

MINUTES
GENERAL BOARD MEETING, APRIL 21, 2022
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session April 21, 2022, with VICE PRESIDENT TERRY FROST calling the meeting to order at 10:05 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, CATHY KOMBOL, BRETT MAXWELL, and JASON SWANZ. PAUL DESCHEEMAERKER attended via conference call. Other attendees included GENERAL MANAGER CARSON SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK and CORPORATE COUNSEL KRIS BIRDWELL. The attendees recited the Pledge of Allegiance.
2. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRETT MAXWELL moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.
3. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the March 31, 2022, general meeting and discussing them, BRETT MAXWELL 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.
5. **ADVANCED METERING INFRASTRUCTURE (AMI) PROJECT REVIEW – MELANIE FORAN.** STAKING ENGINEER, MELANIE FORAN, PE gave a comprehensive PowerPoint presentation on the three-year AMI installation, which she has directed. FORAN reported on the cost, benefits, and capabilities of AMI and how the co-op can use the new system to analyze electric loads to maintain and improve system reliability. The engineers expect to roll out a member-facing outage map in 2023. The outage map will provide real-time information including estimated time of restoration and outage cause. The outage map will permit members to see real time tracking of outages through secure web-based systems like SmartHub.
6. **ANNUAL MEETING – MEDIA SERVICES.** GENERAL MANAGER SWEENEY reported that he spoke to a representative of a media service located in Great Falls about providing their professional services to us at our annual meeting. The company would charge \$2500. SWEENEY asked the Board to provide some direction on hiring the media firm. The Board consented. SWEENEY will contact the media service and book them for our Annual Meeting on June 9.
7. **CFC/RUS TRANSITION.** OFFICE MANAGER SALLY HORACEK reported that the transition from RUS to CFC is on track to be completed May 5, 2022.
8. **FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the March 31, 2022, operating report. PAYROLL ADMINISTRATOR JANINE RIFE DIDIER reviewed the March 31, 2022, ratios report.
9. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT RIKALA reported that the April 19th safety meeting will include employee's annual hearing test and a wellness program covering diabetes education. On April 19, SERVICEMAN/METER TECH BRIAN GODBEY and TRANSFORMER REPAIRMAN MARK SCHWOMEYER will be performing a high voltage demonstration at the Fergus County Trade Center for the FFA Farm Safety Days. MECA's SAFETY INSTRUCTOR JERRY LEMM will conduct the safety meeting on May 17. RIKALA reported that SHAWN HALVERSON is MECA's newest safety instructor. RIKALA reported that the co-op has received a number of applications for the Right of Way Specialist position which is set to close on May 19. Altec notified RIKALA that the new Roundup service truck is completed and will be delivered when a delivery driver becomes available. The Lewistown service truck will be ready for use in a couple of weeks. ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE sent a letter to (nonmember) landowners in the Bruner Mountain subdivision to see if there is interest in connecting to Fergus Electric.

Sixteen homes in the Bruner Mountain subdivision are off grid. Seventeen individuals have responded expressing interest in becoming members of Fergus Electric. RIKALA reported that on April 6, ANIXTER REPRESENTATIVE SCOTT HAWES presented Fergus Electric with a Volume Gain Share check for approximately \$14,000, which is equal to 1.75 percent of the cost of material Fergus Electric purchased in 2021.

10. INVENTORY OF WORK ORDERS. After reviewing the Form 219 Inventory of Work Orders No. 606-606X for \$205,523.46 and 606-606X (A) for \$27,821.16, dated March 31, 2021, BOB EVANS moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.

11. POWER OUTAGE REPORT. The Board reviewed the March 2022 Outage Report.

12. BOARD POLICY 233 – EARLY RETURN TO WORK. Policy 233 was tabled and will be presented to the Board next month.

13. BOARD POLICY 234 – PHYSICAL EXAMINATIONS. Policy 234 was tabled and will be presented to the Board next month.

14. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported that he has kept busy working on several items of importance to the cooperative. BIRDWELL said the title company will be contacting him regarding the Roundup properties.

