

**APPROVED REGULAR MEETING MINUTES**  
**BOARD OF DIRECTORS - WHEAT BELT PPD**  
**JULY 25, 2008**

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order at 9:00 a.m., Friday, July 25, 2008, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

**ROLL CALL**

The following Directors were present:

Bernie Fehringer  
Jim Hass  
Stuart Morgan

Martin Petersen  
Doug Smith, Arrived at 9:55  
Dennis Zimmerman

Absent: Paul Robinson

Also present were Aavo Taaler, General Manager; Carolyn Hostetler, Chief Financial Officer; Earl Reilly, Operations Superintendent; Ryan Borges, Staking Engineer; Tim Lindahl, IT Technician and Debra Schlaman, Financial Accounting Assistant.

Vice-President Hass, declared a quorum present.

Attention of the Directors, attendees and guests was directed to the Open Meetings Law Poster.

**APPROVAL OF AGENDA**

Petersen made a motion to approve the agenda with a change to lunch being served in-house. Zimmerman seconded the motion. Yea: All present. Motion carried.

**NOTICE OF MEETING**

Notice of this meeting was given by publication in the Sidney Sun-Telegraph on Saturday, July 12, 2008, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Petersen made a motion to waive the reading of the notice. Zimmerman seconded. Yea: All present. Motion carried.

## **Board Minutes – July 25, 2008**

**Page 2**

### **INTRODUCTION OF GUESTS**

Taaler introduced Jane Bartels, Customer Care Assistant and Steve Carter and Terry Hamaker, potential director candidates.

### **APPROVAL OF JUNE 27<sup>th</sup> MINUTES**

Morgan moved to waive the reading of the June 27, 2008, Board meeting minutes, and that they be approved as presented. Fehringer seconded the motion. Yea: All present. Motion carried.

### **MANAGER'S REPORT**

Personnel: Taaler reported that Jim Dickman would be returning to work on August 6<sup>th</sup>.

Taaler reported that Mindy Schmidt acted as a camp counselor at the NREA Youth Energy camp in Halsey. She hoped that more employees would volunteer because she had a great experience.

Shelley Peterson, Human Resources, made a brief appearance to report on a deficiency found in the payroll program regarding company 401K contributions associated with comp time, which is unfavorable to the employees in the amount of \$11,371. Fehringer moved to correct the comp time error in totality. Petersen seconded the motion. Yea: All present. Motion carried

Financials: The June financial reports were reviewed, and thoroughly discussed.

Discussion was held on the price of power and instantaneous water heaters and demand charges.

Legislative: Taaler reported that he is waiting for a draft of an operating policy on net metering from Kristen Gottschalk from NREA.

The question of legality of Wheat Belt employees and Directors being ACRE members was discussed.

Taaler also reported that James Dukesherer and Kristen Gottschalk, both from the NREA, will be at Wheat Belt on September 23<sup>rd</sup> to do a presentation to the employees on grassroots and ACRE and invited the Directors to attend.

Discussion was held on the NRECA software conversion to their benefits system program and the ensuing problems.

### **CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT**

Borges reviewed the construction, maintenance and operations for the month.

Discussion was held concerning the six wells at the Lisco fish farm possibly being leased by the NRD. Discussion on which rate class this would fall under followed.

Reilly reported on the leasing of a parcel of ground for the radio tower. Steve Hopkins III has agreed to lease the ground for \$6,000 for 25 years. Reilly will meet with Attorney Sonntag concerning the lease contract with Hopkins. Fehringer asked that a renewal clause be placed in the contract, if possible. Reilly informed the Board he may have to ask for an additional \$10,000 to the capital budget to cover the lease payment and new contract.

Borges reported that there were two landowners remaining to sign easements along the new transmission line. He has contacted and is negotiating a purchase agreement with the landowner where the substation will be located.

The pole inspectors are scheduled to inspect 1,345 poles, which is the entire north circuit at the Covalt Substation beginning July 25<sup>th</sup>.

The transfer of the stock well account west of Bridgeport to Chimney Rock PPD is null and void as the landowner has signed a Retirement Agreement. The six miles of line will now be retired and removed.

## **BUSINESS REPORT**

Wieser's report was reviewed, and discussion was held concerning the deposits on accounts without signed and notarized contracts.

## **INFORMATION AND TECHNOLOGY REPORT**

Technology: Lindahl reported that the technology systems have been functioning quite well for the month. New digital cameras were ordered for the crew trucks to document problems.

Information: Lindahl reported that he has spent considerable time researching all of the new IT regulations. Procedures should be developed and in place to address the regulations within the next couple of months.

The interviews with CRN for their study on our remote communications network and applications went well, and Lindahl was pleased with the end results. He will share a copy once the final version is completed and released.

Lindahl finished an online load graph that can be available to industrial

## **Board Minutes – July 25, 2008**

### **Page 4**

customers. A copy of an agreement, approved by Tom Sonntag, that an entity would have to sign in order to view these online load graphs was included in the board packet. There are two forms available: a peak daily load graph, and a 30-minute load data in a text file for a customer to integrate into their energy management software.

