

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
JANUARY 26, 2010

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order at 9:00 a.m., Tuesday, January 26, 2010, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Bernie Fehringer
John Gortemaker
Jim Hass
Stuart Morgan

Paul Robinson
Doug Smith
Dennis Zimmerman

Also present were Tim Lindahl, General Manager; Pam Wieser, Business Manager; Carolyn Hostetler, Chief Financial Officer; Earl Reilly, Operations Superintendent; Ryan Borges, Staking Engineer; Jeff Rosenbaum, Meter Technician; Julie Bond, IT Technician; and Debra Schlaman, Financial Accounting Assistant.

Doug Smith, President, declared a quorum present.

Attention of the directors and attendees was directed to the Open Meetings poster.

APPROVAL OF AGENDA

Zimmerman made a motion to approve the agenda as mailed. Robinson seconded the motion. Yea: All present. Motion carried.

NOTICE OF MEETING

Notice of this meeting, including notice of By-law changes, was given by publication in the Sidney Sun-Telegraph on Friday, January 15, 2010, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Robinson made a motion to waive the reading of the notice. Zimmerman seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Smith introduced guest Chase Armstrong, Construction Lineman and Safety Meeting Chairman.

APPROVAL OF DECEMBER 21st MINUTES

Morgan moved to waive the reading of the December 21, 2009, Board meeting minutes, and that they be approved as presented. Gortemaker seconded the motion. Yea: All present. Motion carried.

REORGANIZATION OF BOARD: ELECTION OF OFFICERS

The Chair was surrendered to the General Manager for written nominations for the office of **President**. Each director nominated a candidate for the office of President. Nominations were tallied and incumbent Smith was the only director nominated for the office of President. Gortemaker made a motion to close nominations and that a unanimous ballot be cast for Smith. Motion was seconded by Hass. Yea: All present. Motion carried. Smith was elected President.

The Chair was returned to the President elect Smith. Smith called for written nominations for **Vice President**. Each director nominated a candidate for the office of Vice President. Nominations were tallied and Hass and Zimmerman were nominated for the office of Vice President. Robinson made a motion to close nominations. Motion was seconded by Gortemaker. Hass was elected Vice President by majority vote.

The Chair called for written nominations for **Secretary**. Each director nominated a candidate for the office of Secretary. Nominations were tallied and incumbent Morgan was the only director nominated for the office of Secretary. Fehringer made a motion to close nominations and that a unanimous ballot be cast for Morgan. Hass seconded the motion. Yea: All present. Motion carried. Morgan was elected Secretary.

The Chair called for written nominations for **Treasurer**. Each director nominated a candidate for the office of Treasurer. Nominations were tallied and incumbent Robinson was the only director nominated for the office of Treasurer. Fehringer made a motion to close nominations and that a unanimous ballot be cast for Robinson. Morgan seconded the motion. Yea: All present. Motion carried. Robinson was elected Treasurer.

The Chair called for written nominations for **Assistant Secretary**. Each director nominated a candidate for the office of Assistant Secretary. Nominations were tallied and Fehringer and Gortemaker were nominated for the office of Assistant

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Secretary. A second written ballot was cast and Gortemaker was elected Asst. Secretary by unanimous vote.

MANAGER ' S REPORT

Personnel: Lindahl explained the Christmas e-mail that went out to the directors concerning the storm. A lengthy discussion followed. Safety for the employees is always the main consideration.

Financials: The monthly financial reports presented under separate cover, were thoroughly discussed. Hostetler reported that she is working on the unbilled revenue report.

Lindahl reported that Tri-State had billing errors relating to PT's and CT's not being able to be accurately metered with relation to the Chappell and Lodgepole usage. Reilly explained how the PT's and CT's operate. Lindahl also has expressed a concern to Tri-State regarding the corrections to the power bill changing the peak time and amount.

Legislative: Lindahl reported that Hearings would be held on Friday, January 29th including three bills affecting the rural electric industry. Kristen Gottschalk from NREA will report at next week's Legislative meeting in Lincoln.

Robinson questioned the net metering bill. Discussion followed and staff explained the rates, etc.

Lindahl consulted with legal counsel, and the recommendation is that legally, we cannot establish a fund for the purpose of giving renewable energy rebates to customers.

Other: Lindahl reported on compliance issues. Audits are being conducted and fines issued. Discussion followed.

Robinson commented on the Farm & Ranch Days held in Oshkosh, and the hard work of Peterson and Borges who served the pies and ice cream.

Lindahl reported that after reviewing the Lodgepole Wheeling contract, it was determined that we have to give 90 days notice prior to September 1 for any rate change. Proper notification will be given, and the new rate will take affect September 1, 2010, as per the contract.

Discussion was held on possible natural gas wells producing electricity. Staff will continue to research this option.

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Lindahl reported on a concern of being compliant with statute, both state and federal, concerning our health insurance procedures. Staff clarified current procedures and a lengthy discussion followed. President Smith established a committee to look into the procedures and to establish a guideline. Fehringer, Zimmerman and Smith will be the directors on the committee and staff representatives will be Lindahl, Wieser, Peterson and Schlaman.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Reilly reviewed the construction, maintenance and operations for the previous month.

Reilly reported on a pole being damaged by farm equipment, which broke in the wind. The pole next to it is also damaged. Discussion followed on procedures used when damage is caused by farming operations. If it appears that care is deliberately not being taken to avoid hitting the poles, steps are taken, depending on the circumstances. A magazine article was discussed.

Reilly reported that while attending the Tri-State Manager's meeting, he met with Anna Wang who is helping with our WECC compliance.

Smith asked about the Alliance Lineman School. Reilly reported that Colt Alexander from the Chappell area is attending and will be interning at Wheat Belt. Twenty students are expected to graduate and twenty are registered for the coming year.

Smith expressed a "THANK YOU" to Earl and staff and the linemen who worked during the Christmas storm.

BUSINESS REPORT

Wieser reported on the pie and ice cream social for Farm and Ranch Days in Oshkosh. Peterson and Borges, Coss and Waltman helped serve the pies and ice cream.

Wieser reported on the Connection Card research she had completed. Discussion followed and the consensus was not to pursue the use of the cards. Smith expressed his appreciation to Wieser for her research on the Connection Cards.

Wieser reported that she and Bond are looking into the billing packages at other utilities. Programming representatives will be visiting the office to promote their billing packages.

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Customer Appreciation was discussed and new ideas were presented. There will be more to come in the near future, as to the time and venue.

INFORMATION AND TECHNOLOGY REPORT

Bond reviewed her report and answered questions posed by the directors concerning the billing software research.

SAFETY ISSUES

The January 8, 2010, Employee Safety Meeting minutes were reviewed and thoroughly discussed. Director Morgan and all employees were present at the meeting.

There were 58,000 hours worked in 2009 with no reportable lost time accidents. A \$100 bonus was given to the employees in the first payroll check for 2010, for this accomplishment.

Fehringer made a motion instructing the General Manager to express the Board's appreciation to the people who worked the Christmas storm. Robinson seconded the motion. Yea: All present. Motion carried.

Zimmerman cannot be present at the February Safety Meeting. Smith will attend in his place. CPR certification has been moved to the March 5th Safety Meeting.

MEETING REPORTS

Morgan reported on the January Tri-State Board Meeting. Questions and discussion followed.

A retirement reception for Hub Thompson will be held in Atlanta at the Annual Meeting.

Lindahl's MDM meeting report was reviewed. Lindahl discussed the proposed Tri-State transformer buyout program.

Lindahl's Tri-State Managers Meeting report was reviewed. Fehringer asked for clarification on the data requested to suffice the Colorado PUC.

Lindahl attended the Midwest Power & Water meeting. Items discussed were: Stimulus package pay backs and WAPA issues and maintenance issues.

POLICIES & RESOLUTIONS

Bylaws: Article I, Section 5; Article III, Section 8 (B); and Article IX:

Following publication in the newspaper and readings at two consecutive meetings, Fehringer moved to adopt Article I, Section 5, Article III, Section 8 (B) and Article IX, with the proposed changes. Robinson seconded the motion. Yea: All present. Motion carried.

Policy A-1: Purpose, Formulation, Adoption, Review and Distribution of Board Policies: Morgan moved to adopt Policy A-1 as amended. Zimmerman seconded the motion. Yea: All present. Motion carried.

Policy C-1: Line Extension Policy: Gortemaker made a motion to accept Policy C-1 as modified. Zimmerman seconded. Following discussion, Gortemaker withdrew his motion. Gortemaker made a motion to readopt Policy C-1. Fehringer seconded the motion. Yea: All present. Motion carried.

Policy C-1A: Line Extension Exhibit A; Policy C-2: Right-of-Way and Policy C-3: Attachments to Poles: Robinson moved to readopt Policy C-1A, Policy C-2 and Policy C-3. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy E-18: Medical Insurance, Retired Employees: Tabled until the February Board meeting giving time for further staff research.

STRATEGIC ISSUES

The capacitor program presentation was tabled until the February Board meeting.

Fehringer expressed approval of the draft position statement on Wind Development. It will be discussed further at the February Board meeting.

The water heater concept program as presented by Lindahl, will be discussed further at the February Board meeting.

Double throw installations were discussed.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training.

Zimmerman made a motion to appoint Morgan and reaffirm Hass as the CFC voting delegates. Robinson seconded the motion. Yea: All present. Motion carried.

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Robinson made a motion to appoint Fehringer and reaffirm Hass as the NRTC voting delegates. Gortemaker seconded the motion. Yea: All present. Motion carried.

Gortemaker made a motion to reappoint Robinson as the NREA Statewide Representative Voting Delegate. Zimmerman seconded the motion. Yea: All present. Motion carried.

JANUARY BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at 12:22 p.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary