

**MINUTES**  
**GENERAL BOARD MEETING – MAY 28, 2015**  
**FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session May 28, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 9 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were PAUL DESCHEEMAER, JOE DIRKSON, DAVID DOVER, JASON SWANZ, and MIKE VLASTELIC. CORPORATE COUNSEL KRIS BIRDWELL, GENERAL MANAGER SCOTT SWEENEY, OFFICE MANAGER SALLY HORACEK and FINANCIAL ANALYST JANINE RIFE DIDIER 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, MIKE VLASTELIC 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 April 30, 2015 general meeting, JOE DIRKSON moved to approve them. JASON SWANZ seconded the motion, which carried unanimously.
5. **OLD RUS LOAN.** MANAGER SWEENEY reported that the last advance of the AB8 Loan has been received.
6. **NEW RUS LOAN, RESOLUTION TO APPROVE THE 2015-2018 CONSTRUCTION WORK PLAN.** After discussion, TERRY FROST moved to approve the 2015-2018 Construction Work Plan prepared by Heberly and Associates. PAUL DESCHEEMAER seconded the motion, which carried unanimously.
7. **PRECORP BOARD.** MIKE VLASTELIC, SCOTT SWEENEY and DALE RIKALA attended the May 19 PRECorp board meeting in Gillette. They learned that PRECorp's MIKE EASLEY and PHILLIP HABECK attended the May Basin board meeting and spoke to the board about Fergus and Tongue River joining PRECorp/Basin for future power supply.
8. **SOUTHERN BOARD MEETING.** DAVID DOVER, president of the Southern Board, called the meeting to order May 27. SCOTT SWEENEY was also in attendance. Payments to note holders continue on schedule and an audit report prepared by EIDE BAILLY was reviewed.
9. **SME BOARD MEETING.** The SME Board met May 27 with DAVID DOVER and SCOTT SWEENEY in attendance. After discussion, in regard to land held by SME and Southern, MIKE VLASTELIC moved to authorize TERRY FROST and DAVID DOVER to sign and vote on behalf of Fergus Electric for SME and to authorize JASON SWANZ and DAVID DOVER to sign and vote on behalf of Fergus Electric for Southern. JASON SWANZ seconded the motion, which carried unanimously. TERRY FROST called in on a conference call.
10. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. Included in the items seen were the April operating report prepared by OFFICE MANAGER SALLY HORACEK and the April analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
11. **CAPITAL CREDITS.** Discussion covered a payout of general capital credits in December.
12. **CONFERENCE CALL WITH ATTORNEY TRENT GARDNER.** The Board and ATTORNEY GARDNER discussed the Beartooth mediation.



13. **TRUCK BIDS.** LINE SUPERINTENDENT DALE RIKALA reviewed with the Board bids for the purchase of a digger truck and a service bucket truck.
14. **SAGE GROUSE.** MECA is continuing to work on a Sage Grouse protection plan.
15. **OPERATIONS REPORT.** The Board considered the operations and maintenance, engineering and safety report of May 21, 2015 prepared by LINE SUPERINTENDENT DALE RIKALA. RIKALA reported that, to date, 11 new meters have been installed. He also noted that 154 new poles have been added with 114 retired of which 109 were junked. This compares to 13 new meters and 78 junk poles in May of 2014. RIKALA also demonstrated several types of surge protectors.
16. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 563-563X for \$48,899.94 and 563X (A) for \$1,405.92 ending April 30, 2015, JOE DIRKSON moved to approve them. MIKE VLASTELIC seconded the motion, which carried unanimously.
17. **LEGAL COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL gave his monthly report which included discussion on proxy voting. According to the bylaws, husband or wife are the two eligible to vote on an account. Mail-in ballots were also discussed.
18. **ANNUAL MEETING REVIEW.** VANGIE McCONNELL reviewed with the Board a detailed agenda for the June 4 annual meeting. Assignments for various tasks were confirmed or edited.
19. **CFC INTEGRITY FUND.** After discussion, the Board decided not to contribute to the CFC Integrity Fund at this time.
20. **TONGUE RIVER/PRECORP MEETING.** MANAGER SWEENEY reported that he and MANAGER MIKE EASLEY of PRECorp met with the Tongue River Cooperative Board and had a good discussion regarding power supply with PRECorp and Basin.
21. **LEGISLATIVE CONFERENCE.** MIKE VLASTELIC and SCOTT SWEENEY reported on the Washington, D.C. Legislative Conference that took place May 3-6. They reported good attendance with ample opportunities to speak with legislators which, included Montana's delegation.
22. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** The combined load factor for the 50kV and 100kV Signal Peak substations was 41.3%. Express Pipeline had a combined load factor of 58.8%.
23. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the May 2015 estate capital credit retirements of \$23,567.29 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and DAVID DOVER seconded the motion, which carried unanimously.
24. **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.
25. **JOE DIRKSON.** PRESIDENT BOB EVANS thanked JOE DIRKSON for his 21 years of service to the Board and to Fergus Electric. All the Board and the management team concurred.
26. **FUTURE MEETINGS.**


Special Board Meeting, June 4 – 10-11 a.m.  
Annual Meeting, Fergus County Trade Center, June 4 – 11 a.m.  
Reorganization Meeting following annual Meeting, June 4  
Dinner after Reorganization Meeting, Yogo Inn, June 4 – 5 p.m.

Safety, Annual Hearing Tests, Bucket Truck and Pole Top Rescue, Mayday Protocol, June 16  
PRECorp Board, Sheridan, June 16  
Southern Board, Billings, June 24  
SME Board, Billings, June 24  
FEC Board, June 25, 9 a.m.  
FEC Board, July 30, 9 a.m.

27. **NEWS FROM THE DISTRICTS.** Each board member shared items of interest.

28. **ADJOURN.** PRESIDENT BOB EVANS adjourned the meeting at 2 p.m.

  
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**SECRETARY**

ATTEST:  
  
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**PRESIDENT**