

UNAPPROVED REGULAR MEETING MINUTES

BOARD OF DIRECTORS - WHEAT BELT PPD

JULY 24, 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, July 24, 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

Fehringer made a motion to approve the agenda as mailed. Robinson 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, July 11, 2009, 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. Zimmerman seconded the motion. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

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Smith introduced Michelle Hodges, Marketing and Customer Care Specialist.

APPROVAL OF JUNE 26th BOARD MINUTES

Fehringer moved to waive the reading of the June 26, 2009, Board meeting minutes, and that they be approved as presented. Hass seconded the motion. Yea: All present. Motion carried.

MANAGER 'S REPORT

Personnel: Lindahl reported that personnel remain at 29 Wheat Belt employees and one ASI employee. The employee picnic will be held the evening of August 28th.

Lindahl reported on the March 5, 2009, fire which burned grassland, fence posts, etc. Steve Guenzel, attorney for Federated Insurance, turned over all of the findings and claims for costs for damages from the affected individuals. He reported that things should be finalized next Wednesday. He did not turn over a figure for the reliable number of pairs on pasture land as he was unsure what that may be for the area. Fehringer recommended 12 to 13 acres per pair. Guenzel included a copy of Wheat Belt's Motion from the May meeting, as a part of his report. Liability has not been determined.

Financials: The May "corrected" financials were reviewed and discussed. Lindahl and Hostetler explained the basis for the "corrected" May financial report. Hostetler reported that she has implemented a new "check and balance" procedure to avoid this happening again. Tri-State has had changes in staff and a new system, so their billing has been later than usual. This has led to receiving the power bill later than usual and not having time to review the financials before going to press to produce the board packets. Their target is to get the bills out by the fourth working day of each month.

The June financials were reviewed and discussed.

Lindahl reported that his ten-year forecasting utility is up and running. Time permitting, he will demonstrate the program to the Board next month. The Board expressed their appreciation to Lindahl for his diligence on the future forecasting. They feel it will be quite beneficial to fulfill some of the strategic planning items.

Legislative: Lindahl reported that Todd Crawford, Adrian Smith's aide, visited the office on Wednesday. They discussed NERC, climate changes, renewables, wind projects, rates, reliability of service and health care issues. Lindahl took him on a tour of the system and our AMI technology. Crawford is going to suggest that Smith visit the office and view the AMI system. Mr. Smith's energy staff member, Deb Van Meter from Grand Island, was invited to attend a Board meeting.

Todd Crawford asked Lindahl for the Board members' contact information. They all gave permission to forward said information.

Other: Lindahl reported on the Roseberry fraud case. Roseberry paid full restitution to Wheat Belt as of July 24, 2009. A copy of the letter being sent to the affected customers was shown to the directors. Gortemaker commented that he thought the letter was good and the Board was pleased with the resolution by the Court. Letters with checks enclosed were to be mailed following the Board meeting.

Morgan asked the status of the wind energy research project. Lindahl reported that a feasibility study is being conducted. Gary Person had been contacted informing him that Wheat Belt would participate in the project.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

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

Reilly reported that on August 4th, WAPA will be conducting repairs in the Chappell/WAPA Sub. A ten hour outage is scheduled. Irrigation wells will be dropped but residences and businesses will remain connected.

Weyerts Substation: Borges reported the retirement of the old 34.5 KV line was completed. Nienhueser's were contacted to submit a bid to place culverts and haul dirt around the new site to raise the elevation by 5.5 feet.

Borges reported that a test tower to record data on wind speeds had been erected in the Gurley area.

Borges reported that a customer with a 2.4 KW wind generator has signed the Inter-Connection Agreement and the meters are ordered. Two different types of meters may possibly need to be installed.

BUSINESS REPORT

Wieser's report was reviewed.

Lindahl reported on the credit card processing center and their rates and the security issues.

Lindahl reported on the HSA research to-date.

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Lindahl asked the Board for a customer test irrigation demand charge write-off in the amount of \$180.58. Zimmerman made a motion to approve the write-off. Fehringer seconded the motion. Yea: All present. Motion carried.

INFORMATION AND TECHNOLOGY REPORT

Bond reviewed her report and answered questions.

Bond reported that she will be attending the local fairs and has a DVD from Glenn English she will show on her laptop to interested customers. Also brochures will be distributed and she has a poster that will be on display.

MEETING REPORTS

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

Hass raised the question of the status of the Nebraska Power Supply Issues Group. Morgan and Lindahl reported and discussion followed.

Lindahl reviewed his MDM report.

SAFETY ITEMS

The July 10, 2009, Employee Safety Meeting Minutes were reviewed and thoroughly discussed.

Reilly reported on an accident involving a Wheat Belt contractor.

Lindahl informed Zimmerman that he was scheduled to attend the August meeting. Pole-top rescue will be performed.

POLICIES & RESOLUTIONS

Policy E-10: Code of Ethics: Zimmerman made a motion to adopt Policy E-10 as amended. Robinson seconded the motion. Yea: All present. Motion carried.

Policy E-11: Employment of Relatives; Policy E-12: Cell Phone Use; Policy E-15: Electrician's License; Policy E-16: Employee Recognition; and Policy E-17: Equal Employment Opportunity: Robinson moved to readopt Policy E-11, Policy E-12, Policy E-15, Policy E-16, and Policy E-17. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy E-13: Separation of Service: Robinson moved to adopt Policy E-13, as amended. Morgan seconded the motion. Yea: All present. Motion carried.

Policy E-14: Theft from the District: Fehringer moved to adopt Policy E-14, as amended. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy E-18: Medical Insurance, Retired Employees: Zimmerman moved that Policy E-18, be tabled for further study by staff and presented at the August meeting. Hass seconded the motion. Yea: All present. Motion carried.

Policy F-4: Handling of Payments: Fehringer made a motion to adopt Policy F-4 as amended, with an additional change in the wording to include "...reimbursement of petty cash for no more than \$500...". Robinson seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

AMI Update: Rosenbaum reported on the progress of the Cannon equipment installations in the substations and residence accounts.

Strategic Planning Session: Lindahl reported:

- 1) Work continues on the RUS refinance and should be completed in August.
- 2) Work has started again on the evaluation of the capacitor program and Jerry Hagar from ESC will attend the August meeting and give his report.
- 3) The ten-year financial forecast will be presented at the August meeting.
- 4) Work has begun on the construction work plan.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training. Lindahl asked for confirmations and cancellations from the Directors.

DELEGATE ELECTIONS

After discussion by the Board, there were no delegate elections. Representatives will remain the same.

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There being no further business to come before the Board, the President declared the meeting adjourned at 11:48 a.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary