

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

JULY 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, July 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, Arrived @ 9:40
Dennis Zimmerman

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

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

Jim Hass, Vice-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 presented. Fehringer 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, July 9, 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. Gortemaker seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

No guests were present.

APPROVAL OF JUNE 24th MINUTES

Morgan moved to waive the reading of the June 24, 2011, Board Meeting Minutes, and that they be approved as presented. Fehring seconded the motion. Yea: All present. Motion carried.

MANAGER' S REPORT

Personnel: Level is at 27 active full-time and one part-time. Two employees will be on disability.

Legislative: James Dukesherer presented the Grassroots Program Update to employees on July 18. Lindahl reported that we continue to do well in the Grassroots effort, and have had very positive responses from our legislative involvement.

Financials: The monthly financial reports, presented under separate cover, were reviewed. A lengthy discussion and explanation of information followed with regard to load control and graphs. Wieser and Weeda will study Cannon reports to determine what contributed to the peak.

Community: Lindahl reported on the next Leadership Cheyenne County class. Twelve people are currently registered for the class and it will cap at 15. Fehring expressed an interest in his son John participating.

Other: Lindahl reported on retirements, resignations and turnovers in the area Co-op's and PPD's.

Lindahl reported that he had met with the Tri-State Asset Transfer team. An environmental study has been completed, and we will wait to see the results as far as indemnification is concerned.

A Statewide Irrigation Survey was distributed to each of the Directors.

Lindahl reported that CFC has moved to their new headquarters located in Dulles, Virginia.

Discussion was held concerning the Basin Electric and Sioux Valley Energy Resolution.

Lindahl reported that the Dry Forks power generating station project was built with no lost-time accidents.

Discussion was held on the possibility of Basin joining MISO.

Discussion was held concerning a report generated by Max Van Skiver on the Nebraska Small Wind Turbine Experiences.

BUSINESS REPORT

Wieser reported that, hopefully by August, we will have a new on-line payment system.

Wieser reported that the new billing system is going more smoothly, and that the routine is getting easier, although we still experienced sorting issues. PCS indicated that their programmers were working on the problem.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Reilly reported on the major outages for the month.

Crews have been driving line and fixing problems, installing double throws, taking oil samples, changing rotten poles and trimming trees. They have also been repairing damages from the storms.

SAFETY ISSUES

The July 8, 2011, Safety Meeting minutes were reviewed and discussed.

Reilly reviewed the report and answered questions. Reilly reported that a mapping error was discovered at Location 8-5001 when the secondary wire was cut by a company plowing fiberoptic cable. The secondary wire was moved out of the state right-of-way.

INFORMATION AND TECHNOLOGY REPORT

Rosenbaum reviewed his report and answered questions. Rosenbaum reported that the frequent lightning storms have created several metering issues. Substations have been affected as six circuit boards in the CCU in the Chappell Substation failed.

Dickinson reviewed his report and answered Board member questions.

Dickinson reported that the file server was taken out by power surges and power fluctuations in the IT room. He is currently working on restoring the file server. The load data graphs were reviewed and discussed.

EXECUTIVE SESSION

An Executive Session was called for by Robinson and seconded by Zimmerman at 10:30 a.m. to discuss business opportunities. It was the consensus of the directors to go into executive session by a roll call vote. The meeting resumed at 10:52 a.m.

MEETING REPORTS

Morgan reported on the July Tri-State Board Meeting. A lengthy discussion and questions and answers followed. Lindahl reported that there will be a Tri-State Members Meeting on September 6, 2011.

Lindahl reported on the Tri-State Manager's Meeting that he attended. Lindahl reported that he will be unable to attend the Dry Forks coal-fired power plant tour because of the Tri-State Members Meeting.

Lindahl reported on the NREA Strategic Planning Meeting. Scott Luecal's Mission Statement and Goal Statements were reviewed.

Lindahl reported on the Basin Manager's Meeting that he attended.

POLICIES & RESOLUTIONS

Policy E-10: Code of Ethics; Policy E-13: Separation of Service; Policy E-14: Theft from the District; Policy E-15: Electrician's License; Policy E-16: Employee Recognition; and Policy E-17: Equal Employment Opportunity: Robinson moved to readopt Policy E-10, Policy E-13, Policy E-14, Policy E-15, Policy E-16, and Policy E-17. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy C-9: Disconnect for Nonpayment: Gortemaker moved to adopt Policy C-9 with changes to reflect the updated billing procedures. Zimmerman seconded the motion. Yea: All present. Motion carried.

Policy E-11: Employment of Relatives; Policy E-12: Cell Phone Use; and Policy E-18: Medical Insurance, Retired Employees: Gortemaker moved to adopt Policy E-11, Policy E-12, and Policy E-18 as amended. Zimmerman seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Tri-State Rates: Lindahl presented a Notional Pricing chart using 2012 projected billing units and energy pricing, and a monthly load and revenue requirement chart for A-35 rates and the A-36 proposed Tri-State rates. Discussion followed.

Tri-State 115KV Purchase: Lindahl reported on his meeting with Ms. Stephanie Copeland, attorney that is in charge of the substation purchase of assets agreement/contract. Discussion followed.

Employee Retirement Plan: Lindahl reviewed the basic features of the John Hancock Retirement Plan. Deryl Travis and Mark Churchill will be present at the August 12, 2011, Safety Meeting to explain the plan and answer questions from the employees. The plan is to go forth in September with the conversion. The Board advised Lindahl to proceed if there is no cost to the district and no cost to the employees to convert to the John Hancock Retirement Plan. Lindahl was directed to bring a proposal to the August Board meeting for an action vote.

General Manager Core Duties: Lindahl presented job descriptions from neighboring cooperatives to aid with ideas in order to establish core duties policy for the general manager. The directors were asked to create a task list, which is position specific with core requirements for the general manager, eliminating what they can live without and adding what is absolutely necessary. Suggestions will be combined and then a document created. Discussion followed. There was no time frame established to complete the list of suggestions.

Cyber Security Insurance: Lindahl reported on Federated's alliance with Lockton that will bring a cyber security solution to its insureds. Lindahl was denied an actual cost quote, and certain requirements would have to be met prior to gaining a quote. Fehringer will talk to Federated representatives. Smith indicated that Wheat Belt should move forward and pursue obtaining cyber security insurance.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training.

JULY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 11:48 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary