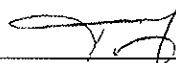


**MINUTES - GENERAL BOARD MEETING  
JANUARY 30, 2014  
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 30, 2014 with VICE PRESIDENT DAVID DOVER calling the meeting to order at 9 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were PAUL DESCHEEMAEKER, JOE DIRKSON, BOB EVANS (by teleconference), JASON SWANZ, and MIKE VLASTELIC. CORPORATE COUNSEL WILLIAM A SPOJA, GENERAL MANAGER SCOTT SWEENEY and OFFICE MANAGER SALLY HORACEK were also present. 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, PAUL DESCHEEMAEKER moved to approve it. JASON SWANZ seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETINGS.** After reviewing the minutes of the December 20, 2013 general meeting, MIKE VLASTELIC moved to approve them. JOE DIRKSON seconded the motion, which carried unanimously. After reviewing the conference call minutes of January 21, 2014, JOE DIRKSON moved to approve them. MIKE VLASTELIC seconded the motion, which carried unanimously.
5. **EXECUTIVE SESSION TO DISCUSS SOUTHERN MONTANA BANKRUPTCY.** The Board discussed the Southern Montana Bankruptcy via a teleconference call with BANKRUPTCY ATTORNEYS TRENT GARDNER, BOB BALDWIN and JOHN PAUL.
6. **SOUTHERN MONTANA BANKRUPTCY MEDIATION.** Following discussion in regard to the mediation hearings of January 9-10 and 23-24, 2014, TERRY FROST moved to approve a board resolution adopting the actions of the Fergus Electric Board members present at the Southern Montana Electric bankruptcy mediation hearings. JASON SWANZ seconded the motion, which carried unanimously. A copy of the resolution is attached.
7. **METSPPOOL SAFETY STANDARDS.** A short discussion covered a MECA Safety Standards survey, which was signed by DAVID DOVER and SCOTT SWEENEY.
8. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the January 2014 estate capital credit retirements for \$28,183.41 prepared by SUSAN HINKLEY. JOE DIRKSON moved to affirm the retirements and MIKE VLASTELIC seconded the motion, which carried unanimously.
9. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 547-547X for \$6, 2871.28 and 547-547X(A) for \$21,700.86 ending, December 31, 2013, JASON SWANZ moved their approval. PAUL DESCHEEMAEKER seconded the motion, which carried unanimously.
10. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for 2013 prepared by VANGIE McCONNELL. MANAGER SWEENEY noted that 2013 had the lowest number of power interruptions since detailed records have been kept.
11. **NOMINATING COMMITTEES APPOINTMENTS.** PAUL DESCHEEMAEKER moved to approve the following nominating committees: District 2 (Judith Gap, Buffalo & Moore areas) - RUSS LODE, TIFFANY MIKKELSON and KEITH WEINHEIMER; District 4 (Grass Range and Winnett areas) - JACK BARISICH, SAM HOLMES and BONNIE TUSS. TERRY FROST seconded the motion, which carried unanimously.



12. **FOURTH QUARTER WRITE-OFFS.** TERRY FROST moved to write off \$1,601.23 in bad debt and to continue with collection procedures as outlined in Board Policy. JOE DIRKSON seconded the motion which carried unanimously. A list is attached.
13. **NEW MEMBERS AND DELINQUENT ACCOUNTS.** The Board and Management reviewed the new member list and delinquent account status.
14. **SUMMARY OF CONSTRUCTION WORK COMPLETED IN 2013.** In place of the monthly operations report, STAKING ENGINEER GUY JOHNSON submitted a written report covering all construction work done in 2013.
15. **SIGNAL PEAK LLC.** MANAGER SWEENEY reported that mine manager JOHN DeMICHIEI retired and BRAD HANSON is the new CEO.
16. **ADVISORY COMMITTEE.** Due to conflicting schedules, the January member advisory committee was cancelled. The next meeting will be scheduled at a time when MANAGER SWEENEY has more information regarding Southern Montana Electric's mediation hearings.
17. **REPORT OF LEGAL COUNSEL.** LEGAL COUNSEL BILL SPOJA reported he had worked on a variety of issues.
18. **LARGEST POWER BILL.** MANAGER SWEENEY reported that in December Fergus Electric experienced its largest power bill ever - \$1.7 million dollars and 53,471kW or 53.4MW.
19. **WINNETT TRANSMISSION LINE.** The Winnett Junction to Winnett transmission line, 25 miles of 69 kV line, is 65% completed.
20. **CFC FIELD REPRESENTATIVE.** ERIC ANDERSON of CFC visited with the Board and Management about a variety of financial services they offer to rural electric cooperatives. He also noted that a CFC financial workshop will take place April 22-23 in Great Falls.
21. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. Included in the items thus seen were the following: the December operating report prepared and reviewed by OFFICE MANAGER SALLY HORACEK, and the analysis of operating statistics prepared by JANINE RIFE DIDIER.
22. **MECA BOARD.** MIKE VLASTELIC reported on the January 8 MECA board meeting. He reported that ACCOUNTANT TOM KOPP noted there will be a slight surplus for 2013, the 2014 budget was approved, and reports were heard from CEO DAVE WHEELIHAN, NRECA BOARD MEMBER CLARENCE KELLER, RUS FIELD REPRESENTATIVE DENVER SCHLAEPPI and COBANK REPRESENTATIVE ANDY GLOVER.
23. **FUTURE MEETINGS.** Wellness Day – Blood Screens, Etc., Feb. 12, 8 a.m.  
 FEC Board, Feb. 27, 10 a.m.  
 FEC Board, Mar. 27, 10 a.m.  
 CFC Financial Workshop, Great Falls, April 22-23  
 NWPPA 74<sup>th</sup> Annual Membership Meeting, Billings, May 18-22  
 MECA Summer Board, Billings, July 8-9
24. **NEWS FROM THE DISTRICTS.** Each director shared items of interest to the Board.
25. **ADJOURN.** With no further business to come before the Board, VICE PRESIDENT DOVER adjourned the general meeting at 3:15 p.m.

SECRETARY Terry Frost ATTEST: VICE PRESIDENT David Dover  
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