

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

**JANUARY 28, 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, January 28, 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**

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

**OATH OF OFFICE**

Wieser obtained signatures for the State of Nebraska Oath of Office for the newly elected Directors, Bernard Fehringer, Douglas Smith and Dennis Zimmerman. The signatures were witnessed and the Wheat Belt Public Power District seal applied. Directors voted to waive the verbal Oath of Office.

## **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 Fehringer and Smith were nominated for the office of President. Morgan made a motion to close nominations. Motion was seconded by Zimmerman. Smith will remain as President by majority vote.

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 Fehringer, Hass and Robinson 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. Robinson made a motion to close nominations and that a unanimous ballot be cast for Morgan. Zimmerman seconded the motion. Yea: All present. Motion carried.

The Chair called for written nominations for **Treasurer**. Each director nominated a candidate for the office of Treasurer. Nominations were tallied and Robinson and Gortemaker were nominated for the office of Treasurer. Fehringer made a motion to close nominations. Gortemaker seconded the motion. Robinson will remain as Treasurer by majority vote.

The Chair called for written nominations for **Assistant Secretary**. Each director nominated a candidate for the office of Assistant Secretary. Nominations were tallied and Gortemaker and Fehringer were nominated for the office of Assistant Secretary. Robinson made a motion to close nominations. Fehringer seconded the motion. Gortemaker was re-elected to the office of Assistant Secretary by majority vote.

## **NOTICE OF MEETING**

Notice of this meeting was given by publication in the Sidney Sun-Telegraph on Friday, January 14, 2011, and proof of publication showing such notice as published is attached and thereby made a part of these minutes. Fehringer made a motion to waive the reading of the meeting notice. Robinson seconded. Yea: All present. Motion carried.

## **INTRODUCTION OF GUESTS**

Smith introduced Kyle Pszyk, WNCC Lineman School Intern.

## **APPROVAL OF DECEMBER 17<sup>TH</sup> MINUTES**

Zimmerman moved to waive the reading of the December 17, 2010, 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 personnel level is at 26 active fulltime, one inactive fulltime, and one intern. Smith asked a question concerning an employee search. Lindahl explained that the position has been advertised. One interview has taken place and four more were scheduled for the following week. Forman Jenkins will have the final say on the hiring of a new equipment truck operator.

**Legislative:** NREA Government Relations Director, Kristen Gottschalk's January 21, 2011, report was distributed to the Directors.

**Financials:** The Financial Report for November/December 2010 was presented under separate cover. Lindahl reported and reviewed the report. Questions and discussion followed. Gortemaker asked a question of Lindahl concerning bond borrowing in the future. Discussion was held concerning new services in Bridgeport and Gurley.

**Community:** Lindahl, Wieser, Hostetler, Schlaman and Fehringer attended the Cheyenne County Chamber Banquet.

**Other:** Lindahl reported to the Board that the Schmidt & Co. Audit Review would be in February or March. Did they prefer an on-site report or a telephone report? It was decided to conduct a telephone exit interview with the Auditors.

Discussion was held concerning the rescheduling of the February Board meeting from February 18<sup>th</sup> back to February 25<sup>th</sup>. It was decided to hold the February Board meeting on the 25<sup>th</sup> and Fehringer will bring copies of the Board book to the Co-Bank Meeting for the directors attending the meeting.

Lindahl reported that discussion was held at the Western United Board meeting concerning concerns and problems with Schmidt & Co. audits. Discussion followed.

Lindahl reported that the Tri-State G & T patronage allocation was in the amount of \$940,461.

Radon kits were distributed to the Directors.

At the January Tri-State meeting, three potential rates were proposed. Lindahl reported and discussion followed.

Lindahl distributed copies of NREA General Manager, Jay Holmquist's memo concerning the summary of NePPD Board discussion regarding the value of NREA membership and Mark Shults for the Board of Directors of the Northeast Nebraska Public Power District. Discussion followed.

Lindahl reported that the Board's self-evaluations will be conducted in February. Question was raised as to doing the on-line survey. Directors voted to do the on-line survey.

Lindahl reported that the Strategic Planning Meeting was scheduled for March 23<sup>rd</sup> but will be changed to March 28<sup>th</sup> at 9:00 a.m. at Wheat Belt.

Wieser reported that there were mailing issues in December and several delinquent charges were written off because customers said that they never received their bills. Wieser reported to the Postmaster of the situation.

Lindahl provided examples of accounts utilizing a time of use rate. Discussion followed.

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

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

In 2010 2.962 miles of copper weld was removed. Some of the copper weld was retained to be reused for ground wires and some was scrapped and sold at a fair market value.

Reilly is getting specifications together for the replacement of Unit #30, bucket truck for area two in Oshkosh.

Borges reported on the 2010 physical inventory. Borges asked for permission to adjust the book quantity to match the physical quantity, a negative adjustment of \$669.80. Fehringer made a motion to approve the 2010 physical inventory adjustment in the amount of \$669.80. Zimmerman seconded the motion. Yea: All present. Motion carried.

## **BUSINESS REPORT**

Wieser reported that the annual budget billing and the final annual billing bills were mailed this month. If the customer wants a budget bill, they were asked that they contact the office and request the option, otherwise the budget billing option will no longer be offered.

## **INFORMATION AND TECHNOLOGY REPORT**

Dickinson reported that the server for the PCS upgrade has been purchased and the project will soon be under way. Dickinson had a meeting with PCS regarding PCI compliance and how the new system will help us get on the right track to comply with PCI regulations.

Dickinson is obtaining price quotes for a backup server and a new firewall server for Wheat Belt. The backup server will allow all Wheat Belt PC's and servers to be backed up on a nightly basis. This will allow us to restore data and other valuable information in case of a disaster. The new firewall server is for increased security. This would tie in well for our future email environment planned to be implemented for email retention purposes. This would allow us to encrypt inbound and outbound email messages for increased security.

IT personnel from other districts are pursuing a "group MDM" IT unit.

Fehringer asked about thumb drives on computers for browsing and security issues. Dickinson responded.

## **SAFETY ISSUES**

The December 10, 2010, Safety Meeting minutes will be presented at the January Board meeting for approval.

Reilly participated in a Rural Electric Safety Achievement Program webinar. As a result of the webinar, the following actions may be taken: CEO has to sign a Leadership Commitment paper; a Board Resolution may need to be issued and signed. Liability issues were discussed. Linemen would help write the improvement plan and yearly assessments would need to be done.

## **MEETING REPORTS**

Morgan reported on the December Tri-State Board Meeting. A lengthy discussion and questions and answers followed. A brief discussion was held on haze requirements and pollution issues at the power plant stations.

## **EXECUTIVE SESSION**

Motion was made by Robinson to enter into Executive Session to discuss directors' expenses and personnel issues at 11:28 a.m. Motion was seconded by Zimmerman. Yea: All present. Motion carried.

Consensus of the directors to go into executive session by roll call vote was conducted.

Motion was made by Zimmerman to resume the meeting at 11:50 a.m. Robinson seconded the motion. Yea: All present. Motion carried.

Motion was made by Gortemaker to accept an early retirement request for Jim Dickman. Wheat Belt will fund Jim Dickman's post retirement HRA allotment at the employee rate until his 65<sup>th</sup> birthdate. In trade for this consideration, one hundred percent of his grandfathered sick bank and one hundred percent of his remaining PTO bank will be used to partially fund the bank at the time of his retirement. His retirement date will be no later than March 31, 2011. This is a one-time variance to Policy E-18 in consideration of Jim's special conditions, recognition of his many years of service to Wheat Belt, and economic value to Wheat Belt. Motion seconded by Zimmerman. Yea: All present. Motion carried.

## **2011 BUDGET**

The Cash Budget for 2011 was presented and discussed. Zimmerman made a motion to approve the 2011 Budget as presented with an adjustment to carry over cash. Hass seconded the Motion. Yea: All present. Motion carried.

Morgan asked a question concerning the "in lieu of" taxes. Hostetler responded.

Lindahl met with a key account manager and rate changes were discussed. As soon as possible rate changes are discussed, a heads up should be given to our customers to aid them in their budgeting.

## **RATES**

The A-1 and C-1 Time of Use Rate Schedules were presented and discussed. It was decided to table the implementation of these rate schedules until the new PCS billing program is available which will be approximately four months. Motion was made by Robinson to table the implementation of the Time of Use Rate Schedules. Gortemaker seconded the motion. Yea: Gortemaker, Hass, Morgan, Robinson, Smith and Zimmerman. Abstain: Fehringer. Motion carried.

## **POLICIES & RESOLUTIONS**

Suggested changes to the By-Laws were presented and reviewed. No action was taken.

## **STRATEGIC ISSUES**

Rosenbaum reported that a repeater north of the primary underground off the Vo-Tec Substation was installed and 50 meters that were not reading previously, are now reading.

Staff held a mini planning session on November 29<sup>th</sup> to identify goals, staffing needs and areas of improvement for 2011.

A day-long Strategic Planning session is scheduled for March 23<sup>rd</sup> at 9:00 a.m. at the Wheat Belt headquarters. Lindahl submitted a list of accomplishments for 2011.

## **FUTURE MEETINGS & TRAINING**

Lindahl reviewed the list of future Director meetings and training. The Board agreed to change the February meeting date from February 25, 2011, to February 18, 2011.

## **ELECTION OF DELEGATES**

Motion was made by Zimmerman to appoint Smith as the Voting Delegate for NRECA and Fehringer will remain as the Alternate Delegate. Motion seconded by Robinson. Yea: All present. Motion carried.

## **DECEMBER BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President declared the meeting adjourned at 12:10 p.m.

ATTEST:

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Doug Smith, President

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Stuart Morgan, Secretary