

## **UNAPPROVED REGULAR MEETING MINUTES**

### **BOARD OF DIRECTORS - WHEAT BELT PPD**

**AUGUST 28, 2009**

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 28, 2009, 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; Carolyn Hostetler, Chief Financial Officer; Ryan Borges, Staking Engineer; Earl Reilly, Operations Superintendent; Julie Bond, IT Technician; Jeff Rosenbaum, Meter Technician; and Debra Schlaman, Financial Accounting Assistant.

Doug Smith, President, declared a quorum present.

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

#### **APPROVAL OF AGENDA**

Lindahl asked to add an Executive Session to the agenda. Robinson made a motion to approve the agenda as amended. 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, August 15, 2009, and proof of publication showing such notice as published is attached and thereby made a part of the minutes. Fehringer made a motion to waive the reading of the notice. Zimmerman seconded the motion. Yea: All present. Motion carried.

## **INTRODUCTION OF GUESTS**

Smith introduced Kelli Haas, Customer Care Aide and Wayne Rasmuss, Vice-President – Public Finance for Ameritas Investment Corp.

## **APPROVAL OF JULY 24<sup>th</sup> BOARD MINUTES**

Morgan moved to waive the reading of the July 24, 2009, Board meeting minutes, and that they be approved as presented. Fehringer seconded the motion. Yea: All present. Motion carried.

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

Reilly reviewed the construction, maintenance and operations for the previous month. There were no major outages for the month.

Reilly reported that Wheat Belt received a final Accreditation score of 95. Fehringer commended everyone for their efforts in achieving the great score.

Reilly reported that he and Schlaman attended a FEMA meeting in August for storm damages in Deuel, Garden and Morrill counties. A FEMA representative will be in the office on September 9<sup>th</sup> to gather all the information and submit the figures.

Overhead school was held August 25<sup>th</sup> to the 27<sup>th</sup>, with 60 plus students in attendance. Underground school is scheduled for September 2<sup>nd</sup> & 3<sup>rd</sup>, with 50 plus students enrolled.

Reilly received a bid from Solomon Corporation for the salvage of the 16 MVA GE Dalton Transmission Substation transformer in the amount of \$25,000.

Weyerts Substation: Borges reported that he has not received a bid to place culverts and haul dirt around the new site to raise the elevation by 5.5 feet. Borges ordered 60' poles for the project. Eight and a half miles of transmission line have been completed.

## **MANAGER ' S REPORT**

Personnel: Lindahl reported that Kelli Haas has been hired as a permanent employee beginning September 1. The employee level will then be 30. Eric Reimers was a camp councilor last month for the NREA Youth Camp.

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A clipboard of upcoming conferences and meetings was passed around for the directors to request reservations.

#### Financials:

The July financials were reviewed and discussed.

Wayne Rasmuss of Ameritas Investment Corp. explained the \$870,000 Revenue Bonds issue for the Dalton Transmission transformer and answered questions. A bond reserve fund in the amount of \$67,000 is required. Discussion followed.

Zimmerman moved to approve the Resolution #09-2 for Bond Issue 2009-A, in the amount of \$870,000, to fund the new Dalton Transmission Substation transformer with a bond reserve fund in the amount of \$67,000. Fehring seconded the motion. Yea: All present. Motion carried.

Mr. Rasmuss explained the bond issue to pay off all of the 5% RUS notes maturing through 2023. Questions and discussion followed. Mr. Rasmuss explained the Resolution with “parameters”, which gives authority to the General Manager, Lindahl, to initiate the sale of the bonds at the most advantageous time.

Zimmerman moved to approve the Resolution #09-3 for Bond Issue 2009-B, in the amount of \$4,390,000.00, to pay off all of the 5% RUS notes maturing through 2023, with a minimum 4.85% present value parameter, and a \$439,000 bond reserve fund. Robinson seconded the Motion. Yea: All present. Motion carried.

Legislative: Lindahl distributed an article from Glenn English entitled “EPA Rules on Greenhouse Gases Could Boost Climate Change Legislation.” Discussion followed.

Smith commented that the articles in the Board packet were quite informative. A lengthy discussion followed on Cap & Trade, wind generation and renewable energy.

Lindahl reported that Ken Schilz plans to attend the September Board meeting. James Dukeshear will present a legislative and grassroots update following today’s Board meeting.

Discussion was held on the direction NRECA is taking regarding the Cap and Trade legislation. We will continue to support NRECA at this time.

Lindahl and Fehring will develop a position statement on wind energy for the district.

Other: Lindahl reported that he attended a public hearing by the Army Corp of

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Engineers and the US Fish and Wildlife. They are charged with developing an environmental statement and plan to restore and maintain species in the Missouri River basin. Lindahl gave a verbal comment that we need to make sure we protect our clean, reliable and renewable energy source of hydropower. He will submit a formal written comment later.

Lindahl distributed information from Steve Guenzel, on the March fire. Copies of settlement offers and letters were included. Lindahl reported that all but one of the claimants have accepted their settlement offers. Fehringer and Lindahl felt that Guenzel presented a good analysis of the situation.

Lindahl distributed director training information.

### **EXECUTIVE SESSION**

Motion was made by Hass to go into executive session at 10:53 a.m. to discuss personnel issues. Zimmerman seconded the motion. Yea: All present. Motion carried.

Motion was made by Fehringer to resume the meeting at 11:05 a.m. Morgan seconded the Motion. Yea: All present. Motion carried.

### **BUSINESS REPORT**

Wieser reported that parade season is approaching. The float this year will center on the "Our Energy, Our Future" theme.

Wieser asked the Board for a customer test irrigation demand charge write-off in the amount of \$1,065.31. Morgan made a motion to approve the write-off. Fehringer seconded the motion. Yea: All present. Motion carried.

Discussion followed on policy parameters concerning "time used" for the irrigation account write-offs.

Wieser reported on the Benefits Conference she and Shelley Peterson attended. Health care issues, wellness programs, prescription co-pays and the NRECA 401K plan were topics of discussion.

Lindahl announced that there was a metering, billing error on the ethanol plant account. A new verification process will now take place every month.

### **INFORMATION AND TECHNOLOGY REPORT**

Bond reviewed her report and answered questions.

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Bond reported that 54 members have joined the Wheat Belt Face Book page. We are #1 in the State. Bond reported that there will be a PCS Webinar demo on the billing software and several employees will attend. She will also contact other districts and see what billing systems they are using.

### **PUBLIC COMMENT PERIOD**

Lyle Johnson appeared before the Board representing the Amateur Radio Club. Previously, the Board approved the Club's request to set a 65' pole, with an antenna on top, (purchased by the Club) for the Emergency Management System, at a location near the Cheyenne County Visitor's Center. This was for one hour of time at a cost of approximately \$120. Johnson indicated that they would now like Wheat Belt to provide the pole. Borges reported that a 45' pole would cost approximately \$700. Following discussion, the Boards consensus was that the offer to set the pole remains. The Club could purchase a pole that Wheat Belt would set.

### **SAFETY ITEMS**

The August 14, 2009, Employee Safety Meeting Minutes were reviewed and thoroughly discussed. Director Zimmerman attended the meeting.

The August 14, 2009, Safety Committee Meeting Minutes were reviewed and discussed. Director Zimmerman attended the meeting.

### **MEETING REPORTS**

Morgan reported on the August Tri-State Board Meeting. Questions and a lengthy discussion followed.

Lindahl reviewed his Tri-State Managers Meeting report. Lindahl was asked to explain the "Feed in Tariff" which was introduced under the PUC agenda. Discussion followed.

### **POLICIES & RESOLUTIONS**

**Policy E-18: Medical Insurance, Retired Employees:** Discussion was held and the Policy was tabled. The Policy will be presented again next month.

**Policy E-19: Drug Free Workplace; Policy E-19A: Drug and Alcohol Testing; Policy E-20: Safety Policy; Policy E-20A: Safety and Injury Prevention Program; Policy E-20B: Emergency Management/Evacuation Plan; Policy E-20C: Hazard Communication Plan; Policy E-20D: Blood borne Pathogen Program; Policy E-**

**20E: Hearing Conservation Program; Policy E-20F: Powered Industrial Trucks; Policy E-20G: Fire Prevention Plan and Policy E-20H: Energy Control (Lockout/Tagout) Program:** Fehringer moved to readopt Policy E-19, Policy E-19A, Policy E-20, Policy E-20A, Policy E-20B, Policy E-20C, Policy E-20D, Policy E-20E, Policy E-20F, Policy E-20G and Policy E-20H. Zimmerman seconded the motion. Yea: All present. Motion carried.

The Board broke for lunch at 12:20 p.m. and resumed the meeting at 12:40 p.m.

Lindahl presented his 2010 Financial Forecast. This ten-year forecasting tool was developed for projecting the impacts of debt vs. investment funding of projects and operations as well as validating that the rates are well aligned for future years to help offset any large surprises in the future. This tool will also be used in budgeting and setting future rates.

Lindahl answered questions and discussion followed. Lindahl explained about the cash shortage issue, budgeting to TIER, equity and DSC. Lindahl would like to make a change to Policy F-2 Financial Goals, adding cash to the budgeting process.

Fehringer asked Lindahl to present a balanced budget next month with inflationary factors. Scenarios can also be presented at that time.

## **STRATEGIC ISSUES**

Strategic Planning Session: Lindahl reported:

- 1) Jerry Hagar from ESC will have a presentation for the September Board meeting on the capacitor program.
- 2) Presentation will be made again at the September meeting on the financial forecasting utility.
- 3) The budgeting process has begun.

2010 Employee Medical: The proposed percentage increase from NRECA is 15 plus. More discussion will be held at the September Board meeting as there is an October 2<sup>nd</sup> deadline to be met on acceptance of the increase.

Rates: Discussion was held on possible rate increases. The Board recommended that across the board rate increase proposals be prepared for future consideration.

## **FUTURE MEETINGS & TRAINING**

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Lindahl reviewed the list of future Director meetings and training. Lindahl will review the director's clipboard for additions/corrections.

**MEETING DATE CHANGE**

The October Board meeting has been changed to October 21, 2009, from October 23, 2009.

Lindahl asked for Christmas Party dates from the Directors. December 19<sup>th</sup> was suggested as a preferred date.

**AUGUST BOARD MEETING**

There being no further business to come before the Board, the President declared the meeting adjourned at 1:35 p.m.

ATTEST:

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Doug Smith, President

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Stuart Morgan, Secretary