

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
JUNE 27, 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, June 27, 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
Martin Petersen

Paul Robinson
Doug Smith
Dennis Zimmerman

Also present were Aavo Taaler, General Manager; Pam Wieser, Business Manager; Carolyn Hostetler, Chief Financial Officer; Ryan Borges, Staking Engineer; Tim Lindahl, IT Technician and Debra Schlaman, Financial Accounting Assistant.

President Smith, declared a quorum present.

Attention of the Directors and attendees was directed to the Open Meetings Law poster.

APPROVAL OF AGENDA

Taaler announced that Hostetler would be reporting on an amendment to last month's Bond Resolution prior to the Manager's Report. Robinson made a motion to approve the agenda as amended. 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, June 14, 2008, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Morgan made a motion to waive the reading of the notice. Hass seconded. Yea: All present. Motion carried.

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APPROVAL OF MAY 30TH MINUTES

Hass moved to waive the reading of the May 30, 2008, Board meeting minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Taaler introduced Jim Weeda, Engineering Technician, Bob McDonald of ESC and Steve Carter, a potential director candidate.

BOND RESOLUTION AMENDMENT

Hostetler informed the Board of needed corrections to Resolution 08-2 as originally presented and adopted at the May 30, 2008, Board meeting. Resolution 08-3 to correct the errors was submitted. Zimmerman moved to approve Bond Resolution 08-3. Morgan seconded the motion. Yea: All present. Motion carried.

In addition, Hostetler presented the Certificate with Respect to Tax Matters needed by the Internal Revenue Service as part of the Bond Issue, and the Closing Certificate requested by Ameritas Investment Corporation for approval and signatures. A motion was made by Fehringer to approve the signing of the Certificate with Respect to Tax Matters and the Closing Certificate by the Wheat Belt officers. Robinson seconded the motion. Yea: All present. Motion carried.

Hostetler also reported that signature cards needed to be signed for a new Bond Issue Proceeds Account at Security First Bank. This account will be used to reimburse the General Fund for monies expended during the building of the transmission line and the Weyerts Substation projects.

MANAGER 'S REPORT

Personnel: Taaler reported that two inside employees were working four – 10 hr days. Taaler informed the Board that Copley will be starting reduced work hours beginning October 1, 2008, working into retirement. He will work four days a week. Sonny would like to see the Cannon project completed before his retirement.

Taaler reported that Cody Childers of Dalton will be the third scholarship recipient to attend WNCC Lineman School in Alliance. He was also awarded a \$2,000 RMEL scholarship.

Taaler announced that the IRS mileage reimbursement will go to 58.5 cents per mile as of July 1, 2008.

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Financials: The May financial reports were reviewed, and thoroughly discussed.

Taaler will write a letter to Cannon stating that as of July 1, 2008, the ninety-day test period for the Gurley Sub AMI Pilot Project may begin.

Legislative: Discussion was held on the Liebermann-Warner bill; the extension of tax credits for wind power, which was defeated in the senate; and the Farm Bill, which was passed.

Taaler announced that Jim Weeda has been appointed as the Wheat Belt Grassroots coordinator. He will work with the Statewide representative.

COST OF SERVICE STUDY REPORT

Bob McDonald of ESC presented a summary sheet of the Cost of Service Report to the Board and staff. He reviewed the results of his study and offered more detailed information. A question and answer session followed.

It was decided that AMR may provide data for a more accurate analysis in the future, and that the current rates were reasonable. No immediate changes were necessary. Rate Committee work will be postponed indefinitely.

PUBLIC COMMENT PERIOD

Gary Person, Sidney City Manager, along with Wendall Gaston, Sidney City Mayor, Rod Fries, City of Sidney Electrical Department Superintendent and John Henke, City of Sidney Public Service Coordinator, reported to the Board and staff on a city industrial park electrical supply issue. They would like to enter into some kind of agreement to pay Wheat Belt to allow the City to prepare and supply electrical service to the park. The City would build the service and Wheat Belt would give up their rights for development. The Board thanked the City for their presentation.

BUSINESS REPORT

Wieser reported that we now have caller I.D. capabilities.

Wieser reported on the Jim Jessen situation.

Wieser reported on the reinstatement of two irrigations services that were retired fourteen years ago. They have paid the costs and signed the contracts. One of the services had not been removed.

The Climate Change advertising with Director Hass is hitting the local papers. Several special edition papers, with large circulation figures, will be included. The ads will be running over an approximate six-week period. Also, an ad will appear in the Statewide magazine on the front inside cover.

Wieser advised the Board of the Contract/Deposit option being enforced in case they would receive phone calls.

INFORMATION AND TECHNOLOGY REPORT

Technology: Lindahl reported that all systems are and have been functioning quite well for the month.

Information: Lindahl reported that he has been working on various policies and procedures to deal with the three big regulations that are governing business practices. Regulations that are involved are: Identifying our critical cyber assets; Payment Card Industry regulations; and the Red Flag Rule that governs identity theft.

AMI: The irrigation 3-phase meters have been installed. The harmonics interference problem has improved. Half of the meters that were not reading are now being read.

Lindahl will participate in a study that CRN will be performing to assess the value of future mobile technologies in order to help electric co-ops invest in the right telecommunications technologies.

Data Monitoring Rate Schedule – copies were distributed to the directors for future consideration. They can review them and ask questions next month. Discussion and questions followed.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Reilly reviewed the construction, maintenance and operations for the month.

Reilly reported that Darrell Birkhimer has been hired as the new instructor for the Lineman School.

The June 12th meeting with NEMA on the tornado damages went well and paper work showed a total cost of the project of \$26,217.09.

Borges reported on the pole testing. Of the 2,268 poles tested, only 48 poles were rejected. Borges reported that the testers would be available again around the first of August, and will continue testing as budgeted, with the Board's approval, which was granted.

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Borges reported that eight of 24 landowners have signed easements for the new line construction for the Weyerts Substation.

Reilly reported that the tree trimmers will be back July 8th for two weeks and will be trimming in the Dalton, Bridgeport and Broadwater areas.

MEETING REPORTS

The meeting reports in the Board packet were reviewed and discussion followed.

Taaler reported that Kristen Gottschalk will be drafting a net metering policy for all of the NREA members to use.

Morgan reported that there will be a Strategic Planning meeting on generation on July 7th. Serious alternatives need to be researched. Fehringer suggested that Morgan take two options to the next Tri-State Board meeting. Options: to build a coal-fired plant at the Sioux Army Depot or to build an air-cooled nuclear plant at the depot.

SAFETY ITEMS

The June 13, 2008, Employee Safety Meeting minutes were reviewed and thoroughly discussed.

POLICIES & RESOLUTIONS

Policy E-1: Employment Policies; Policy E-3: Holidays; Policy E-6: Educational Courses; Policy E-7: Expenses; Policy E-8: District Vehicles and Mileage Payments; and Policy E-9: Physical Examination: Petersen made a motion to readopt Policy E-1, Policy E-3, Policy E-6, Policy E-7, Policy E-8 and Policy E-9. Hass seconded the motion. Yea: All present. Motion carried.

Discussion was held on **Policy D-2: Director Insurance**. Fehringer moved to table Policy D-2 until next month so research on the insurance information can be obtained. Zimmerman seconded the motion. Yea: All present. Motion carried.

Discussion was held on **POLICY E-2: Paid Time Off (PTO)**. Zimmerman moved to adopt Policy E-2 as amended. Hass seconded the motion. Yea: All present. Motion carried.

Morgan moved to adopt **POLICY E-4: Uniforms and Safety Equipment and Policy C-2: Right-of-Way** as amended. Robinson seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Manager Search: Fehringer updated the Board on the status of the search and the proceedings. The date of August 12th was set to review all applications and develop a short list for interviews. On August 15th at 9:00 a.m. members will meet to determine a final short list.

Fehringer felt that two to five years additional data is needed before the Rates Committee should meet to discuss the cost of service report. It was agreed to suspend the Rates Committee for the present time.

Fehringer would like a report on the technical changes talent that will be needed in the future.

FUTURE MEETINGS & TRAINING

Taaler reviewed the list of future Director meetings and training. Morgan requested a date change for the December meeting for the 18th instead of the 22nd.

JUNE BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at noon.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary