

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
MARCH 28, 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, March 28, 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; Earl Reilly, Operations Superintendent; 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 poster.

APPROVAL OF AGENDA

Hass made a motion to approve the agenda as mailed. Petersen 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, March 15, 2008, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Robinson made a motion to waive the reading of the notice. Fehringer seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

There were no guests present at the meeting.

Board Minutes – March 28, 2008

Page 2

APPROVAL OF FEBRUARY 19th MINUTES

Morgan moved to waive the reading of the February 19, 2008, Board meeting minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

AUDITOR'S REPORT

Mr. Roger Schmidt, Jr., of Schmidt & Company, was unable to attend the meeting. He will attend the April meeting and present the Wheat Belt year 2007 Audit report to the Board. The audit reports were mailed to the directors under separate cover with the March Board packet. The Board will wait until Mr. Schmidt gives his verbal report in April to approve the Audit, and then direct staff to distribute copies of the 2007 Audit to RUS, etc.

MANAGER'S REPORT

Personnel: Taaler reported that Reilly will begin the Management Internship Program in October.

Medical insurance options are being investigated by staff. A Health Savings Account program is one option being looked into and staff will keep the Board advised.

Taaler reported that two senior linemen have indicated that they may be ready to retire in the first half of 2009. Consideration is being given to hiring Nathan Parker from the Alliance Lineman School in May.

Financials: The January and February reports were reviewed, and thoroughly discussed.

Taaler noted that we are sending monies to the RUS Prepayment Account as they are paying 5% interest.

Staff was directed to check other systems that have the Cannon AMR equipment for their experience with financing, depreciation and longevity history and report to the Board.

Wayne Rasmuss with Ameritas, reported that bond money is high at the present time, with 25 year bonds just slightly below 5% and 15 year bonds (for the possible AMR program) at closer to 4%. Fehringer commented that ten year bonds may be even cheaper. At the April Board meeting, financing methods for the 34.5 kv line extension and for the possible Cannon AMR project will need to be addressed.

Board Minutes – March 28, 2008

Page 3

Legislative: The March 11th “Statehouse News” report was included in the Board packet. Taaler also distributed the March 25th “Statehouse News” report to the Directors. Discussion followed.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Borges reviewed the construction, maintenance and operations for the past month. Questions on pole testing were broached. Borges & Reilly were directed to check on the pole testing time frame and report at the next Board meeting.

Discussion was also held on the new gas compression substation project and the 2008 irrigation projects.

BUSINESS REPORT

A lengthy discussion was held concerning the irrigation billing rates; demand charges for September to April 1st and the winter versus summer rates. The Board would like some account histories and report at the next meeting.

Wieser reported that contracts have been received on the Bridgeport Ethanol Plant, and we are in the process of staking the service.

Wieser reported on a customer situation, and asked the Board for a write-off of \$364.48 in energy charges. Hass made a motion to approve the write-off. Zimmerman seconded the motion. Yea: All present. Motion carried.

INFORMATION AND TECHNOLOGY REPORT

Lindahl reported on the purchase of an IBM high speed line printer for \$300, which he picked up from White River Valley Electric Coop. The maintenance contract for the current printer, which is used for printing the bills, is \$2,600 per year. This will be a substantial savings for Wheat Belt, and we now have a spare if we have a break down. Also, the printer could be stored offsite to help with the disaster recovery plan.

Lindahl explained his role in the NRECA TechAdvantage conference held before the annual meeting. Robinson applauded Lindahl’s work.

Lindahl reported on the potential savings to Wheat Belt and the employees by implementing a health savings account insurance plan. Further research into the viability and options of the plan will be conducted.

Board Minutes – March 28, 2008

Page 4

A map showing the location of the meters installed in the Cannon pilot project was shown to the Board. Lindahl reported that the Cannon representatives were here this week and 82% of the meters read immediately. Questions and discussion followed.

MEETING REPORTS

Robinson's report on the NRECA Annual Meeting was included in the Board packet.

Taaler's report on the NRECA Annual Meeting was reviewed and discussion followed.

Morgan reported on the March 2008, Tri-State Board meeting.

Taaler's report on the Tri-State Managers meeting was reviewed.

SAFETY ITEMS

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

POLICIES & RESOLUTIONS

Policy C-11: Irrigation Accounts: Petersen made a motion to adopt Policy C-11 as modified. Robinson seconded the motion. Yea: All present. Motion carried.

Policy C-12: Exceptions to General Provisions; Policy C-13: Nondiscrimination; Policy C-14: Damage to District Property; Policy C-15: Failure of Customer Equipment; Policy C-16: Tree Trimming; and Policy C-17: Yard and Lease/Rental Lights: Morgan made a motion to readopt Policy C-12, Policy C-13, Policy C-14 (minor wording change), Policy C-15, Policy C-16 and Policy C-17 (increased service charge). Petersen seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Taaler reported on the Rates Committee / Cost of Service study. Discussion followed.

Taaler was asked to add Colorado to the Statewide list for the Manager search advertisements.

Board Minutes – March 28, 2008

Page 5

Fehringer reported on the last manager's search procedures. As per Board Policy D-4, a Committee consisting of Smith, Robinson, Morgan and Fehringer was established to develop evaluation forms, interview questions, tabulation forms, background checks and other needs.

Taaler reported on the Alliance Lineman School and the search for a new instructor. A lineman school scholarship was awarded to Cody Childers of Dalton by Wheat Belt.

Taaler attended a meeting at MidPlains Community College on initiating a wind turbine maintenance training program for "windsmiths" and reported to the Board on the results.

FUTURE MEETINGS & TRAINING

Taaler reviewed the list of future Director meetings and training.

MARCH BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at 11:35 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary