

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD
DECEMBER 21, 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., Monday, December 21, 2009, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Bernie Fehringer
John Gortemaker
Jim Haas

Stuart Morgan
Doug Smith
Dennis Zimmerman

Director Paul Robinson was absent.

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Pam Wieser, Business Manager; Earl Reilly, Operations Manager; Ryan Borges, Staking Engineer; Jeff Rosenbaum, Meter Technician; Julie Bond, 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

Zimmerman made a motion to approve the agenda as mailed. Gortemaker seconded the motion. Morgan asked to give a verbal report on the Nebraska Wind Meeting he attended. Yea: All present. Motion carried.

NOTICE OF MEETING

Notice of this meeting was given by publication in the Sidney Sun-Telegraph on Wednesday, December 9, 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. Gortemaker seconded. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

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Lindahl introduced Greg Jenkins, Construction Foreman.

APPROVAL OF NOVEMBER 23rd MINUTES

Hass moved to waive the reading of the November 23, 2009, Meeting Minutes and that they be approved as presented. Zimmerman seconded the motion.

Yea: All present. Motion carried.

MANAGER ' S REPORT

Personnel: Discussion was held on the retirement of Steve Groshans on June 30, 2010, after 43 years with the district. Morgan asked about a replacement for Groshans.

Lindahl distributed pamphlets on the Nebraska Acre membership and explained the re-interpretation of the laws and statutes.

Lindahl reported that his January article for the REN magazine insert will explain why Wheat Belt did not apply for stimulus money.

Financials: The November financial reports were reviewed, and thoroughly discussed. Tri-State notified Wheat Belt of billing errors that occurred in August, September and October. The corrections will be reflected against the December power bill. Tri-State G & T has retired patronage capital in the amount of \$183,325.07 for 2009. The funds have been deposited in the prepayment account.

The 2010 Cash Requirements and the Capital Items Requests were reviewed and discussion followed. An omission was made in the budget presented in the Board book for December. Carry over of the remainder of work left on the four-year work plan, and Borges' remaining Management Internship Program (MIP) expenses were added.

Legislative: Lindahl reported that several of the area Managers will be meeting with the Governor concerning the water issues and the impact of lost revenues by shutting down wells in the districts. Discussion followed.

Other: Lindahl asked for clarification concerning possible lease agreements for purchases over \$5,000. Is Board approval required? The Board agreed that they would like to be informed, and for leased items to be handled in the budget in the same manner as capital expenditures.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

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Reilly reported that on December 7th, a WAPA current transformer failed in the Chappell WAPA Substation, and the outage lasted about two and a half hours. Reilly reported on the construction, maintenance and operations for the month. Crews have been installing double throw switches following the storm in October.

Reilly reported that he had been elected chairman of the JT&S Committee.

Directors reiterated their appreciation for the linemen's work that is carried out in the cold weather.

Borges reported on the 2009 physical inventory. He asked for Board approval of a positive adjustment in the amount of \$92.19. Fehringer moved to approve the physical adjustment in the amount of \$92.19. Zimmerman seconded the motion. Yea: All present. Motion carried. Lindahl pointed out that the adjustment is a net amount.

Borges spent the last two weeks at MIP training in Madison, WI.

Lindahl reported on his personal purchase of a Marathon water heater for his family. He has been tracking the energy cost difference between electric and gas. Following discussion, the Board directed Lindahl to explore the options on time-of-day controlled electric water heaters.

PUBLIC COMMENT PERIOD

Darrell Zorn came before the Board to ask about wind charger incentives or rebates. Questions and answers followed.

Lindahl reported that he had explored the viability of rebate options. A specific fund managed legal entity with voluntary contributions could be established.

Gortemaker felt staff should explore the issues concerning rebates and report back to the Board.

BUSINESS REPORT

Wieser reported on several account collection issues. Questions, answers and discussion followed.

Wieser reported on the 2009 account write-offs, which are in the amount of \$12,661.35. The write-offs are for bankruptcy accounts and accounts that have been sent to Credit Management for collection. Morgan moved to write off the 2009 bad debt accounts in the amount of \$12,661.35 under protest. Fehringer

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seconded the motion under protest. Yea: All present. Motion carried.

Wieser commented on the HSA research, which is still on-going. Lindahl reported that he has the information for proper procedures to request a study from NRECA into an HSA plan.

Morgan asked Wieser about the NRECA Cooperative Connection discount cards. She will contact United Power and see if the cards would be beneficial in our specific area. Borges indicated that a discussion had been conducted at his MIP session, and that most had dropped the card.

INFORMATION AND TECHNOLOGY REPORT

Bond reviewed her report.

Lindahl asked the directors if they would be interested in “district owned” laptops, and that they would all be eligible for one if they desired. Hass made a motion to purchase “district owned” laptops for the directors. Zimmerman seconded the motion. Yea: All present. Motion carried. Bond will follow-up with the purchase of the laptops.

SAFETY ITEMS

The November Safety Meeting Minutes, the November Safety Committee Meeting Minutes and the December Safety Meeting Minutes were diligently reviewed.

MEETING REPORTS

Morgan reported on the Tri-State Board meeting. Questions and discussion followed.

Morgan reported on the Nebraska Energy Export Association Wind Conference he attended. Discussion followed.

POLICIES & RESOLUTIONS

The first reading of the proposed changes to the By-Laws was presented. Article II Section 5 reflects changes to allow the standard Board meeting day to be adjusted. Article III, Section 4(D) and Section 8 (B) reflects minor wording changes.

Policy E-18: Medical Insurance, Retired Employees: Tabled for further staff

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research. Staff will target the January Board meeting to present a recommendation.

2009 BUDGET

The final proposed budget for the 2010 operating year was presented. A lengthy discussion followed. Zimmerman moved to approve the 2010 Budget as presented. Fehringer seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Lindahl reported that work continues on the four-year Work Plan.

Capacitor Program Presentation: A formal presentation will be made at the January Board meeting.

Position Statement on Wind Development: The draft position statement will be addressed at the January Board meeting.

Borges reported on the Weyerts Substation progress.

AMI Update: Rosenbaum reported on the Cannon installations and that 85 percent of the installed meters are being read. He feels that we are on schedule to finish the Cannon installations by year-end 2010.

Borges reported that he would like to develop a Renewable Energy Plan/Guideline for Wheat Belt and then incorporate it into his MIP project.

FUTURE MEETINGS & TRAINING

The 2010 Board Meeting Schedule was presented and reviewed. The January Board meeting has been moved to Tuesday, January 26, 2010.

The 2010 Directors' Safety Meeting schedule was reviewed with changes being made.

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There being no further business to come before the Board, the President declared the meeting adjourned at 11:52 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary