

UNAPPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
AUGUST 22, 2008

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, August 22, 2008, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Bernie Fehringer
Jim Hass
Stuart Morgan
Paul Robinson

Martin Petersen
Doug Smith
Dennis Zimmerman

Also present were Aavo Taaler, General Manager; Carolyn Hostetler, Chief Financial Officer; Pam Wieser, Office Manager; Earl Reilly, Operations Superintendent; Tim Lindahl, IT Technician and Debra Schlaman, Financial Accounting Assistant.

President Smith, declared a quorum present.

Attention of the Directors, attendees and guests was directed to the Open Meetings Law Poster.

APPROVAL OF AGENDA

Fehringer made a motion to approve the agenda. Zimmerman 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, August 9, 2008, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Petersen made a motion to waive the reading of the notice. Robinson seconded. Yea: All present. Motion carried.

Board Minutes – August 22, 2008

Page 2

INTRODUCTION OF GUESTS

Smith introduced John Gortemaker, Steve Carter and Terry Hamaker, director candidates seeking a position on the Board. Taaler introduced Roger Abrams, Sidney Area Foreman who arrived late.

APPROVAL OF JULY 25th MINUTES

Morgan moved to waive the reading of the July 25, 2008, Board meeting minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

APPROVAL OF AUGUST 12th SPECIAL MEETING MINUTES

Fehringer moved to waive the reading of the August 12, 2008, Special Board meeting minutes, and that they be approved as presented. Zimmerman seconded the motion. Yea: All present. Motion carried.

APPROVAL OF AUGUST 15th SPECIAL MEETING MINUTES

Fehringer moved to waive the reading of the August 15, 2008, Special Board meeting minutes, and that they be approved as presented. Zimmerman seconded the motion. Yea: All present. Motion carried.

MANAGER ' S REPORT

Personnel: Taaler reported that Greg Jenkins is now the full-time “working foreman” on the construction crew permanently. Jim Dickman is back to full-time work, and is assisting Ryan Borges with staking functions as Jim Weeda has begun the large GPS project.

Financials: The July financial reports were reviewed, and thoroughly discussed. Taaler reported that we are over budget on the Cannon AMR pilot project. This is due to a misunderstanding about payment for the software package.

Taaler’s report on the CFC 2007 Key RatioTrend Analysis Executive summary was included in the Board packet and reviewed.

Tri-State has announced a potential 4.1% rate increase.

Legislative: Taaler reported that Kristen Gottschalk and James Dukesherer will be staging a Grassroots/ACRE presentation for employees at Wheat Belt on September 23rd. Directors were invited to attend.

Board Minutes – August 22, 2008

Page 3

The draft Net Metering Policy was introduced at the Statewide meeting August 20 and 21, in Scottsbluff. Taaler will present the Wheat Belt Policy draft to the Board at the September Board meeting.

Taaler reported that Wheat Belt is scheduled for the MRO reliability audit during the week of September 8, 2008.

Discussion was held on the ACRE membership confusion. It was agreed that Wheat Belt will do nothing until the problem is resolved and the NRECA pamphlet has been received.

It was announced at the Statewide meeting that \$25,000 would be spent to do a survey of 500 phone contacts on green energy renewables.

Project Arrow was discussed as a possible new account in the Lisco area.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Reilly reviewed the construction, maintenance and operations for the month as Borges was at Chimney Rock as an observer for their safety accreditation inspection.

Reilly reported that crews have finished the line conversion for the Ethanol plant at Bridgeport, and it was energized on Friday, August 15th. A welder at the plant did not comply with instructions to cease welding by 9:00 a.m. on August 15th so Wheat Belt could connect the new service. The Ethanol plant reported \$24,000 in damages due to single phasing of the running welders. Borges had been in contact with the Ethanol plant about the incident. Fehringer said to contact Federated Insurance due to the possibility of potential liability.

Reilly reported that Tom Sonntag reviewed the lease draft for the radio tower. A copy of the Lease was sent to Steve Hopkins for review. The lease contains two, ten-year renewals with price negotiations, following the initial 25-year term.

Reilly reported that we have received all of the easements for the Weyerts Substation project. Borges has contacted, and is negotiating a purchase agreement with the landowner for one acre of land where the substation will be located.

BUSINESS REPORT

Wieser's report was reviewed, and discussion was held concerning sales-tax exempt forms. Wieser briefly reported on the NRECA Benefits Conference she and Peterson attended. A written report will be included next month.

INFORMATION AND TECHNOLOGY REPORT

Technology: Lindahl reported that all computer systems and network systems had been functioning well, with no failures.

Information: Lindahl reported that he had been in contact with the energy solutions company that is retained by Commercial Resins. They are requesting a tie into the KYZ port on our meters at the customer's site. Lindahl will present a written proposal to the energy solutions company to provide them load data to manage their demand.

Discussion was held on the Statewide/Grassroots privacy issue.

Discussion was held on consideration of deposits on large industrials.

AMI: Lindahl reported that there has been no change in the Cannon system. Everything is still working smoothly.

The Ethanol plant at Bridgeport is served from the WAPA substation, which we cannot meter. Lindahl elected to install a Satec meter to monitor and bill that service. We will be able to monitor live data from that load and anticipate any problems. The communication, as well as the metering, is installed and ready to go.

Lindahl will make two presentations at the Tech-Advantage Conference in New Orleans in 2009.

EXECUTIVE SESSION

Taaler called for an Executive Session to discuss personnel issues.

Motion was made by Robinson and seconded by Morgan to go into Executive Session at 10:06 a.m. Yea: All present. Motion carried.

The Executive Session ended at 10:26 a.m.

MEETING REPORTS

Morgan reported on the Tri-State Board meeting. Questions and discussion followed. It was reported that Tri-State is considering a 4.1% rate increase to meet their financial goals.

Morgan reported that there will be a special Tri-State Members Informational meeting at 1:00 p.m., Tuesday, September 2nd.

Board Minutes – August 22, 2008

Page 5

Petersen reported on the NREA Policy & Resolution Committee meeting held August 20, 2008. Robinson was elected to the Committee at the NREA Scottsbluff meetings, replacing Petersen. Discussion followed.

Petersen also reported on the NREA Board Meeting held August 21, 2008, in Scottsbluff. Discussion followed.

Robinson reported on the Statewide Services Evaluation Committee meeting held August 20, 2008. A new NREA headquarters is being considered and discussion followed on the General Manager's evaluation results. Taaler reported on the addition of a Safe Electricity Program to the NREA budget in the amount of \$17,479.

Reilly reported on Bob Cooper's evaluation results.

SAFETY ITEMS

The August 8, 2008, Employee Safety Meeting minutes and the August 8, 2008, Safety Committee Meeting minutes were reviewed and thoroughly discussed.

POLICIES & RESOLUTIONS

Policy E-19: Drug Free Workplace; Policy E-19A: Drug and Alcohol Testing; and Policy E-20: Safety Policy: Robinson made a motion to readopt Policy E-19, Policy E-19A, and Policy E-20. Hass seconded the motion. Yea: All present. Motion carried.

Policy E-20, Appendices A through H, were reviewed by the Safety Committee at the Committee's August 8, 2008, quarterly meeting. The Committee recommends re-approval of all of the appendices with the following change of substance: on page 2 of Policy E-20H, change "or" to "and". Additional punctuation, spelling and grammar changes of no consequence were recommended.

Policy E-20H, change "or" to "and" on page 2. Zimmerman moved to readopt Policy E-20H, with the noted changes. Petersen seconded the motion. Yea: All present. Motion carried.

Discussion was held on the questions of whether we should form a policy to try and minimize/recover costs for "non-emergency" calls. It was decided that staff will research the question and make a recommendation.

STRATEGIC ISSUES

It was decided to postpone a strategic planning session until February/March 2009.

The employee wage and benefit committee has been established with Abrams, Hodges, Jenkins and Begger. They will present options at the September Board meeting. Staff had been asked to get their “wish” list ready for budgeting purposes.

Taaler and staff have agreed to recommend to the Board the full deployment of the Cannon AMR system. A formal presentation will be presented at the September Board meeting. Fehringer asked to see a budget on the project.

Discussion was held on the CO2 emissions and carbon footprint related to the California fires.

FUTURE MEETINGS & TRAINING

Taaler reviewed the list of future Director meetings and training.

New manager interviews will be September 18 and 19.

Motion was made by Petersen that Robinson remain as the CFC voting delegate and that Hass remain as the alternate. Zimmerman seconded the motion. Yea: All present. Motion carried.

AUGUST BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at 11:45 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary