

**MINUTES
GENERAL BOARD MEETING, JANUARY 30, 2020
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 30, 2020 with PRESIDENT PAUL DESCHEEMAERKER calling the meeting to order at 10:00 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS (via conference call), TERRY FROST, CATHY KOMBOL, BRETT MAXWELL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, CORPORATE COUNSEL KRIS BIRDWELL, and LINE SUPERINTENDENT DALE RIKALA and OFFICE MANAGER SALLY HORACEK. ASSISTANT MANAGER DAVID DOVER was not in attendance. The Pledge of Allegiance was recited.
- 2. APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRAD ARNTZEN moved to approve it. BRETT MAXWELL seconded the motion, which carried unanimously.
- 3. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the December 18, 2019 general meeting and discussing them, TERRY FROST moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
- 4. 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.
- 5. NEW METERING SYSTEM.** STAKING ENGINEER MELANIE FORAN gave an update on the status of the AMI installation telling the Board that Fergus has all the infrastructure equipment up for phase 1, and the site survey data for the relays and access points for phases 2 and 4 have been approved by Itron's design team.
- 6. SANDFIRE RESOURCES COPPER MINE.** MANAGER SWEENEY reported that the Facility Study is planned to be completed by NorthWestern Energy in May. Black Butte Copper is still waiting for the MT DEQ to issue the final Environmental Impact Study and Record of Decision so they can start the process of building the mine.
- 7. ANSWERING SERVICE.** LINE SUPERINTENDENT DALE RIKALA reported that the co-op's after-hours calls are now being delivered to DON BARBER's answering service. RIKALA also reported that DON BARBER'S business website is expected to be up and running soon.
- 8. 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 December 31, 2019 operating report and FINANCIAL ANALYST JANINE RIFE DIDIER presented the December 31, 2019 ratios report.
- 9. BUDGET REVISION.** The Board discussed amending the 2020 Budget to reflect current projections for the year. Staff will present an updated budget in February.
- 10. METSPOOL SAFETY STANDARDS CERTIFICATE.** PRESIDENT PAUL DESCHEEMAERKER and GENERAL MANAGER SCOTT SWEENEY signed the Safety Standards Certificate for Metspool, (Montana Electric and Telephone Systems Self-Insured Workers' Compensation Pool). No motion needed.
- 11. THREE-YEAR AUDITOR CONTRACT RENEWED.** MANAGER SCOTT SWEENEY reported that AUDITOR, CORY WHEELER submitted the auditors' engagement letter and new contract for 2019, 2020 and 2021. The auditors are seeking an increase in their annual fee plus include travel fees. After a period of discussion, BOB EVANS moved to approve the three-year contract with the suggested increased rate, plus include travel fees. CATHY KOMBOL seconded the motion, which carried unanimously. PRESIDENT PAUL DESCHEEMAERKER, SECRETARY JASON SWANZ and GENERAL MANAGER SCOTT SWEENEY signed the engagement letter.

12. CUSHION OF CREDIT. OFFICE MANAGER SALLY HORACEK asked the Board to consider what they want to do with the cushion of credit by the February 2020 board meeting as RUS GENERAL FIELD REPRESENTATIVE, DENVER SCHLAEPPI has scheduled an appointment to meet with co-op staff in March to discuss the cushion of credit and extending the current RUS work plan.

13. OPERATIONS REPORT. LINE SUPERINTENDENT DALE RIKALA reported on leasing trucks and the estimated cost per day to fly drones. RIKALA noted that FOREMAN JIM RICHTER and STAKING ENGINEER GUY JOHNSON both retired January 24, 2020 and new hire DAN BALSTER first day on the job as a staking engineer was January 27, 2020. Annual First Aid/CPR training for office staff took place during the January 9th safety meeting.

14. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 597-597X for \$2,085,790.24 and 597-597X (A) for \$18,630.45, dated December 31, 2019, JASON SWANZ moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.

15. POWER OUTAGE REPORT. GENERAL MANAGER SWEENEY and the Board reviewed a report prepared by JANINE RIFE DIDIER covering power interruptions for January-December 2019.

16. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reviewed having worked on items of importance to the cooperative.

17. BOARD RETREAT. GENERAL MANAGER SWEENEY and the Board reviewed the material discussed during the January 22-23 Board Retreat, led by JASON STRONG and ERIC ANDERSON of CFC.

18. FINANCIAL FORECAST. OFFICE MANAGER SALLY HORACEK is working with ERIC ANDERSON of CFC to schedule doing a financial forecast this spring.

19. PRECORP MEETING. PRESIDENT PAUL DESCHEEMAERKER reviewed the January 21 PRECorp board meeting that he and ASSISTANT MANAGER DAVID DOVER attended via conference call.

20. WELLNESS DAY/HEALTH SCREENING. CATHY KOMBOL reported that she had attended the wellness day and health screening offered by the co-op and thought the program was very thorough and well done.

21. MONTANA COUNCIL OF CO-OPS. BRETT MAXWELL reported that on January 15th and 16th he attended the 60th Annual Meeting of the MT Council of Cooperatives saying it was good and he appreciated being able to attend.

22. ESTATE CAPITAL CREDITS. The Board reviewed the December 2019 estate capital credits in the amount of \$9,914.65, prepared by SUSAN HINKLEY. JASON SWANZ moved to affirm the retirements and TERRY FROST seconded the motion, which carried unanimously.

23. THANK YOU APPRECIATED. The Board appreciated the thoughtful thank you they received from newly promoted JOURNEYMAN LINEMAN, CASEY KOMBOL.

24. BALLOT SURVEY. The Board reviewed the results of a survey noting which Montana rural electric cooperatives offer mail-in balloting and discovered that the majority do not.

25. 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.

26. FUTURE MEETINGS.


- a. Safety Meeting, Chains, Hot Sticks, Feb. 12 – FEC Crews
- b. PRECorp/Members 1st, Feb. 18, Gillette
- c. NRECA Legislative Rally, Apr. 26-28, Washington, D. C.
- d. FEC Board, Feb. 27, Mar. 26, May 28 & June 25



28. **EXECUTIVE SESSION.** At 3:13 p.m., CATHY KOMBOL moved to continue the meeting in an executive session to discuss hiring a new general manager. JASON SWANZ seconded the motion, which carried unanimously.

29. **GENERAL SESSION RESUMES.** At 3:48 p.m., TERRY FROST moved to resume the general session. CATHY KOMBOL seconded the motion, which carried unanimously.

30. **ADJOURNMENT.** PRESIDENT PAUL DESCHEEMAEKER adjourned the meeting at 3:48 p.m.

SECRETARY  ATTEST: PRESIDENT 