

MINUTES
GENERAL BOARD MEETING, JANUARY 30, 2024
FERGUS ELECTRIC COOPERATIVE, INC.

1. GENERAL MEETING CALLED TO ORDER. The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 30, 2024, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:07 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, TERRY FROST, CATHY KOMBOL, JASON SWANZ and BRETT MAXWELL. Other attendees included GENERAL MANAGER CARSON SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK, and CORPORATE COUNSEL KRIS BIRDWELL. BOB EVANS attended via speaker telephone. The attendees recited the Pledge of Allegiance.

2. APPROVAL OF AGENDA. After reviewing the meeting agenda, BRAD ARNTZEN moved to approve it. BRETT MAXWELL seconded the motion, which carried unanimously.

3. MINUTES APPROVAL.

- a. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the January 9, 2024, general meeting and discussing them, JASON SWANZ moved their approval. BRETT MAXWELL seconded the motion, which carried unanimously.

4. PUBLIC COMMENT PERIOD. No one from the public appeared.

5. PLANNING.

- a. **NEW RATE STRUCTURE - EFFECTIVE 01/01/2024.** MANAGER CARSON SWEENEY talked about completing the testing process for the transitioning of the new bills. The mechanics of the bills have been thoroughly tested. SWEENEY covered the systematic effort Fergus Electric made prior to launching the new rate structure.
- b. **STRATEGIC PLANNING SESSION REVIEW.** MANAGER CARSON SWEENEY asked the Board to tell him if they wanted to amend the Strategic Goals and Objectives that they reviewed during last month's board meeting. SWEENEY reported that ERIC ANDERSON with CFC stopped at the co-op on January 29 on his way to another co-op. SWEENEY and ANDERSON spent time reviewing the co-op's financials. SWEENEY said that ERIC ANDERSON is open to doing a thorough analysis of financials with the Board in 2024. After a brief discussion, the Board decided December or January would work for them to meet with ERIC ANDERSON. At the next board meeting they will have dates for SWEENEY to give to ANDERSON.
- c. **SUMMER MECA MEETING - LEWISTOWN.** MANAGER CARSON SWEENEY updated the Board on Fergus Electric's tentative plans for hosting the summer MECA meeting in Lewistown, July 9-11. SWEENEY said 120 people may attend.

6. FINANCIAL AND OTHER MONTHLY REPORTS. Financial and other monthly reports were presented to the Board for discussion.

- a. **OPERATING AND RATIOS REPORTS.** OFFICE MANAGER SALLY HORACEK reviewed the December 31, 2023, Form 7 operating report. The December 2023 Ratios Report will be posted to the board app when completed.
- b. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that Fergus Electric's January 10th safety meeting included the Annual Wellness Screening conducted by CMMC staff. On February 8, MECA's safety instructor, BERKE BROWN'S presentation will include Personal Protective Equipment, Slips, Trips and Falls and Safety Data Sheets. RIKALA noted that this will be the first time BERKE BROWN has taught a safety class at Fergus Electric. RIKALA reported that he attached the 2024 Safety Program agenda to the board app. RIKALA provided a photo update of the Roundup facility. MANAGER SWEENEY suggested that the Board travel to Roundup and tour the new facility before the Roundup crew moves in.

RIKALA reported on the power outage that occurred 7:50 a.m., Sunday, January 14th with temperatures at negative 20 degrees Fahrenheit. The Roundup 50 kV breaker failed affecting 2,355 meters in the Grass Range, Winnett, Box Elder, Winnett Junction, Roundup, South Roundup, Box Elder and McCone Electric's Mosby Substation. On January 14, NorthWestern Energy traveled from Butte to bring a SF-6 breaker to replace the failed breaker. Power was restored at varying times throughout the day with power being restored to all affected members by 10:45 p.m. RIKALA reported on four additional outages that had occurred in other areas of the co-op's system during the extremely cold temperatures. RIKALA reported that on January 22, he and STAKING ENGINEER, DAN BALSTER, traveled to Lower Yellowstone Electric Cooperative in Sidney to look at a few decommissioned substations. Fergus has an interest in acquiring the metal structure for one full substation and the metal buss work for five additional substations. From there, they traveled to Glasgow to look at the Keystone materials the co-op purchased from Norval. RIKALA and BALSTER brought back a load of material from Opheim.

c. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 623-623X for \$894,405.40 dated December 31, 2023, CATHY KOMBOL moved to affirm them. TERRY FROST seconded the motion, which carried unanimously.

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

7. POLICIES – REVIEW.

a. **BOARD POLICY 250 – LUCK OF THE DRAW SCHOLARSHIP.** The Board reviewed the suggested changes. After a period of discussion, the Board recommended that an updated version of Board Policy 250 be presented at the next board meeting.

8. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported he had worked on various items of importance for the co-op. BIRDWELL reported that the number of hours he worked on co-op matters in 2023 were consistent with the number of hours recorded for the previous year.

9. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY covered items included in his written report. SWEENEY reported that on January 18, he, MARK LAMBRECHT, DIRECTOR OF GOVERNMENT RELATIONS for MECA and DOUG HARDY, GENERAL MANAGER, CENTRAL MONTANA ELECTRIC POWER COOPERATIVE, INC. attended the Energy and Telecommunications Interim Committee meeting in Helena. SWEENEY acted as chair of the MECA Legislative Committee. The focus of the morning session pertained to Resource Adequacy and Generation Reserves. SWEENEY stated that MECA holds a lot of credibility with this legislative committee. SWEENEY reported on the lengthy outage in the Roundup area stating that the membership around Roundup was quite good to the co-op throughout the bitter cold outage. SWEENEY said that the Fergus team appreciated the many thank yous and comments of support, adding that Fergus will continue to work with NorthWestern Energy on a permanent solution to improve the situation.

10. MEETING REPORTS.

a. **MEMBERS 1ST.** PRESIDENT PAUL DESCHEEMAERKER and MANAGER SWEENEY reported on the January 16 online meeting they attended. They reported that the audio was poor.

11. EXECUTIVE SESSION.

a. **MOTION.** At 1:12 p.m., TERRY FROST moved to go into executive session. BRAD ARNTZEN seconded the motion, which carried unanimously.

b. **GENERAL SESSION RESUMES.** At 1:56 p.m., JASON SWANZ moved to return to general session. BRETT MAXWELL seconded the motion, which carried unanimously.

c. **SERVICE POLICY.** The Board asked to have an updated Service Policy containing a draft of a new Industrial Load section to review at the next board meeting.

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

e. **ESTATE CAPITAL CREDITS.** The Board reviewed the list of estate capital credits for January 2024 totaling \$9,321.17, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. TERRY FROST moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

12. OTHER BUSINESS. OFFICE MANAGER SALLY HORACEK reminded the board to get names of members in their districts who are willing to serve as nominating committee members.

13. FUTURE MEETINGS.

- a. Safety Meetings:
 - i. February 8
- b. FEC Board Meetings:
 - i. February 27 - 10:00 a.m.
 - ii. March 28 - 10:00 a.m.
 - iii. May 2 - 10:00 a.m.
- c. Basin Manager's Conference: Sioux Falls, SD; February 21-22, 2024
- d. NRECA PowerXchange: San Antonio, TX; March 1-6, 2024
- e. MECA Spring Board Meeting: Great Falls, MT; April 9-10, 2024
- f. NRECA Legislative Conference: Washington, DC; April 21-24, 2024
 - i. Both chambers out of session
- g. CFC Forum: Indianapolis, IN; June 17-19, 2024

14. NEWS FROM THE DISTRICTS.

ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 2:32 p.m.

SECRETARY  ATTEST: PRESIDENT 