

**MINUTES
GENERAL BOARD MEETING
APRIL 30, 2015
FERGUS ELECTRIC COOPERATIVE, INC.**

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session April 30, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 8:55 a.m. TERRY FROST was secretary and JANINE RIFE DIDIER was scrivener. Other board members present were DAVID DOVER, JASON SWANZ, PAUL DESCHEEMAEKER, JOE DIRKSON and MIKE VLASTELIC. CORPORATE COUNSEL KRIS BIRDWELL, 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. JOE DIRKSON seconded the motion which carried unanimously.
- 4. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the March 26, 2015 general meeting and discussing them, MIKE VLASTELIC moved their approval. TERRY FROST seconded the motion, which carried unanimously.
- 5. SPECIAL EQUIPMENT CAPITALIZATION APPROVED.** After reviewing Special Equipment Capitalization summary reports for \$159,036.41 beginning January 2015 and ending April 2015, TERRY FROST moved to approve them. JOE DIRKSON seconded the motion, which carried unanimously.
- 6. RUS AB8 LOAN ADVANCE REQUEST.** After discussion, JOE DIRKSON moved to approve submitting RUS Form 595 to make the final advance request on our AB8 loan. MIKE VLASTELIC seconded the motion, which carried unanimously.
- 7. RESOLUTION TO ADOPT MONTANA 15 FERGUS 2015 LOAD FORECAST.** After discussion, JOE DIRKSON moved to approve a resolution adopting the 2015 Load Forecast and its uses. DAVID DOVER seconded the motion, which carried unanimously. A copy is attached.
- 8. 2015-2018 RUS CONSTRUCTION WORK PLAN.** MANAGER SWEENEY reported that KALI ARNOLD of Heberly and Associates and RUS General Field Representative DENVER SCHLAEPPI are continuing to work on the 2015-2018 Construction Work Plan for the co-op's new loan with Rural Utilities Service (RUS). The Borrower's Environmental Report (BER) is in process.
- 9. APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 562-562X for \$120,721.62 and 562-562X (A) for \$12.11 ending March 31, 2015, DAVID DOVER moved their approval. PAUL DESCHEEMAEKER seconded the motion, which carried unanimously.
- 10. CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the April 2015 estate capital credit retirements for \$22,938.03 prepared by SUSAN HINKLEY. TERRY FROST moved to affirm the retirements and DAVID DOVER seconded the motion, which carried unanimously.
- 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 was the March operating report prepared by OFFICE MANAGER SALLY HORACEK and the March analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.

12. OPERATIONS REPORT. The board considered the April 21, 2015 report prepared by LINE SUPERINTENDENT DALE RIKALA outlining operations and maintenance, engineering and safety. RIKALA reported that 124 new poles were added and 94 old poles were retired. Line crews will be upgrading services at sites east of Lewistown and in the Winifred and White Sulphur areas. Two of these sites will include 320 amp services. RIKALA noted that the co-op has been contacted in regards to a new home that will be a 1200 amp service.

13. POWER OUTAGE REPORT. MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through March prepared by VANGIE McCONNELL.

14. CONFERENCE CALL WITH ATTORNEYS TRENT GARDNER, BOB BALDWIN AND JOHN PAUL. The Board and attorneys discussed Beartooth mediation and the sale of the SME and Southern land near Highwood Generating Station.

15. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL gave his monthly report.

16. FIRST QUARTER WRITE-OFFS. DAVID DOVER moved to approve a write off of \$414.76 in bad debt and to continue with collection procedures as outlined in Board Policy. JASON SWANZ seconded the motion, which carried unanimously. A copy is attached.

17. PRECORP'S CEO DISCUSSES FUTURE POWER SUPPLY. The Board welcomed MIKE EASLEY, CEO of Powder River Energy Corporation (PRECorp) who was invited to speak about a power supply contract. Mid-Yellowstone Cooperative voted to join Upper Missouri for future power supply. MR. EASLEY reported that Basin Electric Power Cooperative (Basin) extended its member contract deadline from June 2015 to October 2015. EASLEY discussed the structuring of PRECorp as it relates to Basin. EASLEY and several other PRECorp board members will attend the NRECA Legislative Conference in Washington, DC, May 3-6 and has arranged several meetings that Fergus Electric Co-op representatives, SCOTT SWEENEY and MIKE VLASTELIC are invited to attend.

18. ELECTION AND CREDENTIALS COMMITTEE APPOINTMENTS. The Board reviewed the list of members who will serve on the election and credential committees in each board district. MANAGER SWEENEY noted that there is a good pool of candidates to fill the board seat of retiring board member JOE DIRKSON.

19. LINEMAN HIRED. MANAGER SWEENEY reported that the co-op hired BRET NELLERMOE to fill the lineman position in Roundup, effective May 4.

20. FUTURE MEETINGS. Safety Meeting, May 13, Co-op headquarters; PRECorp Board, May 19, Gillette; Southern Board, May 27, Billings; SME Board, May 27, Billings; FEC Board, May 28, 9 a.m.; NRECA Legislative Conference, May 3-6, Washington, DC; Fergus Electric Annual Meeting, June 4, Fergus County Trade Center.

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

22. ADJOURN. PRESIDENT BOB EVANS adjourned the meeting at 2:20 p.m.

SECRETARY Terry Inost

ATTEST:

PRESIDENT Robert Evans