

UNAPPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
FEBRUARY 25, 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, February 25, 2011, at the District Headquarters, 2104 Illinois Street, Sidney, and 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; Shelley Peterson, Human Resources and Eric Reimers, Mapping Technician.

Shelley Peterson 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 with additions. Lindahl wanted to add an agenda item to allow for action to be taken on the retiree health insurance. Gortemaker 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, February 12, 2011, and proof of publication showing such notice as published is attached and thereby made a part of these minutes. Gortemaker made a motion to waive the reading of the meeting notice. Morgan seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Smith introduced Eric Reimers, Mapping Technician.

APPROVAL OF JANUARY 28TH MINUTES

Morgan moved to waive the reading of the January 28, 2011, Board Meeting Minutes, and that they be approved as presented. Fehringer seconded the motion. Yea: All present. Motion carried.

MANAGER ' S REPORT

Personnel: Lindahl announced that Colt Alexander will begin employment with Wheat Belt PPD as our Equipment Operator on March 1, 2011.

Legislative: Lindahl attended the recent legislative sessions. He reported that there were not any major bills in the state level right now that will affect Wheat Belt PPD at this time. He will research LB 388 which has to do with funds available to increase infrastructure at industrial sites. If this should pass, there may be an opportunity for help rebuilding our line to Vo-Tech.

Financials: The financial report was presented under separate cover. Lindahl presented a spreadsheet on loans vs. cash purchase of large trucks. This was presented as preliminary research for the strategic planning sessions. Fehringer said he would like to see the spreadsheet go out to twenty years as he feels it would show a better long term effect. Lindahl talked about the work that has been done on the rate comparisons at Tri-State. Lindahl included a spreadsheet on this also. A discussion was held. Lindahl presented a new Statement of Operations and Balance Sheet in the financial forecasting tool. The Board liked this and wants Lindahl to continue this.

Lindahl showed a newspaper that is printed at Tri-State that goes to the schools to teach the students about electricity. He stated that one is being worked on for the Nebraska school systems. Gortemaker recommended that we do get these out to all of the Nebraska school systems. The teachers that use it now in their class rooms in Colorado are very receptive of this and say it is a great learning tool. The Board would also like to see if Tri-State would pay for the cost of the newspaper. Lindahl is going to check and see if NREA would be interested in getting involved with the project as well.

Lindahl reported that a regional IT group has been formed. He feels that maybe we could sell some of our services that we do here at Wheat Belt. A discussion was held.

Lindahl said that Jerry Hager from ESC was here to evaluate our substations. A value of the 115 KV equipment that Tri-State will be purchasing needs to be figured. A discussion was held.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

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

The annual breaker maintenance is finished. Ninety-two single phase and two, three phase breakers were cleaned.

Reilly is putting together specifications for the replacement of Unit #30. This is the bucket truck for Oshkosh.

Borges stated that a customer put up a wind generation tower at the lake and we were not informed. The state electrical inspector approved the permit and didn't contact us either. Borges did investigate this and he is still finding out if it will be connected to our system. He did inform the state electrical inspector that Wheat Belt does need to be informed in the future about any customers who are wanting to put up generation towers.

BUSINESS REPORT

Wieser stated that a number of calls have been received from customers who do want to remain on the budget billing option. However, there are many more that do not. Overall it has been a smooth change.

Two retiree meetings have been held to explain our plan of dropping the NRECA coverage for the retirees. This kind of an event will allow the retirees to obtain a true Medicare supplement plan. John White from John White Insurance has attended the meetings and gave the retirees a great deal of very good information. This will benefit both the retirees and Wheat Belt. We have a target date of April 1, 2011, to have all of the retirees off of the NRECA plan and on to the new Medicare supplement plan.

Fehring made a motion to remove the retirees from the NRECA PPO Retiree Insurance Plan. Hass seconded. Yea: All present. Motion carried.