Discussion was held to consider a policy for data monitoring for heavy industrial and commercial accounts.

Lindahl reported that he has added historical substation load graphs to the WBDMS system. This would allow staff to quickly look at load profiles on the subs over a long duration to stay ahead of potential growth issues should they occur.

A camera being placed at each substation was discussed. It would be helpful for weather purposes, and to watch for copper theft. The Board gave approval to look into the cameras and to check with the State on their systems.

AMI: Lindahl reported that they have been able to read a few more meters through account and line cleanup. The installation of a small repeater, which will not be required once the new substation is installed, should help read a few meters that currently do not consistently read.

Lindahl ran a cash-flow analysis, and a return on investment analysis for purchasing the Cannon AMI system. The spreadsheet shows that the system will cash flow during the duration of the bond at ten years, and will provide up to an additional \$300,000 per year in cash flow after year ten if the system is still viable.

Staff and employees think this is a very valuable tool to the system and are preliminarily recommending that we keep the pilot and look at plans to continue implementing more of the system. September 30, 2008, is the deadline to keep the pilot or send it back.

Following a break, President Smith resumed the meeting.

### **MEETING REPORTS**

The meeting reports in the Board packet were reviewed and discussion followed.

Taaler reported that Karen Sawyer of CRN will be at Wheat Belt on August 14, 2008, to give a two-hour presentation to WyoBraska MDM member employees.

The “Red Flag” issue was explained by Lindahl. An Identity Theft Policy will be

presented at the next board meeting.

Morgan reported on the Tri-State Board meeting. Questions and discussion followed. It was reported that Tri-State is conducting director surveys by phone.

Zimmerman reported on the Midwest meeting concerning the Montana Legislative Bill.

### **SAFETY ITEMS**

The July 11, 2008, Employee Safety Meeting minutes were reviewed and thoroughly discussed.

Fehringer commended staff and employees on the “No Lost Time Accident Award”. To date, Wheat Belt has exceeded one quarter million hours.

### **POLICIES & RESOLUTIONS**

**Policy E-10: Code of Ethics; Policy E-11: Employment of Relatives; Policy E-12: Cell Phone Use; Policy E-13: Separation of Service; Policy E-14: Theft From the District; Policy E-15: Electrician’s License; Policy E-16: Employment Recognition; and Policy E-17: Equal Employment Opportunity:** Fehringer made a motion to readopt Policy E-10, Policy E-11, Policy E-12, Policy E-13, Policy E-14, Policy E-15, Policy E-16 and Policy E-17. Zimmerman seconded the motion. Yea: All present. Motion carried.

Petersen moved to adopt **Policy E-18: Insurance for Full Time, Part Time and Retired Employees** as amended and that it is made retroactive for Jim Dickman. Fehringer seconded the motion. Yea: All present. Motion carried.

Fehringer moved to adopt **Policy D-2: Director Insurance** as amended. Zimmerman seconded the motion. Yea: All present. Motion carried.

### **STRATEGIC ISSUES**

Sidney Proposal: Staff has decided that we will start looking at easements and other preliminary strategies to be as prepared as possible should further opportunities develop. Taaler will respond to the City.

Cannon AMI: NRTC was notified that July 1 was the official start date of the Cannon 90 day pilot period.

Discussion was held on additional bond issues and issuers where our tax free

## **Board Minutes – July 25, 2008**

**Page 6**

bonds can be offered to local residents and employees. Directors did not feel that it would be appropriate for them to buy said bonds.

Regulatory Issues: A regulatory compliance audit will be performed the week of September 8, 2008, at Wheat Belt.

Mutual Aid Agreement: At the winter managers' meeting, the group decided to increase truck rates and overheads in the Mutual Aid Agreement by 10%. Hass moved to approve the ratification of the revised Mutual Aid Agreement. Morgan seconded the motion. Yea: All present. Motion carried.

Steve Groshans will be conducting temperature monitoring in substations for Midwest PPD with the Wheat Belt infra-red camera at the new mutual aid rate.

International Program: Bids on the truck were opened and the highest bid was \$4,000. Fehringer moved to keep the truck and donate \$500 to the International Program. Zimmerman seconded the motion. Yea: All present. Motion carried.

### **FUTURE MEETINGS & TRAINING**

Taaler reviewed the list of future Director meetings and training.

Motion was made by Petersen that Morgan remain as the NRECA Region VII voting delegate and that Fehringer remain as the alternate. Zimmerman seconded the motion. Yea: All present. Motion carried.

### **EXECUTIVE SESSION**

The Board went into Executive Session to discuss the manager search at 11:25 a.m. and came out of Executive Session at 11:40 a.m.

### **JULY BOARD MEETING**

There being no further business to come before the Board, the President declared the meeting adjourned at 11:40 a.m.

ATTEST:

---

Doug Smith, President

---

Stuart Morgan, Secretary