

UNAPPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

JUNE 25, 2010

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order at 8:55 a.m., Friday, June 25, 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 Manger; Carolyn Hostetler, Chief Financial Officer; Earl Reilly, Operations Superintendent; Ryan Borges, Staking Engineer; Jeff Rosenbaum, Meter Technician; Jeff Dickinson, IT Specialist, and Debra Schlaman, Financial Accounting Assistant.

Debra Schlaman recorded these Minutes at the request of Board Secretary, Stuart Morgan.

Doug Smith, President, declared a quorum present.

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

APPROVAL OF AGENDA

Robinson made a motion to approve the agenda as mailed. Morgan 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 Friday, June 11, 2010, and proof of publication showing such notice as published is attached and thereby made a part of these minutes. Morgan made a motion

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to waive the reading of the notice. Gortemaker seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Smith introduced guest Jerry Hager, P.E. from ESC Engineering. Smith invited Steve Groshans to attend the July Board meeting to thank him for his service to the company.

APPROVAL OF MAY 28th MINUTES

Zimmerman moved to waive the reading of the May 28, 2010, Board Meeting Minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

FOUR YEAR WORK PLAN REPORT

Jerry Hager, P.E. from ESC Engineering, explained the Four Year Work Plan costs. The Work Plan was developed by Bob McDonald from ESC Engineering. Hager answered questions and explained galloping conductor and Aeolian vibrations in relation to replacement and improvement of conductor. Following the question and answer session, Morgan made a motion to approve the Four Year Work Plan for 2010 to 2013. Hass seconded the motion. Yea: All present. Motion carried.

CAPACITOR PROGRAM PRESENTATION

Jerry Hager reported on the economic and operational benefits of installing capacitors on irrigation motors. Load flow analysis was used for calculations and Hager explained the process. A total justified investment savings of \$21.20/kVAR over fifteen years, was the result of the calculations. Lengthy discussion followed Hager's presentation. Fehringer made a motion to adopt the capacitor program giving a rebate credit of \$18 per kVAR installed by the customer. Gortemaker seconded the motion. Following further discussion, Fehringer withdrew his motion. Following further discussion, staff was directed to come back next month with rebate presentations based on \$18 and \$15 per kVAR installed figures.

MANAGER ' S REPORT

Personnel: Lindahl reported that Steve Groshan's last day will be June 30, 2010. An Open House was held on June 12, 2010, to wish Steve well.

Financials: The monthly financial reports, presented under separate cover, were

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reviewed. A lengthy discussion and explanation of information followed.

Legislative: Lindahl presented information in the Board book.

Community: Lindahl explained the Leadership Cheyenne County class that Jeff Rosenbaum will be starting in August.

Fehringer presented two possible candidate names to Lindahl for the Grassroots Advisory Committee. Lindahl reported that he is looking at a September time-frame for organization of the Advisory Committee.

Other: Morgan raised the question of a new State of Nebraska Energy Director. Lindahl reported.

The Tri-State 2010 Load Forecast, Member System Summary, was presented in the Board book and questions, answers and discussion followed.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Reilly reviewed the major outages, construction, maintenance and operations for the previous month. We lost sixteen poles in the June storms. FEMA called wanting cost figures per county and will contact us if funds become available.

Reilly reported that Wheat Belt had three bad bushings on the transformer in the Chappell WAPA Substation which were replaced June 16th. Also a bad pressure relief valve was found during testing, at the Chappell WAPA Substation and will be replaced after it arrives.

Reilly asked for an amendment to the budget to purchase a new infrared camera in the amount of \$7,500. Robinson made a motion for an amendment to the budget for the purchase of a \$7,500 infrared camera. Gortemaker seconded the motion. Yea: All present. Motion carried.

Reilly announced that he is on the Dalton Village Board.

Lindahl reported that the land around the Dalton warehouse had been sold. There was an easement issue, but that has been resolved.

Borges reported on the progress being made at the Weyerts Substation. Once the ground grid is installed, he will get estimates for installing the fence. He is trying to schedule Electrotest to test the transformer before it is energized.

A ribbon cutting for the new Weyerts Substation was discussed. It was

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suggested to conduct the dedication following the August Board meeting.

Borges reported that approximately 5,000 poles will be tested this year. Lindahl reported on a new means of testing poles. The new system will be investigated for possible future testing.

Borges announced the arrival of his new daughter, Aubrianna Jo.

