

MINUTES
GENERAL BOARD MEETING, DECEMBER 19, 2018
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session December 19, 2018 with PRESIDENT BOB EVANS calling the meeting to order at 10 a.m. JANINE RIFE DIDIER was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAEKER, CATHY KOMBOL, BRETT MAXWELL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, ASSISTANT GENERAL MANAGER DAVID DOVER, CORPORATE COUNSEL KRIS BIRDWELL, LINE SUPERINTENDENT DALE RIKALA and OFFICE MANAGER SALLY HORACEK were also present.
2. **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.
3. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, PAUL DESCHEEMAEKER moved to approve it. JASON SWANZ seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the November 30, 2018 general meeting and discussing them, BRETT MAXWELL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
5. **EXECUTIVE SESSION.** PAUL DESCHEEMAEKER moved to continue the meeting in an executive session starting at 10:05 a.m. for the manager's annual review. JASON SWANZ seconded the motion, which carried unanimously.
6. **REGULAR MEETING CONTINUES.** The general meeting resumed at 11:15 a.m. with PAUL DESCHEEMAEKER moving to ratify discussion covered in the executive session. CATHY KOMBOL seconded the motion, which passed unanimously.
7. **LEGISLATIVE LUNCH.** The legislative lunch and update, with a focus on MECA issues, scheduled for December 19 at the co-op, was cancelled due to legislators' prior commitments.
8. **TRANSMISSION LINE.** LINE SUPERINTENDENT DALE RIKALA stated that on December 26, 2018, Rocky Mountain Contractors will resume working on rebuilding the 7 miles of 50 kV transmission line north of Lewistown with the goal of finishing by the end of February 2019. RIKALA reported that on December 4 the contractor had an incident occur while pulling in the static wire, which resulted in an outage. No injuries resulted.
9. **NEW METERING SYSTEM.** ASSISTANT MANAGER DAVID DOVER reported that representatives from NRTC, Itron and PRECorp will be here for the advanced metering infrastructure (AMI) kick-off meeting on December 20 and 21. Some agenda topics include overview, design, deployment, site survey, schedule, material ordering and meter programming.
10. **TRUCK GARAGE.** LINE SUPERINTENDENT DALE RIKALA reported that the electrical work is completed and after Christmas the water will be installed. Contractors, Clausen and Sons, from Havre, MT, contacted RIKALA requesting permission to submit our new building in a "building of the year" contest. The Board consented. RIKALA noted that the existing shop is getting a new door on the west side today.
11. **SANDFIRE RESOURCES COPPER MINE.** ASSISTANT MANAGER DAVID DOVER reported that the proposed powerline will fall under the Major Facilities Siting Act, which will cause a slight delay in the right-of-way work as the DEQ's requirement of putting a public notice in the paper and allowing a 60-day waiting period is met.

12. FINANCIAL AND OTHER MONTHLY REPORTS. GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the November 30, 2018 operating report.

13. CUSHION OF CREDIT. After discussion of pending regulation changes to the RUS Cushion of Credit Program, PAUL DESCHEEMAERKER moved to transfer one million dollars into the RUS Cushion of Credit program now. BRAD ARNTZEN seconded the motion, which carried unanimously.

14. OPERATIONS REPORT. LINE SUPERINTENDENT DALE RIKALA reviewed the December Operation and Maintenance, Engineering and Safety report. He reported that the co-op is purchasing GVW permits for our trucks. RIKALA noted that the Roundup crew has been changing out poles in the Musselshell area and Lewistown crews are working on the tie-line between the Straw and Glengarry Substations. The single phase from Straw Substation will be converted to three phase and the line will be reconductored for additional future load. RIKALA reported that January's safety meeting will be the co-op's annual wellness day with blood screenings, blood pressure checks, height/weight and BMI readings. CMMC is scheduled to provide these screenings for our January 17 meeting.

15. POWER OUTAGE REPORT. GENERAL MANAGER SWEENEY and the Board reviewed a report prepared by VANGIE McCONNELL covering power interruptions for January through November.

16. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 593-593X for \$360,797.52 and 593-593X (A) for \$22,465.30 dated November 30, 2018, JASON SWANZ moved to approve them. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.

17. BOARD POLICY 220 – ALLOCATING, VESTING AND RETIRING CAPITAL CREDITS. The Board is waiting to get language approval from AUDITOR, CORY WHEELER.

~~**18. REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reviewed items of importance to the cooperative. COUNSELOR BIRDWELL noted that he has delegated a lot of time to working on capital credit issues presented by SENIOR BILLING CLERK SUSAN HINKLEY. BIRDWELL commended HINKLEY on her competent handling of difficult capital credits issues.~~

19. ASSISTANT MANAGER'S REPORT. DAVID DOVER reported that a recent payment received from Tintina Montana, Inc. will be used to work on right-of-way and other planning activities for the Black Butte Copper Mine project.

20. ESTATE CAPITAL CREDITS. The Board reviewed the December 2018 estate capital credit retirements of \$19,120.72 prepared by SUSAN HINKLEY. BRAD ARNTZEN moved to affirm the retirements and CATHY KOMBOL seconded the motion, which carried unanimously.

21. MECA WINTER MEETING. PRESIDENT BOB EVANS and ASSISTANT MANAGER DAVID DOVER reported on the MECA Winter Meeting that took place December 4-5.

22. PRECORP BOARD/MEMBERS 1ST. PAUL DESCHEEMAERKER and MANAGER SWEENEY reported on the second annual meeting of Members 1st. The Members 1st officers remain unchanged. A summarization of the SCADA project and DGC were provided.

23. NOMINATING COMMITTEES. In planning for the June 6, 2019 annual meeting election, DISTRICT 1 BOARD DIRECTOR, PAUL DESCHEEMAERKER and DISTRICT 6 BOARD DIRECTOR, JASON SWANZ will ask co-op members in their respective districts to serve on the Nominating Committee.

24. DELINQUENT ACCOUNTS/NEW MEMBERS LIST. The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing. A list of new members was also reviewed.

25. FUTURE MEETINGS.

- a. Safety Meeting, Jan. 17, Wellness Day – CMMC
- b. PRECorp Board, Jan. 16, Sundance
- c. FEC Board, Jan. 31 – 10 a.m., Feb. 28 – 10 a.m., Mar. 28 – 10 a.m., and Apr. 25
- d. Management Internship Program, Feb. 11-22
- e. Vangie McConnell's Retirement Party, Jan. 2, 2019, 2:00 p.m. – 4:00 p.m., FEC headquarters

26. NEWS FROM THE DISTRICTS.

27. ADJOURNMENT. PRESIDENT BOB EVANS adjourned the meeting at 2:55 p.m.

SECRETARY Terry West ATTEST: PRESIDENT Paul D. Vess V.P.