

MINUTES
GENERAL BOARD MEETING, DECEMBER 6, 2019
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session December 6, 2019 with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 11:10 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, TERRY FROST, CATHY KOMBOL, BRETT MAXWELL and JASON SWANZ. GENERAL MANAGER SCOTT SWEENEY, ASSISTANT MANAGER DAVID DOVER, CORPORATE COUNSEL KRIS BIRDWELL, and LINE SUPERINTENDENT DALE RIKALA and OFFICE MANAGER SALLY HORACEK.
2. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, BOB EVANS 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 October 31, 2019 general meeting and discussing them, TERRY FROST 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. **EXECUTIVE SESSION.** At 11:15 a.m., TERRY FROST moved to go into executive session to discuss personnel matters. BOB EVANS seconded the motion, which carried unanimously.
6. **GENERAL SESSION RESUMES.** At 12:22 p.m., BOB EVANS moved to return to general session. TERRY FROST seconded the motion, which carried unanimously.
7. **BUDGET.** GENERAL MANAGER SCOTT SWEENEY reviewed the line items proposed on the 2020 Budget and Work Plan. MANAGER SWEENEY and LINE SUPERINTENDENT DALE RIKALA addressed some budget item revisions and answered questions. After a lengthy discussion period, TERRY FROST moved to approve the 2020 budget as presented. BRETT MAXWELL seconded the motion, which carried with five votes in favor and one against.
8. **2019 CAPITAL CREDIT GENERAL RETIREMENT CHECKS.** GENERAL MANAGER SCOTT SWEENEY and OFFICE MANAGER SALLY HORACEK recommended that Fergus Electric Cooperative issue capital credit general retirement checks for the years 1987-1991. After a period of discussion, JASON SWANZ moved to approve paying out the 2019 capital credit general retirement as recommended for approximately \$472,000.00. BRAD ARNTZEN seconded the motions, which carried unanimously. The capital credit checks will be issued in December 2019 and mailed to members in early January 2020.
9. **NEW METERING SYSTEM.** ASSISTANT MANAGER DAVID DOVER shared the AMI update that STAKING ENGINEER MELANIE FORAN prepared for the Board. Site surveys for phase 3 are 85 percent complete, site surveys for phase 4 are complete and site surveys for phase 5 are 87 percent complete. FORAN also noted that MECHANIC JASON DEFFINBAUGH has been retrofitting the trailer for relay transport to Roundup, and Fergus Electric is planning to install 10-15 meters soon to test real data.
10. **SANDFIRE RESOURCES COPPER MINE.** MANAGER SWEENEY reported that Black Butte Copper is 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.
11. **ANSWERING SERVICE.** LINE SUPERINTENDENT DALE RIKALA reported that Vision Net will continue to answer calls until year end 2019. RIKALA said he contacted several businesses that offer after-hours answering services, and one party is particularly interested if they can get the equipment setup to be able to do it from their location. RIKALA plans to provide more information at the next board meeting.

12. BOARD RETREAT. ASSISTANT MANAGER DAVID DOVER said JASON STRONG with CFC is planning to facilitate the January 2020 board retreat. DOVER provided the board and management with a list of ideas and goals for discussion and noted that an agenda will be finalized in December. DOVER said that CFC is requesting that the board complete a short survey prior to the retreat.

13. CFC ONE CARD RESOLUTION. After a short discussion, BRETT MAXWELL moved to approve the Certificate of Resolutions and Incumbency (update) Resolution; National Rural Utilities Cooperative Finance Corporation (CFC) Participation Entity Amendment, and Second Amendment to One Card Programs Reimbursement Agreement to increase the aggregate credit limit from forty thousand dollars to eighty thousand dollars on the CFC One Card. TERRY FROST seconded the motion, which carried unanimously.

14. TRUCK REPLACEMENT SCHEDULE. LINE SUPERINTENDENT DALE RIKALA reviewed a list of the co-op's transportation fleet that he gave to the board. The list included the description, function, age, mileage and hour reading of each piece of equipment, which included the bucket, digger and service trucks, and trailers, skid steer, Sno-Cat, backhoe, etc. RIKALA noted that it takes approximately three months to get a service truck from the time it is ordered and approximately a year for large trucks. PRESIDENT PAUL DESCHEEMAEKER asked RIKALA to compare the cost of leasing a truck versus purchasing. DESCHEEMAEKER also asked RIKALA to research how quick the co-op could get hold of a leased truck in a pinch. RIKALA will report back to the Board. BOB EVANS thanked DALE for reviewing and discussing the list of fleet assets.

15. 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 October 31, 2019 operating report and FINANCIAL ANALYST JANINE RIFE DIDIER presented the October 31, 2019 ratios report.

16. OPERATIONS REPORT. LINE SUPERINTENDENT DALE RIKALA reported that crews have been busy completing AMI site surveys in the Ryegate, Harlowton, Lewistown and White Sulphur Springs areas. Crews will begin installing relay and access point equipment soon. RIKALA reported that Fergus Electric is working with Altec and Freightliner to resolve assorted truck issues. To date, Fergus Electric has added 298 poles and retired 285 of which 279 were junked. RIKALA was pleased to report that CASEY KOMBOL passed his lineman test on the first try to become a journeyman lineman. Congratulations to CASEY.

17. INVENTORY OF WORK ORDERS. No work order close-out this month.

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

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

20. BASIN ANNUAL MEETING. JASON SWANZ reported that he and ASSISTANT MANAGER DAVID DOVER had attended Basin's Annual Meeting and it was certainly worthwhile. MANAGER SWEENEY told the Board that cost of power is by far the co-op's biggest expense and he encouraged the Board to continue to attend Basin's annual meetings. DOVER added that Basin's staff seems willing to answer any questions the members have.

21. MEMBERS 1ST/PRECORP MEETINGS. GENERAL MANAGER SCOTT SWEENEY reviewed the November 19 Members 1st board meeting held in Gillette, Wyoming which he attended.

22. MECA WINTER MEETING. BRAD ARNTZEN and GENERAL MANAGER SCOTT SWEENEY reviewed the MECA Winter Meeting held Dec. 3-4, and BRAD reviewed the Strategic Planning Meeting held Dec. 4-5 in Great Falls.

23. ESTATE CAPITAL CREDITS. The Board reviewed the November 2019 estate capital credits in the amount of \$6,893.98, prepared by SUSAN HINKLEY. JASON SWANZ moved to affirm the retirements and BOB EVANS seconded the motion, which carried unanimously.

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, First Aid, CPR, AED, Jan. 9 - Mike Davis
- b. Wellness Day, Health Screening, Jan. 16 - CMMC Staff
- c. PRECorp, Jan. 21, Sundance
- d. FEC Board, Jan. 30, Feb. 27, Mar. 26, Apr. 30, May 28 & June 25
- e. FEC Board Retreat, Jan. 22-23
- f. NRECA Annual Meeting, Mar. 1-4

26. **NEWS FROM THE DISTRICTS.**

27. **ADJOURNMENT.** PRESIDENT PAUL DESCHEEMAEKER adjourned the meeting at 4:50 p.m.

SECRETARY



ATTEST: PRESIDENT

