

**GENERAL BOARD MEETING MINUTES
FEBRUARY 22, 2017
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session February 22, 2017 with VICE PRESIDENT DAVID DOVER calling the meeting to order at 9 a.m. VANGIE McCONNELL was scrivener. Other Board members present were BRAD ARNTZEN, PAUL DESCHEEMAEKER, TERRY FROST, JASON SWANZ and MIKE VLASTELIC. BOB EVANS joined by conference call. GENERAL MANAGER SCOTT SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK, FINANCIAL ADVISOR 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, BRAD ARNTZEN moved to approve it. PAUL DESCHEEMAEKER seconded the motion, which carried unanimously.
3. **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.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the January 27, 2017 general meeting, PAUL DESCHEEMAEKER moved to approve the minutes. MIKE VLASTELIC seconded the motion, which carried unanimously.
5. **EXECUTIVE SESSION.** An executive session convened at 10:30 a.m. and concluded at 11:30 a.m. CORPORATE COUNSEL KRIS BIRDWELL gave his report during the session.
6. **TINTINA COPPER MINE.** MANAGER SWEENEY, LINE SUPERINTENDENT DALE RIKALA, and STAKING ENGINEERS GUY JOHNSON and MELANIE FORAN will meet with Tintina representatives in White Sulphur Springs March 1. Weather permitting, they will also visit the mine site.
7. **COMMUNITY SOLAR DISCUSSION.** STAKING ENGINEER MELANIE FORAN reviewed community solar costs for a 35 kW system and for a 105 kW system – one with 108 panels and one with 324 panels. She also reviewed the savings per panel per year and payback years. FINANCIAL ADVISOR JANINE RIFE DIDIER outlined the agenda for the Community Solar Seminar which will follow the board meeting at the Community Center in Lewistown. Presenters are ORION THORNTON of OnSite Energy, Inc, DAN ROGERS of Missoula Electric Cooperative, CLAUDIA RAPKOCH of NorthWestern Energy, JUSTIN LOCH of Montana Farmers Union and SCOTT SWEENEY of Fergus Electric Cooperative. DARREN CRAWFORD of Fergus County MSU Extension will serve as master of ceremonies. Refreshments will be served.
8. **MEMBERS 1ST AND PRECORP BOARD.** LINE SUPERINTENDENT DALE RIKALA and MANAGER SWEENEY reported on the February 21st PRECorp board meeting in Gillette. MIKE VLASTELIC, who had participated in the Members 1st meeting via a conference call, gave his report.
9. **SOUTHERN MONTANA G & T.** As of January 30, 2017, the Southern bankruptcy is closed.



10. **SOUTHERN/MEMBER'S 1ST POWER BILLS.** OFFICE MANAGER SALLY HORACEK reported on a comparison of billing from Southern Montana and from Members 1st.
11. **2017 BUDGET.** Proposed capital expenditures for the 2017 budget were discussed. A complete budget will be presented to the Board for review in March.
12. **CAPITAL CREDITS.** Discussion covered plans for a general retirement of capital credits in 2017.
13. **COPY MACHINE.** OFFICE MANAGER SALLY HORACEK reviewed the need for a replacement office copy machine. Superior Business Equipment out of Great Falls offered a lease return for \$11,999. PAUL DESCHEEMAER moved to approve the purchase of the copy machine. TERRY FROST seconded the motion, which carried unanimously.
14. **FINANCIAL AND OTHER MONTHLY REPORTS.** Staff presented financial and other monthly reports to the Board for discussion. Included were the January operating report presented by OFFICE MANAGER SALLY HORACEK and the January analysis of operating statistics presented by FINANCIAL ANALYST JANINE RIFE DIDIER.
15. **OPERATIONS REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that, to date, two new meters have been installed. One new pole was added and seven were retired of which two were junked. This compares to two new meters and nine junk poles in February of 2016. Safety meetings included the annual wellness day in January, First Aid, CPR and AED training for office personnel also in January and hot sticks, personal grounds & chains testing, and ladder inspections in February. RIKALA also noted that Summit Locating Services has been contracted to do underground locates.
16. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 584-584X for \$1,254.38 and 584-584X (A) for \$5,759.80 dated January 31, 2017, MIKE VLASTELIC moved to approve them. PAUL DESCHEEMAER seconded the motion, which carried unanimously.
17. **SERVICEMAN/METER TECHNICIAN.** MANAGER SWEENEY reported that LINEMAN BRIAN GODBEY was promoted to serviceman/meter technician. He will assist meter technician KERBY DURBIN in Fergus Electric's metering department. SWEENEY noted that hiring another lineman to replace GODBEY on a three-man crew will be considered.
18. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** MANAGER SWEENEY noted that the combined load factor for the 50kV and 100kV Signal Peak Sub was 50.8%. Express Pipeline had a combined load factor of 86.6%.
19. **BOARD POLICY 248.** The Procurement Conflict of Interest policy will be reviewed next month.
20. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the January 2017 estate capital credit retirements of \$11,886.50 prepared by SUSAN HINKLEY. MIKE VLASTELIC moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

21. DELINQUENT ACCOUNTS AND NEW MEMBER LIST. The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing. A list of new members was also reviewed.

22. AUDITORS. CORY WHEELER of Smith, Lange and Halley, P.C. will review the 2016 audit report at the March 30 board meeting.

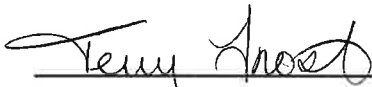
23. FUTURE MEETINGS.

- a. Community Solar Meeting, Council on Aging Community Center, Mar. 22, 4:30 p.m.
- b. NRECA Annual Meeting, San Diego, Feb.27–Mar 1
- c. Tintina, White Sulphur Springs, Mar 1
- d. NRECA Training, Course 2610, Director Duties and Understanding the Electric Business, Lewistown, Mar 9
- e. Safety Meeting, Fault Wizard & Underground Locator & High Voltage Demo Trailer Discussion – Mar 15
- e Fergus Board, Mar 30, Apr 27, May 27, 9 a.m.
- f. Director Course 921.1 – Risk Oversight: The Board’s Role in Risk Management, Great Falls, Apr 3
- g. MECA Spring Board, Great Falls, Apr 4-5
- h. NRECA Legislative Conference, Washington, D.C., Apr 23-25
- i. Fergus Electric Annual Meeting, Fergus County Trade Center, June 8

24. EXECUTIVE SESSION. An executive session convened at 2 p.m. and concluded at 3 p.m.

25. NEWS FROM THE DISTRICTS. Each board member shared items of interest from their district.

26. ADJOURN. VICE PRESIDENT DOVER adjourned the meeting at 3:25 p.m.


Secretary

ATTEST:


President