

MINUTES
GENERAL BOARD MEETING, MARCH 28, 2024
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session March 28, 2024, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:10 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, ASSISTANT LINE SUPERINTENDENT BRET OPHUS and CORPORATE COUNSEL KRIS BIRDWELL. BOB EVANS was traveling and unable to attend. 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. **MINUTES APPROVAL.**
 - a. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the February 27, 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. **2023 AUDIT REVIEW.** CORY WHEELER of Wheeler, Bieber and Associates, PC, 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, 2023, and 2022. WHEELER welcomed questions and comments. The Board thanked WHEELER for his detailed report. After a period of discussion, TERRY FROST moved to approve the 2023-2022 audit. BRAD ARNTZEN seconded the motion, which carried unanimously.
 - b. **ENGINEERING REVIEW OF 2023.** STAKING ENGINEER SCOTT OLSON was the first presenter. OLSON discussed pole changes and pole testing that occurred in 2023. He said that crews obtained GPS information throughout pole testing and the co-op's maps were updated with the information provided by the crews. OLSON covered the 2023-line patrol, completion of priority 1 and 2 tickets. OLSON explained that trouble tickets were created from watching the footage of aerial line patrol videos. OLSON gave a breakdown of the new connects in 2023 and told how many Generac Generator sales and addition of net meters there were in 2023. STAKING ENGINEER DAN BALSTER, PE began his presentation with a comparison of the co-op's loads in 2021, 2022 and 2023. BALSTER reviewed the 2023 recloser replacement budget and reviewed the progress on the project. STAKING ENGINEER MELANIE FORAN, PE reported on the outages that occurred in 2023, providing an in-depth narrative of outage incidents. FORAN updated the Board on the Winifred Transmission Line, which consists of 24 miles of replacement power line, estimated to be completed June 1, 2024. The staking engineers answered the Board's questions throughout their presentations. The Board appreciated the engineers' informative reports and thanked them for their work.
 - c. **DISTRICT BOUNDARY MAP - MEMBER REVIEW.** Bylaw section 4.35 states that it is the duty of the Board to make an annual review of the number of members found in each district. The Board completed its annual review of the district boundary map. They did not find sufficient imbalances in the number of members per district to request a change.
 - d. **NORVAL MATERIAL DISCUSSION.** MANAGER CARSON SWEENEY reported that NorVal has 556 ACSR that they are eliminating from their inventory. If NorVal does not receive a good purchase offer, they will scrap the wire. SWEENEY said that Fergus Electric can use the wire and is interested in purchasing it. After a discussion period, the Board approved MANAGER SWEENEY making an offer for the wire, etc. that NorVal is selling, with a not-to-exceed limit.



