

**GENERAL BOARD MEETING MINUTES, SEPTEMBER 30, 2016
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session September 30, 2016 with PRESIDENT BOB EVANS calling the meeting to order at 9 a.m. VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAEKER, DAVID DOVER, TERRY FROST, JASON SWANZ and MIKE VLASTELIC. GENERAL MANAGER SCOTT SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK, FINANCIAL ANALYST JANINE RIFE DIDIER and CORPORATE COUNSEL KRIS BIRDWELL were also present. The Pledge of Allegiance was recited.
2. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, TERRY FROST moved to approve it. PAUL DESCHEEMAEKER seconded the motion, which carried unanimously.
3. **APPROVAL OF MINUTES OF PREVIOUS MEETINGS.** After reviewing the minutes of the August 31, 2016 general meeting, MIKE VLASTELIC moved to approve them. DAVID DOVER 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 members appeared.
5. **COMMUNITY SOLAR DISCUSSION AND MOTION.** MANAGER SCOTT SWEENEY reported that he and other staff would, on October 7, visit with ORION THORNTON of Onsite Energy, Inc. regarding a community solar project for the co-op. The Board discussed a variety of suggestions on ways to promote solar panels. Included in the discussion were putting messages on Fergus Electric's Website and Facebook Pages, and including the topic in the Manager's Message found in *Rural Montana/Fergus Features*. JASON SWANZ moved to authorize MANAGER SWEENEY and staff to continue moving forward on a community solar program. DAVID DOVER seconded the motion, which carried unanimously.
6. **BASIN VIDEO.** MANAGER SWEENEY noted that Basin Electric Power Cooperative plans to do a short informational video on the three co-ops that are joining Basin – Tongue River, Mid Yellowstone and Fergus Electric.
7. **SOUTHERN MEMBERSHIP MEETING – BILLINGS.** DAVID DOVER reported on the September 14 Southern membership meeting where the members voted to dissolve Southern. Southern is now officially released from all obligations to Prudential. The official release paperwork was recorded by Cascade County and is now of record. MANAGER SWEENEY also reported that the Twin Eagle power contract will go to Basin, and that Fergus Electric will become a Class C member of Basin.
8. **PRECORP BOARD – SHERIDAN.** MIKE VLASTELIC, BOB EVANS and SCOTT SWEENEY attended the September 23 meeting. Representatives appointed to the Members 1st Power Cooperative Board are PHILLIP HABECK, PAUL BAKER and JIM BAUMGARTNER from PRECorp; JIM COLLINS from TRECO with TODD TIBBETTS alternate; and MIKE VLASTELIC from Fergus with BOB EVANS alternate. Members 1st Power Co-op elected officers as follows: President – PHILLIP HABECK, Vice President – MIKE VLASTELIC and Sec/Treas JIM BAUMGARTNER.

9. **BOARD POLICIES.** The Board and Management reviewed Board Policies 213 – Equity Management and Board Policy 214 – Interconnection of Cogenerators. The Board agreed to continue the review at the next general meeting.
10. **BOARD POLICY 215 – ADVISORY COMMITTEE.** The Board reviewed Policy 215 – Advisory Committee. With amendments, DAVID DOVER moved to approve the policy. MIKE VLASTELIC seconded the motion, which carried unanimously. A copy is attached.
11. **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 August 2016 operating report prepared by OFFICE MANAGER SALLY HORACEK and the August analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
12. **OPERATIONS REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that, to date, 54 new meters have been installed. 301 new poles were added with 281 being retired of which 275 were junked. This compares to 47 new meters and 262 junk poles in September of 2015. RIKALA also reported that ERIC BJORKMAN of Anixter reviewed operations procedures for NOVA Breaker Controls at the Glengarry Substation. BRIAN GODBEY, BRET NELLERMOE and DALE RIKALA attended the annual MECA Operations Conference in Helena during the week of September 19th.
13. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 579-579X for \$81,973.94 and 579-579X (A) for \$25,895.87, TERRY FROST moved to approve them. DAVID DOVER seconded the motion, which carried unanimously.
14. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reported on a variety of topics of co-op importance.
15. **EXECUTIVE SESSION.** An executive session was called to discuss Southern Montana.
16. **MINI RETREAT.** After discussion, the Board settled on November 16, 1 p.m. for a mini retreat to discuss succession.
17. **CFC PATRONAGE CAPITAL.** OFFICE MANAGER SALLY HORACEK reported that the cooperative received a check for \$13,769.81 – one-half of CFC patronage capital allocated in 2016.
18. **CAPITAL CREDIT RETIREMENTS.** The Board reviewed the September, 2016 estate capital credit retirements of \$7,222.22 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.
19. **CAPITAL CREDIT PAYMENTS.** OFFICE MANAGER SALLY HORACEK reported that capital credit retirements of \$250,000 (balance of 1983 and 20% of 1984) will be paid in October 2016.
19. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** The combined load factor for the 50Kv and 100Kv Signal Peak substation was 49.7%. Express Pipeline had a combined load factor of 51.5%.

20. FUTURE MEETINGS.

- a. NRECA Region 7 & 9, Reno, Oct. 5-6
- b. Oct. 19 Safety Meeting – Pole Testing and Cyber Security
- c. PRECorp Board, Sundance, Oct. 17-18
- d. Southern Board, Billings, Oct. 19
- e. Fergus Board, Oct. 28 (Fri), Dec. 2 (Fri.) at 1 p.m., Dec. 22, Jan. 26
- f. Basin Annual, Bismarck, Nov. 8-10
- g. Board Mini Retreat, Nov. 16, 1 p.m.
- h. Christmas Dinner, Pine Meadows, Dec. 2

21. NEWS FROM THE DISTRICTS.

22. ADJOURN. PRESIDENT EVANS adjourned the meeting at 3:30 p.m.

^{Pres}
Robert O Evans

10-28-16

Terry Innes

October 28 2016