BUSINESS REPORT

Wieser reported that she is still waiting for proposals from NISC on the billing package, and updated the Board.

HRA: Wieser reported that development of the retired employees HRA Adoption Agreement has been completed.

Customer Appreciation: Ron Ebenkamp of Tri-State will bring his efficiency lighting display to the Customer Appreciation Barbecue. The Wheat Belt safety demonstration and a number of renewable energy and energy efficiency depicted backdrops provided by Tri-State will also be at the barbecue.

Wieser asked the Board to approve two customer testing write-off's. One write-off was in the amount of \$46.01 for Account 9155100 and one was in the amount of \$511.42 for Account 0073001. Fehringer made a motion to approve the write-off's in the amounts of \$46.01 and \$511.42. Hass seconded the motion. Yea: All present. Motion carried.

INFORMATION AND TECHNOLOGY REPORT

Dickinson reviewed his report and answered director questions.

SAFETY ISSUES

The June 4, 2010, Safety Committee Meeting minutes were reviewed and discussion was held concerning the May 26th employee incident. Reilly reported that new procedures have been initiated. A recommendation was made to reduce voltage in the meter sockets from 480 volts to 120 volts.

The June 15, 2010, Employee Safety Meeting minutes were reviewed and thoroughly discussed.

MEETING REPORTS

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

Lindahl's Western United Electrical Supply Board Meeting report was reviewed.

Lindahl reported on the MDM Meeting he attended. Prescriptive easements were discussed. Letters to the Center for Rural Affairs were discussed.

Lindahl reported on the NREA Summer Manager's Meeting where pole testing was discussed. Also discussed was an EPA ruling currently in progress, in which PCB's have to be reduced to zero by 2025.

POLICIES & RESOLUTIONS

Policy E-1: Employment Policies; Policy E-3: Holidays; Policy E-6: Educational Courses; and Policy E-7: Expenses: Fehringer moved to readopt Policy E-1, Policy E-3, Policy E-6, and Policy E-7. Zimmerman seconded the motion. Yea: All present. Motion carried.

Policy E-18: Medical Insurance, Retired Employees: Zimmerman moved to adopt Policy E-18 with changes. Fehringer seconded the motion. Yea: All present. Motion carried.

Policy E-2: Paid Time Off (PTO): Zimmerman moved to table Policy E-2 until next month. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy E-4: Uniforms and Safety Equipment: Zimmerman moved to adopt Policy E-4 with changes. Hass seconded the motion. Yea: All present. Motion carried.

Policy D-6: Board of Directors/General Manager Relationship: Gortemaker moved to adopt Policy D-6 as amended. Zimmerman seconded the motion. Yea: All present. Motion carried.

Policy D-6, Appendix A: General Manager Evaluation: Hass moved to "try" Policy D-6, Appendix A with modifications. Gortemaker seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Rosenbaum reported on the AMI status. He reported that crews finished installing new meters off the Big Springs Substation. Meters are being installed

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off the Cowcreek Substation.

Health Insurance Update: Lindahl reported on the retired employee's version of the HRA Benefit Plan Adoption Agreement, which includes Steve Groshans. Fehringer moved to adopt the Benefit Plan Adoption Agreement for Retired Employees with changes. Gortemaker seconded the motion. Yea: All present. Motion carried.

Letter to Center for Rural Affairs: Hass moved to have all the directors sign Lindahl's letter to Mr. Chuck Hassebrook, Executive Director at the Center for Rural Affairs, for mailing. Copies will be sent to Jay Holmquist at NREA, Senator Mike Johanns, Senator Ben Nelson, Representative Adrian Smith and Jay Rempe, Nebraska Farm Bureau. Robinson seconded the motion. Yea: All present. Motion carried.

Time of Use Rates: Following a lengthy discussion concerning the conceptual Time of Use Rate Schedules, Robinson made a motion to accept the Schedules. Hass seconded the motion. Discussion continued and Robinson withdrew his motion and the conceptual Time of Use Rate Schedules were tabled.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training.

ELECTION OF DELEGATES

Gortemaker made a motion that Morgan remain as the NRECA voting delegate and Fehringer remain as the alternate delegate. Zimmerman seconded the motion. Yea: All present. Motion carried.

OTHER

The August 27th Board Meeting date has been changed to August 20th.

JUNE BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 1:10 p.m.

ATTEST:

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Doug Smith, President

Stuart Morgan, Secretary