

MINUTES
GENERAL BOARD MEETING, MARCH 30, 2023
FERGUS ELECTRIC COOPERATIVE, INC.

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session March 30, 2023, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:08 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, TERRY FROST, CATHY KOMBOL, BRETT MAXWELL, and JASON SWANZ. 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, BOB EVANS 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 February 28, 2023, general meeting and discussing them, BRETT MAXWELL moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
- 4. PUBLIC COMMENT PERIOD.** No one from the public appeared.
- 5. 2022-2021 AUDIT REVIEW.** CORY WHEELER of Smith, Lange & Halley, P. C., Certified Public Accountants presented and reviewed the firm's independent audit report of Fergus Electric Cooperative, Inc.'s financials for the years ended December 31, 2022, and 2021. WHEELER welcomed questions and comments. The Board thanked WHEELER for his detailed report. After a period of discussion, BRAD ARNTZEN moved to approve the 2022-2021 audit. CATHY KOMBOL seconded the motion, which carried unanimously.
- 6. CFC LOAN DOCUMENT REVIEW.** After reviewing the loan documents, BRAD ARNTZEN moved to approve the Certificate of Resolutions and Incumbency to increase the aggregate amount not to exceed fifteen million dollars. CATHY KOMBOL seconded the motion, which carried unanimously.
- 7. GENERAC DISCUSSION.** MANAGER CARSON SWEENEY reported that Fergus Electric Cooperative is now a Generac Distributor, which includes home standby generators. Electricians certified to install Generac Generators will complete the installation.
- 8. CMMC - LOAN DISCUSSION.** CODY LANGBEHN, CEO, Central Montana Medical Center (CMMC) and RYAN d'AUTREMONT, CMMC Board Member, addressed the Board to discuss the possibility of obtaining loan funds available through the USDA REDLG Program to purchase equipment for CMMC's new Cancer Center. LANGBEHN provided handouts and presented a slide show, a video and gave a verbal presentation. LANGBEHN readily answered questions and addressed concerns. The Board thanked CMMC representatives for attending and said they would be in contact. Afterwards, the Board engaged in a lengthy discussion concerning the information LANGBEHN had presented.
- 9. FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the February 28, 2023, Form 7 operating report. PAYROLL ADMINISTRATOR JANINE RIFE DIDIER reviewed the February 28, 2023, ratios report.
- 10. OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT RIKALA reported on the Safety Meeting held March 15th. The Fergus County Sheriff's office provided active shooter training, which focused on how victims react and the best actions to take for survival. SAFETY INSTRUCTOR SHAWN HALVERSON with MECA will conduct the April 6th safety meeting presenting a May Day Review. RIKALA reported that pole testing is going well, with 201 poles tested in one week. Federated Insurance Safety and Loss Prevention Consultant, STEVE PAULSON met with RIKALA and MANAGER SWEENEY on March 8th to review Fergus Electric's line patrol documents, pole testing program and to cover the claims the co-op has submitted in the past three years.

RIKALA said that he and PAULSON inspected the power line from Carters Pond to Winifred and the following day PAULSON met with BRET NELLERMOE, ROUNDUP'S ASSISTANT LINE SUPERINTENDENT, to inspect the warehouse and visit the crews. PAULSON is impressed with the co-op's line inspection program, which includes drone video footage and electronic ticketing. He will highlight this in his report to Federated Insurance's underwriters. RIKALA reported that on March 22nd, four semi loads of steel were delivered for the Roundup office building. RIKALA reported that the co-op has received several applications for the open Roundup Journeyman Lineman job. The deadline for submittal is April 3, 2023. RIKALA updated the Board on the status of estimated truck delivery dates and the availability of truck service bodies that the co-op may be able to purchase.

11. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 613-613X for \$20,520.33 dated February 28, 2023, BRETT MAXWELL moved to affirm them. TERRY FROST seconded the motion, which carried unanimously.

12. POWER OUTAGE REPORT. LINE SUPERINTENDENT DALE RIKALA reviewed the February 2023 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.

13. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported he had worked on various items of importance for the co-op. BIRDWELL reported that he had worked with staff on several issues.

14. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY reported that he had met with a United States Air Force Special Agent about our Cyber security threats and potential vulnerabilities. The Special Agent was relieved to hear how our system is set up and secured. MANAGER SWEENEY reported that on March 14th, he met with MECA Managers, in Great Falls, to discuss ideas/options for how MECA could better support members in the future. On March 14th, SWEENEY traveled to Helena to meet with REPRESENTATIVE JIM BERGSTROM, SENATOR DAN BARTEL, and the MECA Legislative team. SWEENEY announced that MECA'S Move Over bill, HB 320, has passed the legislature and a bill signing ceremony is scheduled with Montana GOVERNOR GREG GIANFORTE on April 18th, which lines up with National Lineman Appreciation Day. Fergus Electric will send FOREMAN LOUIE HOULD to the ceremony. SWEENEY reported that he, STAKING ENGINEER MELANIE FORAN, P.E. and ASSISTANT LINE SUPERINTENDENT BRET OPHUS participated in five pre-bid meetings with contractors for the upcoming twenty-four-mile Hilger-Winifred Transmission project. MANAGER SWEENEY reported that FORAN has done an excellent job preparing this project for bid. The bids are due by April 10th and SWEENEY expects to select a contractor and review the bid during the April board meeting. On April 13th, PRESIDENT PAUL DESCHEEMAER, LINE SUPERINTENDENT DALE RIKALA and MANAGER SWEENEY will meet with the Black Butte Copper Mine team in White Sulphur Springs to receive an update.

15. MEMBERS 1ST /BASIN UPDATE, MARCH 21ST. PRESIDENT PAUL DESCHEEMAER reported on the virtual meeting he and MANAGER SWEENEY attended.

16. EXECUTIVE SESSION. At 3:18 p.m., BRAD ARNTZEN moved to go into executive session for the purpose of reviewing Board Resource Committee Recommendations. BRETT MAXWELL seconded the motion, which carried unanimously.

17. REGULAR SESSION CONTINUES. At 3:36 p.m., BRETT MAXWELL moved to resume the general session. BRAD ARNTZEN seconded the motion, which carried unanimously.

18. BOARD RESOURCE COMMITTEE RECOMMENDATIONS. The Board Resource Committee recommended amending item number 4 of the proposed policy. The Board Resource Committee will meet in May at which time they will review the policy with the proposed amendment.

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

20. ESTATE CAPITAL CREDITS. The Board reviewed the list of estate capital credits for March 2023 totaling \$8,577.86, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. BRETT MAXWELL moved to affirm the retirements and JASON SWANZ seconded the motion, which carried unanimously.

21. OTHER BUSINESS. In March, the District 2 and District 4 Nominating Committees held public meetings in search of co-op members interested in serving as a Fergus Electric Trustee. District 2 committee members met on March 23rd at Eddies Corner and District 4 committee members met March 20th at the Petroleum County Community Center. The Nominating Committees nominated BRETT MAXWELL, incumbent, District 2 and CATHY KOMBOL, incumbent, District 4 respectively to run for election of the Board of Trustees. The election will take place on June 8 during Fergus Electric Cooperative's annual meeting.

22. FUTURE MEETINGS.

- a. Safety Meeting, April 6, and May 2
- b. MECA Spring Board Meeting: Great Falls, April 4-5
- c. NRECA Legislative Conference: Washington, D.C., April 16-19
- d. FEC Board Meetings, (10:00 a.m.), April 27, and May 25
- e. FEC Annual Meeting, June 8
- f. MECA Summer Manager's Meeting: Helena, June 14-15
- g. CFC Forum/Annual Meeting: Seattle, June 19-21
- h. MECA Summer Board Meeting: Miles City, July 11-13

23. NEWS FROM THE DISTRICTS.

24. ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 4:12 p.m.

SECRETARY _____

ATTEST: PRESIDENT _____