

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

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session July 26, 2018 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 DESCHEEMAEKER, CATHY KOMBOL, BRETT MAXWELL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, ASSISTANT GENERAL MANAGER DAVID DOVER, CORPORATE COUNSEL KRIS BIRDWELL, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK and FINANCIAL ANALYST JANINE RIFE DIDIER 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, PAUL DESCHEEMAEKER moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 4. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the July 26, 2018 general meeting and discussing them, TERRY FROST moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
- 5. SANDFIRE RESOURCES (BLACK BUTTE) COPPER MINE.** ASSISTANT MANAGER DAVID DOVER reviewed a tentative schedule for activities regarding the mine. BOB EVANS reported on the July 3 mine tour.
- 6. NRTC – AMI METERING SYSTEM.** After discussion, the Board approved MANAGER SWEENEY to sign the contract that RICH HALLORAN and MIKE POMMERANE of PRECorp are helping to evaluate.
- 7. BOARD RETREAT.** MANAGER SWEENEY reviewed the agenda for the Board Retreat set for October 24-25 at the Judith Mountain Lodge. ERIC ANDERSON and ARRON STALLING of CFC will serve as moderators.
- 8. PRECORP/MEMBERS 1ST.** MANAGER SWEENEY and DAVID DOVER reported on the meeting that took place July 17 in Sundance, Wyoming. They noted that WHOLESALE POWER SUPPLIER BASIN ELECTRIC is in the process of reducing its number of employees to keep power rates stable. Fergus is one of 140 distribution co-ops who are members of the power supplier.
- 9. 2018 BUDGET.** After reviewing goals, administrative budget and work plan, and capital expenditures, PAUL DESCHEEMAEKER moved to approve the 2018 Budget. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 10. SUBSTATION TRANSFORMERS.** MANAGER SWEENEY reviewed the specifications and cost for two Virginia substation transformers. After discussion, the Board authorized the purchase – one immediately and the other later. Both were approved in the 2018 Budget.
- 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 June operating report prepared by OFFICE MANAGER SALLY HORACEK and June analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
- 12. OPERATIONS REPORT.** LINE SUPERINTENDENT DALE RIKALA reviewed the July 20, 2018 operations report covering operations and maintenance, engineering and safety. He noted that new services were installed in the Winnett, Cottonwood Creek, Lower Spring Creek and Roundup areas. A pre-bid meeting for the Carters Pond to Hilger transmission line is set for July 31. Bid openings are scheduled for August 10 in Lewistown. The July safety meeting included communications, flagger certification/traffic control and close calls. New MECA SAFETY INSTRUCTOR RON MINURDI directed the meeting.

- 13. TRUCK GARAGE.** LINE SUPERINTENDENT DALE RIKALA reviewed progress on the truck garage construction just north of Fergus Electric's headquarters. The facility is self-financed.
- 14. POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report prepared by VANGIE McCONNELL covering power interruptions for January through June.
- 15. REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reviewed items of importance to the Board.
- 16. BOARD POLICIES.** The following board policies were reviewed and no changes were made: Policy 111.0 – Trustee Duties and Standards of Conduct, Policy 248.0 – Procurement of Conflict of Interest, Policy 249.0 – Parental Leave, and Policy 250.0 – Luck of the Draw.
- 17. RATE CODE 1012 – NET METERED SINGLE-PHASE SERVICE FOR SERVICES LESS THAN 400 AMPS.** BRAD ARNTZEN moved to approve changes to Board Policy 513.0 – Net Metered Single-Phase Service Rate Code 1012 for Services Less than 400 AMP. CATHY KOMBOL seconded the motion, which carried unanimously. A copy of the amended rate schedule is attached.
- 18. RATE CODE 1014 – NET METERED SINGLE-PHASE SERVICE FOR SERVICES 400 AMP AND LARGER.** JASON SWANZ moved to approve changes to Board Policy 513.1 – Net Metered Single-Phase Service Rate Code 1014 for Services 400 AMP and Larger (CT Metered). TERRY FROST seconded the motion, which carried unanimously. A copy of the amended rate schedule is attached.
- 19. MECA BOARD MEETING.** TERRY FROST, Fergus Electric's representative on the MECA Board, reported on the July 10-11 meeting in Billings. PAUL DESCHEEMAERKER, CATHY KOMBOL and DAVID DOVER also attended. NRECA PRESIDENT PHIL CARSON spoke to the group encouraging attendees to be active in sharing the co-op message with political candidates. An NRECA representative reviewed the International Program.
- 20. ESTATE CAPITAL CREDITS.** The Board reviewed the July 2018 estate capital credit retirements of \$7,754.15 prepared by SUSAN HINKLEY. PAUL DESCHEEMAERKER moved to affirm the retirements and CATHY KOMBOL seconded the motion, which carried unanimously.
- 21. SECOND QUARTER WRITE-OFFS.** TERRY FROST moved to approve writing off \$3,838.45 in bad debt and to continue with collection procedures as outlined in Board Policy. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
- 22. DELINQUENT ACCOUNTS/NEW MEMBERS LIST.** The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing. A list of new members was also reviewed.
- 23. NRECA REGION 9, ANCHORAGE.** After a short discussion, JASON SWANZ nominated BRAD ARNTZEN as voting delegate to the Sept. 25-27 Region 9 meeting in Anchorage, Alaska. PAUL DESCHEEMAERKER seconded the motion which carried unanimously.
- 24. MECA BOARD REPRESENTATIVE AND ALTERNATE.** PAUL DESCHEEMAERKER moved to appoint TERRY FROST as Fergus Electric's representative on the MECA Board and CATHY KOMBOL as the alternate. JASON SWANZ seconded the motion, which passed unanimously.
- 25. MECA ANNUAL MEETING VOTING DELEGATE AND ALTERNATE.** BRETT MAXWELL moved to appoint BOB EVANS as voting delegate to the MECA Annual Meeting in Great Falls October 1-4 and JASON SWANZ as alternate delegate. PAUL DESCHEEMAERKER seconded the motion which carried unanimously.
- 26. BARBECUE.** After discussion, the Board agreed to sponsor an employee barbecue after the August 30 board meeting.

27. FUTURE MEETINGS.

- a. Safety Meeting – PPE Hazard Assessment, Storm Job Safety, May Day Protocol, Aug. 2, Johnnie Stanton of MECA, Anixter Provided Lunch
- b. Sandfire Tour, White Sulphur, Aug. 3
- c. FEC Board, Aug. 30 – 9 a.m., Sept. 28 – 9 a.m., Oct. 25 – 1 p.m., Nov. 30 – 1 p.m., Dec. 20 – 10 a.m.
- d. PRECorp Board/Members 1st, Gillette, August 21 and PRECorp Annual, Gillette, Aug. 25
- e. NWPPA Board, Walla Walla, Sept. 13-14
- f. NRECA Region 9, Anchorage, Sept. 25-27
- g. BLC Course 955.1 – Your Board’s Culture: Its Impact on Effectiveness, Great Falls, Oct. 1
- h. MECA Annual, Great Falls, Oct. 1-4
- i. Board Retreat with CFC, Oct. 24-25
- j. Christmas Dinner, Elks, Fri., Nov.30

28. NEWS FROM THE DISTRICTS.

29. ADJOURNMENT. PRESIDENT BOB EVANS adjourned the meeting at 3:45 p.m.

SECRETARY_____

ATTEST:

PRESIDENT_____