

MINUTES
GENERAL BOARD MEETING, JUNE 27, 2024
FERGUS ELECTRIC COOPERATIVE, INC.

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session June 27, 2024, at Fergus Electric Cooperative's new Roundup facility, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:00 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, TERRY FROST, CATHY KOMBOL, JASON SWANZ and BRETT MAXWELL. Other attendees included GENERAL MANAGER CARSON SWEENEY, LINE SUPERINTENDENT DALE RIKALA, ROUNDUP ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE, 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, TERRY FROST 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 May 28, 2024, general meeting and discussing them, BRETT MAXWELL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 4. PUBLIC COMMENT PERIOD.** No one from the public appeared.
- 5. PLANNING.**
 - a. MECA SUMMER BOARD MEETING - LEWISTOWN.** MANAGER CARSON SWEENEY reviewed the meetings and activities planned for the MECA Summer Board Meeting in Lewistown on July 9-11, 2024, which is being co-hosted by Fergus Electric Co-op. The schedule includes committee meetings, presentations, and tours of local manufacturing businesses followed by dinner and a four-hour train ride on the Charlie Russell Chew Choo. Discussion followed.
 - b. BASIN ANNUAL MEETING.** MANAGER CARSON SWEENEY said that the Basin Annual Meeting is August 13-15, 2024, in Bismarck, North Dakota. SWEENEY asked the board to tell him if they were interested in attending. Several board members are tentatively interested and will let him know.
 - c. CFC EMERGENCY/STORM DAMAGE LINE OF CREDIT RESOLUTION.** MANAGER SWEENEY said that CFC would like to establish board approval, ahead of time, for an Emergency Line of Credit (ELOC) with CFC. With the document in place, in the event of an emergency, CFC will likely provide the co-op with a better interest rate. MANAGER SWEENEY will present the Resolution for board approval at next month's board meeting.
- 6. FINANCIAL AND OTHER MONTHLY REPORTS.** Staff presented financial and other monthly reports to the Board for discussion.
 - a. OPERATING AND RATIOS REPORTS.** OFFICE MANAGER SALLY HORACEK reviewed the May 31, 2024, Form 7 operating report. JANINE RIFE DIDIER reviewed the May 31, 2024, Ratios Report.
 - b. OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that during the morning session of the June 12, 2024, Safety Meeting, TINA BERG, with Central Montana Hearing and Audiology, performed employees' annual hearing tests. In the afternoon, LINE SUPERINTENDENT DALE RIKALA and ASSISTANT LINE SUPERINTENDENT BRET OPHUS conducted two mock May Day drills and a mock fire drill involving all the employees. RIKALA reported that the July 17, 2024, Safety Meeting will include Pole Top/Bucket Truck Rescues. The crews will also practice using the self-rescue kits on the bucket trucks. Tool inspections and close calls will also be part of the meeting. RIKALA reported that on June 13, 2024, JASON FADELY, RECOVERY COORDINATOR WITH MONTANA DEPARTMENT OF MILITARY AFFAIRS DISASTER AND EMERGENCY SERVICES, met with Fergus Electric personnel to discuss information required for submitting a damage estimate from the storm,

May 7-8, 2024. The Montana DES will submit a declaration request to FEMA if damage totals for all parties affected from the storm exceed two million dollars. RIKALA reported that crews had installed an underground cable to serve the 66-lot subdivision adjacent to the Judith Shadows Golf Course. RIKALA said that the crews upgraded the 500 kVA Box Elder Substation transformer to 1000 kVA to serve the additional irrigation load that is proposed. The project went smoothly with the rental of a crane service to replace the transformer. Crews also changed the three regulators inside the substation. RIKALA reported that Fergus Electric received over 50 inquiries about generators, since the storm. As a result, Lewistown has 15 generators ordered and Roundup has sold five. The co-op received a request for an 80-kW single-phase generator. Previously, the largest ordered was a 26 kW.

- d. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 628-628X for \$2,025.51, dated May 31, 2024, CATHY KOMBOL moved to affirm them. JASON SWANZ seconded the motion, which carried unanimously.
- e. **POWER OUTAGE REPORT.** LINE SUPERINTENDENT DALE RIKALA reviewed the May 2024 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE. Due to the storm, May 7-8, 2024, May's power outages were extensive.

7. **POLICIES – REVIEW.** No policies were scheduled for review this month. MANAGER SWEENEY said that he and JANINE RIFE DIDIER will review past policies and be prepared to present policies to the board soon.

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 it was a good month.

