

**MINUTES - GENERAL BOARD MEETING  
JANUARY 31, 2018  
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 31, 2018 with VICE PRESIDENT PAUL DESCHEEMAEKER calling the meeting to order at 10:00 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, CATHY KOMBOL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL, ASSISTANT GENERAL MANAGER DAVID DOVER and OFFICE MANAGER SALLY HORACEK were also present. BOARD PRESIDENT BOB EVANS participated through a conference call. The Pledge of Allegiance was recited.
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, TERRY FROST 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 December 21, 2017 general meeting and discussing them, BOB EVANS moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
5. **NEW METERING SYSTEM.** After discussion regarding bids for a new metering system, the board felt they needed more time to review the four bids.
6. **TRUCK GARAGE.** MANAGER SWEENEY reported that construction will begin on the truck garage this spring after the frost is gone.
7. **BASIN MANAGERS' ADVISORY COMMITTEE.** MANAGER SWEENEY reported on the Basin Electric Managers' Advisory Committee. He said that Basin is in good shape with strong margins, the fertilizer plant is doing well, and no rate increases are expected. He also noted that, in the future, Members 1<sup>st</sup> will meet quarterly.
8. **BLACK BUTTE COPPER MINE PROJECT.** STAKING ENGINEERS GUY JOHNSON and MELANIE FORAN reported on progress regarding negotiations for routes and right-of-way easements for Fergus Electric transmission lines that will serve the mine.
9. **SIGNAL PEAK COAL MINE.** The Board and MANAGER SWEENEY discussed several options with the mine. The Board agreed to invite mine representatives to the next board meeting to discuss options.
10. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. The reports included the December operating report prepared by OFFICE MANAGER SALLY HORACEK.
11. **SUMMARY OF CONSTRUCTION WORK COMPLETED IN 2017.** STAKING ENGINEERS GUY JOHNSON, MELANIE FORAN and MONTE OBERT prepared a report covering construction work completed in 2017. Their report included 228 poles added, 227 poles retired, and 218 poles junked. Overhead line added was 2.93 miles and 3.42 miles of underground to new customers. Contributions in aid to construction for new services totaled \$474,461.76.
12. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a year-end report covering power interruptions prepared by VANGIE McCONNELL.



13. **BOARD POLICY 231 – CONTROLLED SUBSTANCE AND ALCOHOL USE.** After discussion and subject to review by BILL HANLEY of Montana On Site Testing, JASON SWANZ moved to amend Board Policy 231. BRAD ARNTZEN seconded the motion, which carried unanimously. A copy is attached.

14. **BOARD POLICY 238 – TRUSTEE SEARCH AND SELECTION.** After a review of Board Policy 238, BOB EVANS moved to approve it as amended. BRAD ARNTZEN seconded the motion, which carried unanimously. A copy is attached.

15. **BOARD POLICY 239 – RECORDS RETENTION.** The Board reviewed Board Policy 239 with no changes.

16. **BOARD POLICY 240 – RESOLUTIONS.** After discussion, TERRY FROST moved to amended Board Policy 240. CATHY KOMBOL seconded the motion, which carried unanimously. A copy is attached.

17. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reported on a variety of topics of co-op importance which included capital credits.

18. **VACANT BOARD POSITION.** Discussion covered filling the vacated board position for District 2. With DAVID DOVER's resignation, the position to complete the three-year term needs to be filled. MANAGER SWEENEY will call for candidates in his Manager's Message found in the March Fergus Features.

19. **50kV REBUILD.** MANAGER SWEENEY reported that staff is continuing to work with JOE ROTH of PRECorp regarding the 50kV rebuild from Carters substation north towards Hilger – seven miles in length.

20. **FOURTH QUARTER WRITE-OFFS.** BRAD ARNTZEN moved to approve writing off \$610.15 in bad debt and to continue with collection procedures as outlined in Board Policy. TERRY FROST seconded the motion, which carried unanimously.

21. **ESTATE CAPITAL CREDITS.** The Board reviewed the January 2018 estate capital credit retirements of \$22,122.72 prepared by SUSAN HINKLEY. BRAD ARNTZEN moved to affirm the retirements and JASON SWANZ seconded the motion, which passed unanimously.

22. **DELINQUENT ACCOUNTS AND NEW MEMBERS.** The Board and Management reviewed a list of past due accounts – 30, 60 and 90 days and a list of new members.

23. **FUTURE MEETINGS.**

- a. Safety, Hot Stick Testing, Feb. 15
- b. NRECA Annual, Nashville, Feb. 22-28
- c. Board, Mar. 5, Mar. 29, Apr. 26
- d. Credentialed Co-op Director, Course 2620 – Board Operations and Process, Lewistown, Mar. 13
- e. Credentialed Co-op Director, Course 2640 – Financial Decision Making, Lewistown, Mar. 14 & 15
- f. Board Leadership Course 929.1 – Current Issues in Policy Development, Apr. 3, Great Falls
- g. MECA Board, Apr. 4 & 5, Great Falls
- h. NRECA Legislative Conference, Washington, D.C. Apr. 8-10
- i. FEC Annual Meeting, June 7

24. **NEWS FROM THE DISTRICTS.**

25. **ADJOURN.** VICE PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 4:00 p.m.

SECRETARY Terry Frost ATTEST: PRESIDENT Robert D. Evans