

MINUTES
GENERAL BOARD MEETING, JANUARY 28, 2021
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 28, 2021 with PRESIDENT PAUL DESCHEEMAERKER calling the meeting to order at 10:05 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, TERRY FROST, CATHY KOMBOL, BRETT MAXWELL, and JASON SWANZ. GENERAL MANAGER CARSON SWEENEY, OFFICE MANAGER SALLY HORACEK, LINE SUPERINTENDENT DALE RIKALA and CORPORATE COUNSEL KRIS BIRDWELL were also present. In attendance via conference call was Board member BOB EVANS. The Pledge of Allegiance was recited.
2. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, TERRY FROST moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.
3. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the December 17, 2020 general meeting and discussing them, JASON SWANZ moved their approval. BRETT MAXWELL 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. **BASIN MILL EQUITY ADDER.** MANAGER CARSON SWEENEY discussed Basin power rates and noted that he intends to attend the Basin Manager's meeting February 17-18 in Sioux Falls, South Dakota.
6. **2021 BUDGET REVIEW.** GENERAL MANAGER CARSON SWEENEY covered the 2021 Budget items listed on the annual report. The budget was reviewed, and a good discussion and question and answer period between the Board and Management resulted. MANAGER SWEENEY recommended that the 2021 Budget not be approved until the February board meeting, thus allowing the Board more time to review. The Board concurred.
7. **NOMINATING COMMITTEE - DISTRICTS 3, 5, AND 7.** The Nominating Committee is scheduled to gather for dinner at the Yogo Inn on February 11th where they will hold their first meeting of the year in preparation for the election of board directors in districts 3, 5, and 7, which will take place at Fergus Electric Cooperative's Annual Meeting on June 10, 2021.
8. **ANNUAL MEETING.** The Board reviewed a report that listed the number of members per district. After a brief discussion, the Board recommended the districts remain unchanged.
9. **FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the December 31, 2020 operating report. HORACEK reported that the co-op continues to wait to hear whether the amount it received through the Payment Protection Program (PPP) is forgiven. Stockman Bank had said it could take up to sixty days to hear whether the PPP money is classified as a loan or a grant. JANINE RIFE DIDIER presented the ratios report for December 31, 2020.
10. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that interviews for the Journeyman Lineman opening in Roundup are going well. A total of four candidates will be interviewed. RIKALA reported that Musselshell County would like an easement for fishing access. MANAGER SWEENEY recommended that the Musselshell County representatives be invited to an upcoming board meeting. RIKALA will follow up. RIKALA reported that AMI installations are going well. Straw and Dean Creek areas are changed out and the Roundup area will be next. RIKALA reported that on January 3rd and January 13th, outages occurred throughout most of our service area due to record-breaking winds. In Fergus County, wind speeds of up to 95 miles per hour were recorded. The storm affected 1,982 Fergus Electric meters, 943 of which were without power due to NorthWestern Energy transmission outages. Fergus Electric had 20 poles break off during the windstorm.

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- 11. INVENTORY OF WORK ORDERS.** No work orders were closed in January 2021.
- 12. SUMMARY OF CONSTRUCTION WORK COMPLETED IN 2020.** STAKING ENGINEERS MELANIE FORAN, SCOTT OLSON, AND DAN BALSTER were invited to the board meeting to give an oral presentation on the summary of construction work completed in 2020. SCOTT OLSON covered the extensive construction work that was completed. MELANIE FORAN gave an update on AMI installations and goals for completion, and DAN BALSTER reported on the tree trimming that was completed in 2020. BALSTER also talked about the advantages of using the Outage Management System software the co-op purchased from NISC, our software provider. The Board and MANAGER thanked the engineers.
- 13. POWER OUTAGE REPORT.** The Board reviewed the outage report prepared by JANINE RIFE DIDIER which covered power interruptions for January 2020-December 2020. The total average outage hours per member for 2020 was 5.80 compared to 6.19 average outage hours for 2019.
- 14. SCHOLARSHIPS.** GENERAL MANAGER CARSON SWEENEY reported on the number of scholarships received and the scholarship submission deadlines.
- 15. BOARD POLICY 210 - ANTI-NEPOTISM.** The Board reviewed Policy 210.
- 16. BOARD POLICY 212 - ENERGY.** The Board reviewed Policy 212.
- 17. BOARD POLICY 213 - EQUITY MANAGEMENT.** The Board reviewed Policy 213.
- 18. REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reported that it had been a busy month having worked on several items of importance to the cooperative. BIRDWELL said that he had worked with SENIOR BILLING CLERK SUSAN HINKLEY on a variety of capital credit issues and he credits her for doing a great job with personal relations with co-op members. The Board appreciated the report.
- 19. MANAGER'S REPORT.** GENERAL MANAGER CARSON SWEENEY reported that the co-op has a signed agreement with IBEW for allowing the represented employees to voluntarily participate in answering afterhours calls for the co-op. Despite a week of heavy winds and outages, which resulted in receiving more afterhours calls, the program is working well. SWEENEY reported that his time patrolling line went well. He was impressed with the computer software that the engineers helped with regarding maintenance orders. SWEENEY gave a brief overview of the 2020 audit conducted by Smith, Lange, and Halley and thanked OFFICE MANAGER SALLY HORACEK and PAYROLL ADMINISTRATOR JANINE RIFE DIDIER for their fine work. The Board commended the staff. SWEENEY told the Board that the locating service, with which the co-op has a contract, recently provided their updated pricing and the increases are substantial. He and LINE SUPERINTENDENT DALE RIKALA are working with the locating service on getting affordable, competitive pricing to complete our underground locating needs. Another option is to consider an RFP for locating services. MANAGER SWEENEY reported that beginning Monday, March 15, the co-op will return to a Monday through Thursday work schedule, with the staff working four, 10-hour days.
- 20. BASIN BOARD MEETING.** MANAGER CARSON SWEENEY gave a report on the PRECorp/Members 1st (virtual) Board Meeting for January.
- 21. SAFETY.** LINE SUPERINTENDENT DALE RIKALA reported that the annual Wellness Day event was held January 13th in Fergus Electric's truck garage. Central Montana Medical Center staff directed the employees to three separate wellness stations that covered everything from blood pressure, oxygen level, body mass weight and height to a comprehensive blood draw. The February 11th safety meeting will include a presentation from MECA instructor Troy Kamps, via zoom, covering Personal Protective Equipment and Slips, Trips and Falls.
- 22. ESTATE CAPITAL CREDITS.** The Board reviewed the January 2021 list of estate capital credits in the amount of \$23,154.87 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

23. 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. MANAGER SWEENEY commended OFFICE MANAGER SALLY HORACEK and her staff for their hard work.

24. OTHER BUSINESS. None.

25. FUTURE MEETINGS.

- a. Safety Meeting, February 11
- b. PRECorp/Members 1st Board Meeting, February 16
- c. Basin Manager's Meeting, February 17-18
- d. FEC Board, February 25

26. NEWS FROM THE DISTRICTS.

27. ADJOURNMENT. PRESIDENT PAUL DESCHEEMAEKER adjourned the meeting at 2:33 p.m.

SECRETARY Brenda Anty ATTEST: PRESIDENT Paul Descheemaeker