Wieser reported that a PCS representative will be here the week of February 28, 2011, for training on the new billing software. Wieser is getting quotes for our statements and disconnect notices. We will be changing to a full sheet disconnect notice and will save on printing and paper costs as we will be printing the disconnect letter on the backside of the notice. Two printings will have to be done as not all customers receive the letter, but over a number of years it will save Wheat Belt a rather large amount. Another savings that Wieser has decided on is to include the Authorization of Bank Drafts on the back side of the billing statement. Wieser is hoping that this will encourage the customers to use the Bank Draft option.

The customer who was cheating on his account and was given a twelve month payment plan has abandoned the property. A contract has been filed. After about three months, if the land has not been sold, the account will have to be paid or disconnected if bankruptcy has not been filed. If they don't file bankruptcy, the mortgage holder will have to pay the back usage in order to get a clear title. The mortgage holder has been made aware of this.

The Ag Social is scheduled for March 18, 2011, at Buffalo Point at 5:30 p.m.

An Irrigation Seminar is to be held in Bridgeport on March 22, 2011, beginning at 9:00 a.m.

METERING, INFORMATION AND TECHNOLOGY REPORT

Rosenbaum reported that it has been very successful updating the Cannon communication modules in our three Phase meters. Cannon continues to provide excellent customer service which makes the meter departments job much easier.

Weeda is registered to attend the RMEMA Meters School at CSU in Ft. Collins in March.

Charts were presented showing our system load and the loading on our four main industrial loads. A discussion was held.

A question was asked about the failure rate of the meters. Rosenbaum stated that it is usually due to the weather. He didn't feel that any more AMI meters failed than non AMI meters. Parts are usually salvageable to use on other meters so that helps with the dollars lost.

Dickinson's IT Report was reviewed.

EXECUTIVE SESSION

Robinson moved to enter into executive session at 10:57 a.m. to discuss personnel issues. Zimmerman seconded. Yea: All present. Motion carried.

Robinson made a motion to come out of executive session at 11:15 a.m. Morgan seconded. Yea: All present. Motion carried.

SAFETY ISSUES

The February 11, 2011, Safety Meeting minutes and Safety Committee Meeting minutes were presented at the February Board meeting for approval.

MEETING REPORTS

Morgan reported on the February Tri-State Board Meeting. A lengthy discussion and questions and answers followed.

Lindahl reported on the Tri-State Managers Meeting and the Leadership Cheyenne County Legislative Session. A discussion was held.

POLICIES & RESOLUTIONS

Policy C-4: Work on Customer's Premises; Policy C-5: Relocation, Retirement, Removal of Facilities and Minimum Bills; Policy C-6: Standard Construction Practice and Policy C-8: Time Limitations: Gortemaker moved to readopt Policy C-4, Policy C-5, Policy C-6 and Policy C-8. Robinson seconded. Yea: All present. Motion carried.

Robinson made a motion to approve the changes to **Policy C-7: Payment Responsibility**. Gortemaker seconded. Yea: All present. Motion carried. Hass made a motion to approve Policy C-7 with the changes. Gortemaker seconded. Yea: All present.

Policy C-9: Disconnect for Nonpayment: Fehring made a motion to readopt Policy C-9. Gortemaker seconded. Yea: All present. Motion carried.

Policy C-10: Reading of Meters & Meter Calibration: Fehring made a motion to adopt Policy C-10. Robinson seconded. Yea: All present. Motion carried.

STRATEGIC ISSUES

The Strategic Planning Session had to be rescheduled again due to conflicts with other meetings. It has been scheduled for April 11, 2011, at the Wheat Belt PPD headquarters. The preliminary agenda was discussed and if anyone has something they would like on the agenda please let Lindahl know.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training.

ELECTION OF DELEGATES

Motion was made by Fehring to reappoint Morgan as the Tri-State Director and voting delegate. Robinson seconded. Yea: All present. Motion carried. Morgan made a motion to reappoint Fehring as the alternate voting delegate for Tri-State. Zimmerman seconded. Yea: All present. Motion carried.

FEBRUARY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 11:59 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary