

UNAPPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

MARCH 27, 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, March 27, 2009, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Bernie Fehringer
John Gortemaker
Stuart Morgan

Paul Robinson
Doug Smith
Dennis Zimmerman

Absent: Jim Hass

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

Doug Smith, President, declared a quorum present.

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

APPROVAL OF AGENDA

Zimmerman asked to give a verbal meeting report and Morgan asked to be put on the agenda under "Other." 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, March 14, 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. Morgan seconded. Yea: All

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present. Motion carried.

INTRODUCTION OF GUESTS

Lindahl introduced guests Cody Childers and Dan Westman, interns from WNCC Lineman School.

APPROVAL OF FEBRUARY 27th BOARD MINUTES

Morgan moved to waive the reading of the February 27, 2009, Board meeting minutes, and that they be approved as presented. Robinson seconded the motion. Yea: All present. Motion carried.

MANAGER 'S REPORT

Personnel: To be discussed in Executive Session.

Lindahl reported that Reilly was attending his last two-week session of the Management Internship Program.

Financials: The January and February financials included in the Board book were thoroughly discussed.

Discussion was held on debt refinancing and Lindahl was directed to proceed researching debt refinancing to take advantage of lower interest rates as well as the possibility of financing the Dalton Transmission transformer.

Lindahl and Hostetler answered questions concerning the cash requirements report. Further research will be done to explain the variance from actual year-to-date to budget in revenue and purchased power.

Legislative: Lindahl distributed copies of the current status of several Legislative Bills.

Discussion was held on the new net metering law amendments. Borges inquired about establishing an inter-connection contract. Discussion followed regarding renewable energy inter-connections, transmission issues and phasing issues.

Other: LB 436 Amendments were discussed.

The annual Federated Insurance review was held, and Lindahl felt that Wheat Belt is adequately covered. His questions on the policy were clarified.

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Lindahl will be attending a new CEO training conference sponsored by NRECA and CFC March 30th through April 2nd, in Washington, D.C.

EXECUTIVE SESSION

A motion to go into Executive Session was called for by Robinson at 9:55 a.m. to discuss personnel issues and the grass fire south of Lodgepole on March 5th. Motion was seconded by Gortemaker. Yea: All present. Motion carried.

The meeting resumed at 11:02 a.m.

A motion was made by Fehringer for an exception to Policy E-23 for Dean Gipfert, as inclement weather kept him from his scheduled doctor's appointment to obtain his release to return to full duty work. Gipfert must present a **return to full duty release** by April 7, 2009, to Lindahl. Zimmerman seconded the motion. Yea: All present. Motion carried.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

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

Electro-Test conducted their annual breaker maintenance on 156 line breakers and 16 substation breakers over a three-week period.

Tree trimming has been put on hold due to inclement weather.

GE in Denver reported the Vo-Tech transformer had been hit by lightning. Reports have been submitted to Federated, and they are covering the cost of repairs - \$155,500 minus the \$1,000 deductible.

Borges reported that the crew has begun rebuilding the 34.5 line to Platte Pipeline and the first mile to the GOAB (gang operated air brake) switch has been replaced and switched to the new line.

Borges had been working with the county planning and zoning commission to get the land for the Weyerts Substation rezoned and a variance for .23 acres. The variance was approved.

Borges feels that the line extension calculations should be reviewed by staff. He reported that the gas compression stations will not be using our services to the extent they originally requested. Discussion followed and staff will be preparing

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a presentation of the possibilities for adjusting the line extension policy.

As per the Strategic Planning meeting, a bucket and digger truck replacement and service truck replacement list was included in the Board book.

BUSINESS REPORT

Wieser reported that the Ag Social After-Hours would be held Friday, March 27th and invited the directors to attend.

The Irrigation Efficiency Course was held March 25th, and Wieser reported on the class and passed out the booklets for anyone interested. Robinson attended the class and commented.

Wieser informed the Board that an irrigation customer had requested a temporary change to the minimum requirement on retaining a service. He feels that temporary government programs, e.g. EQIP, are beneficial to all and warrant a change. As the minimum defrays the cost of service in addition to the Basic Charge, the Board feels the policy should stand. It was noted that programs such as this in the past had been very costly to our rate payers. A change would result in losses to the other rate payers of the district. The staff will determine if an adjustment due to the reduction in transformer losses would be viable.

Bridgeport Ethanol: Wieser reported that we have received our “Letter of Credit” from Bridgeport Ethanol’s bank. It is an annual renewal with notice. Also, a list for rebates on 140 motors was submitted. We will delay sending a check to the customer until Tri-State pays us.

“Letters of Credit,” specifically indicating Wheat Belt PPD as a creditor, in lieu of a contract or a deposit was discussed.

INFORMATION AND TECHNOLOGY REPORT

Lindahl announced that Julie Bond had been appointed the new Grassroots Coordinator, replacing Jim Weeda. Bond will attend the Legislative Rally in Washington, in May.

Bond’s I.T. report was reviewed.

MEETING REPORTS

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

Fehringer congratulated Morgan on being elected to be Tri-State's board representative for the Western States Power Board.

Morgan reported on a new solar project for Tri-State. Discussion on renewable energy credits followed.

Zimmerman reported on the Mid-West Electrical Consumers Legislative conference held in Washington where he met with all three of the State representatives.

SAFETY ITEMS

The March 13, 2009, Employee Safety Meeting Minutes were reviewed and thoroughly discussed.

POLICIES & RESOLUTIONS

Policy C-9: Disconnect for Nonpayment and Policy C-10: Reading of Meters & Meter Calibration: Fehringer made a motion to adopt Policy C-9 and Policy C-10 as amended. Zimmerman seconded the motion. Yea: All present. Motion carried.

Policy C-11: Irrigation Accounts; Policy C-12: Exceptions to General Provisions; Policy C-13: Nondiscrimination; Policy C-14: Damage to District Property; C-15: Failure of Customer equipment; Policy C-16: Tree Trimming; and Policy C-17: Yard and Lease/Rental Lights: Robinson moved to readopt Policy C-11, Policy C-12, Policy C-13, Policy C-14, Policy C-15, Policy C-16 and Policy C-17. Fehringer seconded the motion. Yea: All present. Motion carried.

Policy C-23: Net Metering: Fehringer moved to adopt Policy C-23 as amended. Robinson seconded the motion. Yea: All present. Motion carried.

Policy C-23 will be revisited next month.

STRATEGIC ISSUES

Wheat Belt Strategic Planning Session: The summary notes from the Strategic Planning session by Paul Aldretti were included in the Board packet and reviewed. Lindahl will work with Mr. Aldretti on the final draft. Directors felt the facilitator did a good job, and it may have been the best planning session to date. Fehringer complimented the Board and staff on getting the issues "out

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there.” Lindahl will try to keep the Board and staff updated on the progress being made on the topics on a quarterly basis.

AMI Update: Rosenbaum reported on software issues. The laptops have been updated with the latest versions. Installation of the three-phase meters has been held up to insure the firmware is the latest version. Nearly twenty percent of the meters have been installed.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training. The Board calendar was included in the Board packet. Smith and Gortemaker will switch months for attendance at the Employee Safety meetings.

OTHER

Gortemaker reported on a call he received from a customer. The customer does not feel employees and directors should be allowed to purchase materials from electrical vendors through Wheat Belt. Borges indicated that purchases could be made directly from the vendor at the same price given Wheat Belt. Discussion followed. It was decided that this is a common corporate practice and no changes will be made.

Morgan reported on a call he received from a customer concerning going into retirement or assisted living centers to get signatures on contracts from customers not competent of signing a contract. Discussion followed and it was noted that this is not the practice of Wheat Belt.

MARCH BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at 12:42 p.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary