

**APPROVED REGULAR MEETING MINUTES**  
**BOARD OF DIRECTORS - WHEAT BELT PPD**

**APRIL 22, 2011**

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, April 22, 2011, 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 Manager; Ryan Borges, Staking Engineer; Jeff Rosenbaum, Senior Meter Technician; Jeff Dickinson, IT Technician; and Debra Schlaman, Cost/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. 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 Saturday, April 9, 2011, and proof of publication showing such notice as published is attached and thereby made a part of these Minutes. Morgan made a motion to waive the reading of the meeting notice. Gortemaker seconded. Yea: All present. Motion carried.

## **INTRODUCTION OF GUESTS**

Smith introduced Deryl Travis and Mark Churchill from Arbor Wealth Management, Tom Graves, CEO of Midwest Electrical Consumers Association, Jane Bartels, Customer Care and Jim Dickman, recent Wheat Belt PPD retiree.

## **APPROVAL OF MARCH 25th MINUTES**

Fehringer moved to waive the reading of the March 25, 2011, Board Meeting Minutes, and that they be approved with a wording change on page 4; “Reilly has **received** bids for the replacement of the bucket truck in Oshkosh...” Gortemaker seconded the motion. Yea: All present. Motion carried.

## **APPROVAL OF APRIL 11<sup>TH</sup> SPECIAL MEETING MINUTES**

Fehringer moved to waive the reading of the April 11, 2011, Special Meeting Minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

Lindahl reported that the Strategic Planning Document Plan will be presented at the May Board Meeting.

## **INVESTMENT REPORT – ARBOR WEALTH MANAGEMENT**

Deryl Travis, Jr., Managing Partner and Senior Financial Advisor from Arbor Wealth Management, presented the semi-annual investment report. Travis and Mark Churchill fielded questions regarding Wheat Belt’s Government Bond performance, future interest rates, and additional investment questions. Recommendations were made regarding sacrificing short term performance to protect principle and provide greater flexibility to take advantage of higher rates in the future.

## **GUEST PRESENTATION**

Tom Graves, CEO of Midwest Electrical Consumers Association, reported on a proposed 2021 Power Marketing Initiative (2021 PMI) presented by Western Area Power Administration, which is seeking comments on the Initiative. This proposed 2021 PMI provides the basis for marketing the long-term hydroelectric resources of the Pick-Sloan Missouri Basin Program beyond the year 2020.

## **EXECUTIVE SESSION**

An executive session was called for by Robinson and seconded by Zimmerman at 9:52 a.m., to discuss protected customer information. It was the consensus of the directors to go into executive session by a roll call vote.

The meeting resumed at 9:59 a.m.

### **PUBLIC COMMENT PERIOD**

Mr. Corey Bergstrom appeared before the Board requesting the Board review the current Line Extension Policy. He constructed a new home and moved in the end of October, 2010. Another consumer built to the south of him and Bergstrom feels he should receive more reimbursement monies because of his initial contribution to the construction.

After questions by both the Directors and Mr. Bergstrom, Wieser explained that Mr. Bergstrom, at the end of the year, could request an evaluation of his account and possible refunds could be given, based on his usage.

President Smith, reported to Mr. Bergstrom, that the Board was reluctant to change the current Line Extension Policy.

### **MANAGER ' S REPORT**

Personnel: Personnel level is at 27 active full-time, one part-time and one intern.

Lindahl reported that he had received a copy of the 58 page proposed contract from Tri-State for the purchase of the 115 kV substation assets. Tom Sonntag received a copy of the contract for evaluation and reported some concerns to Lindahl. Lindahl and Wieser continue to evaluate the laws of Nebraska regarding the sale of assets to make sure we are operating within the proper limits. NREA attorney Steve Seglin was contacted to give his opinion on the intent of the contract. Director Fehring suggested to Lindahl that the Power Review Board also be contacted.

Financials: The financial report was presented under separate cover. The financials were reviewed and discussed. Lindahl answered questions. Robinson asked a question of Deryl Travis on his strategy concerning the District's bond investments and risk. Hostetler responded that she felt that Travis' investment strategies were weighted properly to reduce risk in the inflationary markets. Robinson said "give him the latitude to proceed".

Lindahl reported that at the Tri-State Manager's meeting rate discussions took place. Products are in place to appease customers with risk management. Discussion followed.

While reviewing the energy sales graphs presented in the Board book, Fehring asked a question concerning our large commercial accounts lower energy sales. Lindahl replied that the difference was more than likely attributed to the slower economy.

Lindahl presented a summary of the 401k issue status. Lindahl has questions concerning the fees on each fund and will contact Ascensus for a reconciliation report.

Lindahl presented a gift to Jim Dickman from the District for his years of service from 1974 to 2011. Board President Smith expressed his thanks on behalf of the Board for Jim's years of service to the company. Also, a gift from the employees was presented to Jim on his retirement.

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

Reilly reviewed the major outages, maintenance and operations for the previous month. Snow, ice and wind caused outages on April 14<sup>th</sup> in the Lewellen, Chappell and Big Springs areas. Reilly reported that last week we had an ice storm, and this week we had a possible tornado near Julesburg and a bolt of lightning hit a pole south of Gurley. Another example of the wonderfully diverse weather conditions of western Nebraska.

Reilly reported that Jerry Hager from ESC is still working on the 115kV equipment appraisal Tri-State will be purchasing to find out exactly what will be purchased.

Reilly awarded Altec, Inc. the bid on the new truck in the amount of approximately \$162,000 for delivery in December.

Borges reported that all materials have been received for the construction of the service to the new Crossroads Co-op grain elevator at Bridgeport. Installation of the main underground feed to the location should begin April 25<sup>th</sup>, weather permitting.

Borges reported that four new services for irrigation wells and walking power have been staked.

The transit started giving Borges error messages, and was sent for repairs on April 12<sup>th</sup>. Staking is at a standstill until it is repaired and returned.

Borges explained the negative figure in the 2011 Construction Summary of Costs for the Oshkosh 2ph 12kV to 2ph 25kV line conversion.

Reilly reported that the first check for the motor capacitor rebate has been issued.

## **BUSINESS REPORT**

Wieser reported on the PCS billing conversion.

Wieser has been working with Jordan Mai of Tri-State's graphic team to improve our logo. This is one of those "special" things that Tri-State offers to its members that is a big savings over having to pay a graphic designer or even a local artist as we did when it was first designed. The improved logo was used on the new Touchstone Scholastic

and Athletic plaques awarded to students in the District. A monetary award is given to the schools to be distributed as the staff sees fit. The winners are not necessarily the top scorers, but the award is given to students that exemplify all the characteristics of the Touchstone Principles of integrity, accountability, teamwork and commitment to excellence. The students receive a \$25 gift as well as their name engraved on the plaque.

Wieser reported on the Climate Status Investigations Institute. Morgan reported that the teacher from Leyton has a conflict and cannot participate. Another teacher from Leyton Jr. High will be contacted.

### **METERING, INFORMATION AND TECHNOLOGY REPORT**

Dickinson reviewed his report and answered questions.

Dickinson reported that the software for the new domain server arrived. He is working on obtaining consumer agreement licenses.

Rosenbaum reported that they completed flashing the new 4.4 firmware revisions to all of the Landis & Gyr three phase meters with very good success in picking up more meter reads. They are studying the problem spots and will start testing Cannon signal strength at these locations for possible repeater sites.

The industrial load graphs were presented by Lindahl and reviewed and discussed.

### **SAFETY ISSUES**

The April 8, 2011, Safety Meeting Minutes were reviewed and discussed.

### **MEETING REPORTS**

Morgan reported on the April Tri-State Board Meeting. Morgan reported on the annual meeting, which was well attended and the Tri-State Board reorganization resulted in no changes for the officers and executive committees. A lengthy discussion and questions and answers followed.

Lindahl reported on the Tri-State Managers meeting and reviewed his report. Discussion followed concerning grounds being stolen from poles. Cyber Insurance through Federated was discussed due to a recent incident at Empire where a virus infiltrated their system. Lindahl will contact Federated and obtain a quote for adding the Cyber Insurance to our Policy.

Lindahl and Dickinson attended a rural broadband meeting.

## **POLICIES & RESOLUTIONS**

**Policy C-18: Dissemination of Customer Information; Policy C-20: Service Sizing Requests (Single Customer); Policy C-21: Energy Efficiency Credit Rebates; Policy C-22: Reward for Damage Reporting; Policy C-23: Net Metering; and Policy C-24: Irrigation capacitor Rebate Program.** Morgan moved to readopt Policy C-18, Policy C-20, Policy C-21, Policy C-22, Policy C-23, and Policy C-24. Hass seconded the motion. Yea: All present. Motion carried.

**Policy C-19: Customer Requested Service Connections or Disconnects After Business Hours.** Discussion was held and Morgan made a motion to table Policy C-19 in order to research possible changes to the policy. Hass seconded the Motion. Yea: Gortemaker, Hass, Morgan, Robinson, Smith and Zimmerman. Nay: Fehringer. Motion carried.

## **STRATEGIC ISSUES**

The Interim Strategic Planning Session notes will be presented at the May Board meeting.

## **FUTURE MEETINGS & TRAINING**

Lindahl reviewed the list of future Director meetings and training.

## **ELECTION OF DELEGATES**

No changes were made to the current Delegate listing.

## **APRIL BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President declared the meeting adjourned at 11:50 a.m.

ATTEST:

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Doug Smith, President

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Stuart Morgan, Secretary