- e. **BYLAW COMMITTEE DISCUSSION.** The Board approved MANAGER SWEENEY'S proposed bylaw changes to Sections 3.1 and 4.15, which will be presented for membership approval at the 2024 Annual Meeting.
 - f. **NOMINATING COMMITTEE MEETING DISCUSSION.** OFFICE MANAGER SALLY HORACEK updated the Board on the nominating committee meetings that she and MANAGER SWEENEY directed in Lewistown and in Roundup.
 - g. **ROUNDUP BUILDING OPEN HOUSE.** After a period of discussion, the Board decided to hold an open house the second week of May from approximately 3:00 p.m. until 6:00 p.m. to give the co-op members an opportunity to visit the new office/shop in Roundup before it is in full operation. Management and office staff will make necessary preparations for the occasion.
- 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 February 29, 2024, Form 7 operating report. JANINE RIFE DIDIER reviewed the February 2024 Ratios Report.
 - b. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that MECA SAFETY INSTRUCTOR JERRY LEMM covered Crane Signals and Spill Prevention Control and Countermeasure (SPCC) during the March 13 safety meeting. LEMM also engaged in a lengthy discussion on close calls and near misses. On April 17, MIKE DAVIS is scheduled to provide instruction on First Aid, CPR and AED techniques. RIKALA gave an update on projects the engineers are studying and developing. RIKALA said that the crews are continuing to change out reclosers in the Roy and Roundup areas, trees are being trimmed in the Harlowton area and the mechanic is performing thorough maintenance on the digger and big bucket trucks. Mid-Rivers Communications is installing the fiber optic cable to the mechanical room in the Roundup shop and soon Information Technology (IT) managers, RICK WALTEBAUGH and JOHN PAYNE will be installing the WIFI equipment and ethernet for the computers and cameras in the Roundup building. RIKALA reported on the few remaining items to be completed in the Roundup office. The co-op will get bids on the exterior Roundup property upgrades that still need to be completed, such as the yard work, fence, and the installation of the Fergus Electric sign near the entrance. RIKALA reviewed budget items for 2023, 2024, and 2025. Discussion followed.
 - c. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 625-625X for \$2,778.99 dated February 29, 2024, JASON SWANZ moved to affirm them. TERRY FROST seconded the motion, which carried unanimously.
 - d. **POWER OUTAGE REPORT.** LINE SUPERINTENDENT DALE RIKALA reviewed the February 2024 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.
- 7. POLICIES – REVIEW.**
- a. **BOARD POLICY 302 – SALARY, WAGE, AND BENEFIT ADMINISTRATION.** The Board reviewed Board Policy 302.
 - b. **BOARD POLICY 306 – GENERAL MANAGER COMPENSATION.** Tabled until next month.
 - c. **BOARD POLICY 309 – GUIDING QUESTIONS FOR THE APPRAISAL OF THE GENERAL MANAGER.** Tabled until next month.
 - d. **BOARD POLICY 310 – APPRAISAL OF GENERAL MANAGER.** Tabled until next month.
 - e. **BOARD POLICY 401 – GENERAL MANAGER JOB DESCRIPTION.** Tabled until next month.
- 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 the co-op has signed a new alliance agreement with Resco as its preferred material supplier. The co-op has also signed a lease agreement with Resco for the use of warehouse and yard space at the co-op's new location in Roundup. The lease term begins May 1, 2024.

10. MEETING REPORTS.

- a. **NRECA ANNUAL MEETING.** PRESIDENT PAUL DESCHEEMAERKER and VICE PRESIDENT TERRY FROST reported on NRECA's Annual Meeting held in San Antonio, Texas on March 3-6. FROST said the content was fascinating as there was a lot on the topic of artificial intelligence. DESCHEEMAERKER said that overall, the meeting and speakers were disappointing.
- b. **MEMBERS 1ST.** PRESIDENT PAUL DESCHEEMAERKER gave a review of the Members 1st meeting that he and MANAGER SWEENEY attended in Sheridan, Wyoming on March 19, 2024.

11. EXECUTIVE SESSION.

- a. **ESTATE CAPITAL CREDITS.** The Board reviewed the list of estate capital credits for March 2024 totaling \$7,495.34, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. CATHY KOMBOL moved to affirm the retirements and TERRY FROST seconded the motion, which carried unanimously.
- b. **DELINQUENT STATUS, NEW MEMBERS.** The Board reviewed the delinquent accounts showing accounts paid in full and accounts still owing.

12. OTHER BUSINESS.

13. FUTURE MEETINGS.

- a. MECA Spring Board Meeting: Great Falls, MT; April 9-10
 - i. Includes presentation on history of MECA Legislative milestones.
- b. Safety Meeting:
 - i. April 17, 2024; First Aid, CPR and AED training
- c. NRECA Legislative Conference: Washington, DC; April 21-24
 - i. Both chambers out of session
- d. FEC Board Meetings 2024
 - i. May 2 – 10:00 a.m.
 - ii. May 30 – 9:00 a.m.
 - iii. June 27 – 9:00 a.m.
 - iv. August 1 - 9:00 a.m.
 - v. August 29 – 9:00 a.m.
- e. MECA Line Superintendent Meeting: Lewistown, MT; May 16-17
- f. FEC Annual Meeting: June 6
- g. Members 1st / Basin Board Meeting: Gillette, WY; June 10-12
- h. MECA Managers Summer Meeting: Lewistown, MT; June 12-13
- i. CFC Forum: Indianapolis, IN; June 17-19
- j. MECA Summer Board Meeting: Lewistown, MT; July 9-11
- k. Basin Managers Conference: Deadwood, SD; July 24-26
- l. Basin Annual Meeting: Bismarck, ND; August 13-15
- m. Members 1st Quarterly Meeting: Sheridan, WY; September 16

14. NEWS FROM THE DISTRICTS.

ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 4:15 p.m.

SECRETARY  ATTEST: PRESIDENT 