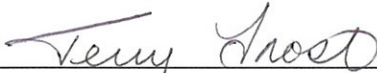
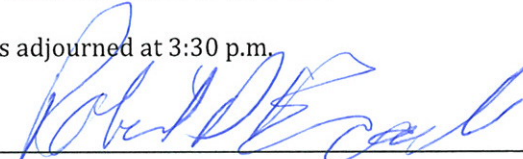


**MINUTES - GENERAL BOARD MEETING
MAY 29, 2014
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session May 29, 2014 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 DESCHEEMAEKER, DAVID DOVER, JOE DIRKSON, JASON SWANZ, and MIKE VLASTELIC. CORPORATE COUNSEL WILLIAM A SPOJA , ATTORNEY 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, JASON SWANZ 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 April 24, 2014 general meeting, MIKE VLASTELIC moved to approve them. DAVID DOVER seconded the motion, which carried unanimously.
5. **SOUTHERN BANKRUPTCY DISCUSSION - EXECUTIVE SESSION.** Via a conference call starting at 9:15 a.m., the Board discussed bankruptcy issues with attorneys TRENT GARDNER and JOHN PAUL. Covered were Southern Board meetings, May 7, 16, 27, 28; Bankruptcy Court, May 9 and June 13 - disclosure statement hearing and confirmation plan hearing; and Beartooth mediation May 14 and June 23. The executive session concluded at 10 a.m.
6. **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 following: The April operating report prepared and reviewed by OFFICE MANAGER SALLY HORACEK and the analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER. MANAGER SWEENEY noted the membership would not see a rate increase this year.
7. **OPERATIONS REPORT.** The Board considered the operations and maintenance, engineering and safety report of 05/23/2014 prepared by LINE SUPERINTENDENT DALE RIKALA. RIKALA reported that, to date, 13 new meters have been installed. He also noted that 85 new poles were added and 83 were retired of which 78 were junked. The May safety meeting included the annual OSHA-required hearing exams and a benefits update from VANGIE McCONNELL. The crews tested hot sticks and protective grounds.
8. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No.551-551X for \$9,385.27 and 551-551X (A) for \$5,919.34 ending April 30, 2014, JOE DIRKSON moved their approval. TERRY FROST seconded the motion, which carried unanimously.
9. **IRS FORM 990.** The Board reviewed IRS Form 990. MIKE VLASTELIC moved to affirm the document. DAVID DOVER seconded the motion, which carried unanimously.
10. **REPORT OF LEGAL COUNSELS.** COUNSEL WILLIAM A. SPOJA noted that ATTORNEY KRIS BIRDWELL was in attendance and becoming familiar with cooperative business.
11. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through April prepared by VANGIE McCONNELL.



12. **RURAL DEVELOPMENT UTILITIES PROGRAMS.** After discussion regarding the RDUP Form 674, Certificate of Authority to Submit or Grant Access to Data, DAVID DOVER moved to sign a resolution stating that MANAGER SWEENEY and OFFICE MANAGER HORACEK would comply with the instructions for the RDUP 674. JOE DIRKSON seconded the motion, which carried unanimously. A copy of the resolution is attached.
13. **ANNUAL MEETING REVIEW AND ASSIGNMENTS.** A complete schedule of the 76th Annual Meeting was reviewed and assignment revisions were made.
14. **MANAGER'S REPORT.** MANAGER SWEENEY updated the Board on load factors regarding the Signal Peak coal mine and the Express pipeline. The load factor for the 100 kV sub was 65.7% for April and the total load factor of the 50kV and 100kV combined was 64.6%.
15. **HGS PLANT TOUR.** DAVID DOVER reported on the Highwood Generating Station plant tour. He said approximately 20 legislators and co-op personnel viewed the plant. DOVER also noted that he took BOB BALDWIN, Fergus Electric's bankruptcy attorney, through the plant.
16. **NWPPA ANNUAL MEETING.** Some of the topics discussed at NWPPA's Annual Meeting in Billings May 18-22 were: base rates, new technology, resumes for hiring a manager, net metering and California's plan to sell energy. PAUL DESCHEEMAERKER, JOE DIRKSON, DAVID DOVER, TERRY FROST and MANAGER SWEENEY attended the meeting. PAUL also attended the class Introduction to Robert's Rules of Order.
17. **CERTIFICATE OF AUTHORITY.** DAVID DOVER moved to approve MANAGER SCOTT SWEENEY as Certifier for the cooperative and OFFICE MANAGER SALLY HORACEK as Security Administrator for the purpose of complying with Rural Utilities Service RDUP Form 674. JOE DIRKSON seconded the motion, which carried unanimously. A copy of the resolution is attached.
18. **NET METERING.** A short discussion covered the possibility of hiring EES Consulting Engineers to help with net metering rates.
19. **ESTATE CAPITAL CREDIT RETIREMENTS.** The Board reviewed the May 2014 estate capital credit retirements of \$5,566.18 prepared by SUSAN HINKLEY. JOE DIRKSON moved to affirm the retirements and JASON SWANZ seconded the motion, which carried unanimously. A copy is attached.
20. **FUTURE MEETINGS.** FEC Special Board, June 5, 9:30 a.m.
 FEC Annual, June 5, Fergus County Trade Center
 Board Reorganization Meeting, June 5, Headquarters
 Bankruptcy Hearing, Billings, June 13, Courthouse
 PRECorp, Sheridan, WY, June 16-17
 Safety, Pole Top & Bucket Truck Rescue; Mayday Protocol, June 25
 FEC Board, June 26, July 31, & Nov. 20, 9 a.m.
 MECA Board, Billings, July 8-9
 Member Advisory Committee, (Bob), July 23
 FEC Board and Christmas Dinner, Dec. 19, 1 p.m.
21. **NEWS FROM THE DISTRICTS.** Each director shared items of interest to the Board.
22. **ADJOURN.** With no further business, the meeting was adjourned at 3:30 p.m.


 _____ ATTEST: 

 Secretary President