

**MINUTES - GENERAL BOARD MEETING
NOVEMBER 26, 2013
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session November 26, 2013 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 WILLIAM A SPOJA, GENERAL MANAGER SCOTT SWEENEY, OFFICE MANAGER SALLY HORACEK and ATTORNEY BOB BALDWIN of Goetz, Baldwin and Geddes, PC 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, TERRY FROST moved to approve it. MIKE VLASTELIC seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the October 31, 2013 general meeting, JOE DIRKSON moved to approve them. JASON SWANZ seconded the motion, which carried unanimously.
5. **SOUTHERN BANKRUPTCY REPORT.** ATTORNEY BOB BALDWIN covered the Southern Montana Bankruptcy Chapter 11 filing in an executive session. The Board came out of the executive session and a motion was made, seconded and approved to reject the settlement offered and to instruct ATTORNEY BALDWIN to take whatever action he deems necessary.
6. **OPERATIONS REPORT.** The Board considered the operations and maintenance, engineering and safety report of 11/19/2013 prepared by LINE SUPERINTENDENT DALE RIKALA. RIKALA reported that, to date 88 new meters have been installed. He also noted that 493 new poles were added and 496 were retired of which 454 were junked. The November 20 safety meeting was led by ERIC BJORKMAN with HD Supply who covered the cause and effects of Ferroresonance on power lines.
7. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through October prepared by Vangie McConnell.
8. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for their perusal and discussion. Included in the items thus seen were the following: The October operating report prepared and reviewed by SALLY HORACEK, the analysis of operating statistics prepared by JANINE RIFE DIDIER and reviewed by MANAGER SWEENEY, and the new member list and delinquents prepared by ERIKA MATTALIANO.
9. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 545-545X for \$50,374.16 and 545-545X(A) for \$3,541.53 ending October 31, 2013, JOE DIRKSON moved their approval. TERRY FROST seconded the motion, which carried unanimously.
10. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the November 2013 estate capital credit retirements for \$7,744.09 prepared by SUSAN HINKLEY. JASON SWANZ moved to affirm the retirements and JOE DIRKSON seconded the motion, which carried unanimously.
11. **REPORT OF LEGAL COUNSEL.** LEGAL COUNSEL BILL SPOJA reported he had worked on board resolutions and reviewed personnel situations.



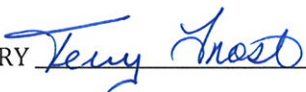
12. **RESTATEMENT OF R & S ADOPTION AGREEMENT – PLAN A.** MANAGER SWEENEY and the Board reviewed the restatement of the terms and conditions of the Retirement and Security Adoption Agreement – Plan A (1.9 % retirement benefit payable to a grandfathered participant). TERRY FROST moved to approve the restatement and PAUL DESCHEEMAER seconded the motion, which carried unanimously.
13. **EES STUDY.** After discussion, DAVID DOVER moved to approve contributing to the cost of a study analyzing HGS prepared by GARY SALEBA of EES. PAUL DESCHEEMAER seconded the motion, which was approved. A check for \$2,000 will be mailed to Beartooth Electric for Fergus Electric's share of the cost.
14. **EXTENSION OF RUS LOAN.** The Board has reviewed the status of the construction projects related to the 2008-2011 Construction Work Plan and therefore prepared a resolution requesting an extension of the "AB8" Loan. MIKE VLASTELIC moved to approve a resolution requesting a one-year extension of the advance period on the "AB8" Loan. PAUL DESCHEEMAER seconded the motion, which carried unanimously. A copy is attached.
15. **CFC ONE CARD AGREEMENT.** DAVID DOVER moved to approve the One Card agreement, managed by National Rural Utilities Cooperative Finance Corporation (CFC), for MANAGER SCOTT SWEENEY'S credit card. PAUL DESCHEEMAER seconded the motion, which carried unanimously.
16. **SIGNAL PEAK LLC.** MANAGER SWEENEY reported that the load factor for the coal mine was good for the month of October.
17. **WINNETT JUNCTION TO WINNETT PROJECT.** MANAGER SWEENEY noted that 25% of the work on the 69 kV transmission line project has been completed.
18. **NET METERING MONTHLY FEE.** A member with net metering would like to not pay the additional fee added to the monthly base charge. MANAGER SWEENEY said that all net metering accounts are being hand calculated. NISC is working on a program to bill automatically and once this is accomplished, the \$8.00 monthly fee can be addressed.
19. **BASIN ELECTRIC ANNUAL MEETING.** MANAGER SWEENEY and DAVID DOVER attended Basin's annual meeting in Bismarck November 5-7. Both agreed that it was a good opportunity to visit with PRECorp and Basin representatives.
20. **SAGE GROUSE.** Several meetings covering Sage Grouse habitat in relation to utility electric lines have taken place. MANAGER SWEENEY reported that Wyoming has a good Sage Grouse Plan and it would behoove Montana to adopt theirs.

21. FUTURE MEETINGS.

PRECorp Board Meeting, Sheridan, Dec. 16-17
FEC Board, DEC. 20, 12 Noon (no lunch provided)
Christmas Dinner, Pine Meadows (Elks Club), Dec. 20
MECA Board, Jan. 7-8
Member Advisory Committee, Jan. 23, 7 p.m.
FEC Board, Jan. 30, 9 a.m.
FEC Board, Feb. 27, 9 a.m.

- 22. ADJOURN.** With no further business to come before the Board, PRESIDENT EVANS adjourned the general meeting at 2:40.

SECRETARY



ATTEST: PRESIDENT

