOVER met in Billings with The Bair Ranch Foundation's former and current manager and the vice president of the Trust to discuss right-of-way, easements and potential routes for constructing a new transmission power line which would serve the proposed copper mine near White Sulphur Springs.
- 13. FIRST QUARTER WRITE-OFFS.** PAUL DESCHEEMAEKER moved to approve writing off \$1,260.65 in bad debt and to continue with collection procedures as outlined in Board Policy. JASON SWANZ seconded the motion, which carried unanimously.
- 14. PRECORP BOARD AND MEMBERS 1ST.** DAVID DOVER and SCOTT SWEENEY reported on the April 17 meetings in Sundance, Wyoming which they had participated in via conference call.
- 15. FLEET MANAGEMENT.** Future options for fleet management were discussed.
- 16. ASSISTANT LINE SUPERINTENDENT POSITION FILLED.** LINE SUPERINTENDENT DALE RIKALA introduced Fergus Electric Co-op's former foreman, BRET OPHUS as the employee chosen to fill the Assistant Line Superintendent position. The Board congratulated OPHUS on his promotion.
- 17. ELECTION AND CREDENTIALS COMMITTEES.** At the May 30 general board meeting, the Board Directors will report by district the members who have agreed to serve on the election and credentials committees.
- 18. ANNUAL MEETING DISCUSSED.** The Board briefly discussed matters pertaining to the June 7 Annual Meeting.
- 19. REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL requested board approval to attend training in 2018 that is relevant to the co-op. The Board granted approval.
- 20. BOARD POLICY 219.1 – STATEMENT OF LAND OWNERSHIP.** The Board reviewed Board Policy 219.1 with no changes.
- 21. BOARD POLICY 219.2 – PROPERTY SCHEDULE.** The Board reviewed Board Policy 219.2 with no changes.
- 22. BOARD POLICY 244 – OPEN MEETINGS POLICY FOR MEMBERS.** Upon review, the Board recommended that Board Policy be amended as suggested and reviewed again next month.
- 23. BOARD POLICY 245 – OPEN RECORDS POLICY.** The board reviewed Board Policy 245 with no changes.

24. POLE CHANGEOUTS. The Board discussed various aspects of pole changeouts. The Board wants to make sure that Fergus Electric remains vigilant about the pole changeout program. With approximately 63,791 distribution poles and 4,292 transmission poles in Fergus Electric Co-op's plant, pole testing and a strong pole replacement program is essential for continued reliability.

25. MECA BOARD. TERRY FROST reported that due to inclement weather, MECA's spring meeting was held via conference call. FROST stated that Montana Electric Cooperatives' Association is in good financial shape.

26. ESTATE CAPITAL CREDITS. The Board reviewed the April 2018 estate capital credit retirements of \$35,771.95 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which passed unanimously.

27. FUTURE MEETINGS.

- a. Safety Meeting – Fusing, Capacitor Training, Field Trip to Glengarry Sub for Nova Breaker Training, Erik Bjorkman – May 29
- b. PRECorp/Members 1st, Gillette, May 22, David
- c. Board, May 30, June 28, July 26
- d. NWPPA Annual, Boise, Idaho, May 20-23, Bob and Scott
- e. FEC Annual Meeting, June 7

28. NEWS FROM THE DISTRICTS.

29. ADJOURN. PRESIDENT BOB EVANS adjourned the meeting at 4:40 p.m.

SECRETARY _____ **ATTEST: PRESIDENT** _____