9. **MANAGER'S REPORT.** GENERAL MANAGER CARSON SWEENEY covered items included in his written report. SWEENEY reported that 16 cooperative managers met in Lewistown for the MECA Summer Manager's meeting on June 12 and 13. It was the strongest attendance in the last several years. MECA staff provided updates on the strategic plan and ongoing projects, then the group held a detailed manager round table discussion. The second day consisted of speakers from BLM, Forest Service, WAPA, BPA, NorthWestern Energy and Federated Insurance. Wildlife liability and wildfire liability legislation was a common topic. SWEENEY said that the co-op needs to finalize its wildfire mitigation plan prior to the 2025 Montana Legislative Session. SWEENEY said that the co-op's operations team spent a week compiling data on the total costs from the May 7-8, 2024, storm to present to the state of Montana Disaster and Emergency Services department. The cost from storm damage and restoration is around \$800,000. If, excluding NorthWestern Energy, the total statewide system damage from this storm is over two million dollars, it is likely that the co-op will receive reimbursement funds from the state. SWEENEY complimented the Fergus Employees for getting the Hilger-Winifred Transmission line and the Roundup facility done in 2024.

10. MEETING REPORTS.

- a. **MEMBERS 1ST/BASIN; JUNE 10-11, PAUL/CARSON.** MANAGER CARSON SWEENEY reported that he and PRESIDENT PAUL DESCHEEMAERKER attended the joint meeting held in Gillette, Wyoming. SWEENEY said that Basin's rates are going up next year, but Basin has not released how much yet. DESCHEEMAERKER said that the business meeting discussion was lacking and was not what he expected. In addition to the meeting, the group toured a buffalo ranch with approximately 1,000 head. They also toured Dry Fork Generating Station and found it to be very shiny clean.
- b. **CFC FORUM; JUNE 17-19, PAUL/CARSON.** MANAGER CARSON SWEENEY reported that he and PRESIDENT PAUL DESCHEEMAERKER attended the CFC Forum held in Indianapolis, Indiana. SWEENEY said that they had really impressive, notable speakers: Bret Bair, American Journalist, Chief Political Anchor Fox News and host of Special Report with Bret Baier on the Fox News channel; Kirk Lippold, Former Commanding Officer USS Cole; Willie Robertson, CEO of the company Duck Commander, American TV Personality, and author; and David Axelrod, American Democrat political consultant, Analyst and Former White House Official; and Karl Rove, American Republican political consultant, former Senior Advisor and Deputy Chief of Staff who teamed up and reached "Across the Aisle" to offer an inside look at winning campaign strategies and messaging. SWEENEY said that CFC reported on electric cars, telling their audience that due to limited range, hybrids are gaining popularity.

11. EXECUTIVE SESSION.

- a. **MOTION.** At 12:49 p.m., JASON SWANZ moved to go into executive session. BRAD ARNTZEN seconded the motion, which carried unanimously.
- b. **GENERAL SESSION RESUMES.** At 1:22 p.m., CATHY KOMBOL moved to return to general session. BRAD ARNTZEN seconded the motion, which carried unanimously.
- c. **ESTATE CAPITAL CREDITS.** The Board reviewed the list of estate capital credits for June 2024 totaling \$10,206.71, 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.
- d. **DELINQUENT STATUS, NEW MEMBERS.** The Board reviewed the delinquent accounts showing accounts paid in full and accounts still owing.

12. OTHER BUSINESS.

- a. **NRECA REGION 7/9.** CATHY KOMBOL noted that the Board will need to appoint voting delegates for the NRECA Region 7/9 meeting, which will be held September 24-26, 2024, in Sacramento, California.
- b. **ROUNDUP BUILDING OPEN HOUSE.** The Board discussed that staff has arranged for the Roundup Building Open House to take place today, from 3:00 p.m. until 6:00 p.m. The event will begin directly after the general board meeting. The public is welcome to attend. The co-op had posted an invitation to attend the Open House on Facebook.
- c. **FUTURE MEETINGS.**
 - a. MECA Summer Board Meeting: Lewistown, MT; July 9-11
 - i. Director Training: Tuesday, July 9
 - ii. Tour and Committee Meetings: Wednesday, July 10
 - iii. Train Ride and Dinner: Wednesday, July 10 at 5:30 p.m.
 - iv. MECA Board Meeting: Thursday, July 11
 - b. Members 1st Virtual Meeting: July 16
 - c. Safety Meeting:
 - i. July 17, 2024
 - d. FEC Board Meetings 2024
 - i. July 30 - 9:00 a.m.
 - ii. August 29 - 9:00 a.m.
 - iii. October 3 - 10:00 a.m.
 - iv. October 31 - 10:00 a.m.
 - e. Basin Managers Conference: Deadwood, SD; July 24-26
 - f. Basin Annual Meeting: Bismarck, ND; August 13-15
 - g. Members 1st Quarterly Meeting: Sheridan, WY; September 16
 - h. NRECA Region 7/9 Meeting: Sacramento, CA; September 24-26
 - i. MECA Annual Meeting: Great Falls, MT; October 1-3
 - j. MECA Winter Board Meeting: Great Falls, MT; December 3-4
 - k. Mid-West Electric Consumers Association Annual Meeting: Denver, CO; December 10-12

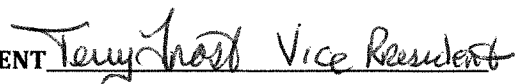
13. NEWS FROM THE DISTRICTS.

ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 2:12 p.m.

SECRETARY



ATTEST: PRESIDENT

 Vice President