15. MUSSELHELL COUNTY LAND SALE. GENERAL MANAGER CARSON SWEENEY and CORPORATE COUNSEL KRIS BIRDWELL reported on the Musselshell Riverside Street property in Musselshell County that Fergus Electric owns. The property boundary is unknown. A survey would cost approximately \$5,000, which is more than the property is worth. The legal description provided by the title company is questionable, as the title company will not provide title insurance on this tract without a survey. Much of the property, located near the Musselshell River, is in the floodplain. The property is more of a liability than an asset, as more than half of the acreage is a roadway used by the public. The co-op reserved easements necessary for existing and future transmission and distribution improvements. ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE wants to purchase the property. Fergus Electric has disclosed each of these items to NELLERMOE. After a period of discussion, BRAD ARNTZEN moved to approve selling BRET NELLERMOE the Musselshell Riverside Street property for a sum of five hundred dollars. (\$500.00). BRETT MAXWELL seconded the motion, which carried unanimously. The Board transferred all of its interest to BRET NELLERMOE via quit claim deed, without warranty of any kind.

16. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY reported that TRACY JERMAN, a representative of Northrop Grumman gave a presentation during a recent Fergus County Port Authority meeting on the upcoming improvements to the existing missile launch facilities. All 150 missile launch sites within Central Montana will be upgraded as well as seven of the existing 15 missile alert facilities. Sixty-seven new communication towers are expected along with over one thousand miles of new communication cable. SWEENEY reported that he and JERMAN will be meeting in person on April 25 at Fergus Electric. SWEENEY also reported that the federal government has allocated funds specific to FEMA Hazard Mitigation, which may be used to replace existing overhead power lines with new underground cable. SWEENEY provided additional details and told the Board how rural electric cooperatives, and their members could benefit from these funds. SWEENEY reported that he will be attending the May Basin Board meeting scheduled for May 10-12 in Bismarck, North Dakota.

17. MECA SPRING BOARD MEETING. TERRY FROST and MANAGER SWEENEY reported on the MECA Spring Board meeting, which was held April 5-7. FROST reported that NORTHERN AG NETWORK PRESIDENT TAYLOR BROWN was asked to present a class at MECA on public speaking. FROST said that he hoped BROWN will accept the invitation as BROWN could teach a lot on the topic. SWEENEY reported that the Legislative Committee is working with other utilities on limiting utility liability as it pertains to wildfires. SWEENEY noted that the Manager round-table discussion was valuable. After the board meeting, CFC held a financial training session that was valuable. CFC CEO ANDREW DON gave a presentation on CFC and current financial trends. Eureka, Montana will be hosting the summer MECA meeting.

18. MEMBERS 1ST/BASIN UPDATE. GENERAL MANAGER CARSON SWEENEY provided the Board an update on Basin activities.

19. EXECUTIVE SESSION. At 1:30 p.m., JASON SWANZ moved to go into executive session. BRETT MAXWELL seconded the motion, which carried unanimously.

20. ESTATE CAPITAL CREDITS. The Board reviewed the list of estate capital credits for April 2022 totaling \$30,110.30, which were prepared by SUSIE HINKLEY. JASON SWANZ moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

21. DELINQUENT ACCOUNTS/NEW MEMBERS LIST. The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing.

22. ACH AUTOPAY USING DEBIT CARDS. OFFICE MANAGER SALLY HORACEK reported that letters were sent to members who pay using a credit card asking them to switch to ACH autopay using their bank account. To date, fifty-eight members have switched their accounts and will receive a \$10 credit on their account.

23. REGULAR MEETING CONTINUES. The general meeting resumed at 2:17 p.m. with BOB EVANS moving to ratify writing off bad debt using the discounted capital credit amount of 7.49% for 2020 discussed in executive session. BRETT MAXWELL seconded the motion, which carried unanimously.


24. OTHER BUSINESS.

25. FUTURE MEETINGS.

- a. Members 1st Board Meeting, May 17
- b. Safety Meeting, May 17
- c. FEC Board Meetings in 2022, May 18, June 23
- d. NRECA Legislative Conference, May 1-3
- e. Fergus Electric Annual Meeting, June 9

26. NEWS FROM THE DISTRICTS.

27. ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 2:45 p.m.

SECRETARY  ATTEST: PRESIDENT 