

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

SEPTEMBER 25, 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, September 25, 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; Pam Wieser, Business Manager; 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. 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, September 12, 2009, 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 the motion. Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Smith introduced Nebraska Senator, Ken Schilz, Jerry Hager of ESC Engineering, Rollie Waite, Dalton Area Foreman and Nathan Begger, Dalton Maintenance Lineman.

APPROVAL OF AUGUST 28th BOARD MINUTES

Hass moved to waive the reading of the August 28, 2009, Board meeting minutes, and that they be approved as presented. Morgan seconded the motion. Yea: All present. Motion carried.

Fehringer relayed to the Board that Mark Johnson was very impressed with how the Board handled the fire situation. Smith stated he was pleased with how the insurance company handled the claims.

LEGISLATIVE

Senator Ken Schilz spoke to the Board and staff and fielded questions. He covered topics concerning public power – wind development; Natural Resources District – invasive weed species spraying along the Republican and Platte Rivers – phragmites; term limits; and water issues.

MANAGER ' S REPORT

Financials:

The August financials were reviewed and discussed.

Lindahl opened a discussion on investment policies, procedures and direction.

Discussion was held on the CFC Line of Credit.

Lindahl announced that we will receive the money for the RUS payoff on September 30, 2009, and the actual payoff date will be October 7, 2009.

Lindahl submitted a Renewable Energy Position Statement DRAFT to the Board for review.

Other: Lindahl reported on the NERC and WECC interpretation standards of relay protection for manual air brake switches guidelines and the issues involved. Discussion followed.

Lindahl reported that he will be attending the NRECA fly-in on September 28th. The post cards collected from the OEOF campaign will be hand-delivered to our Senators during the one-day event. Lindahl and others were scheduled for meetings with all of the delegation.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

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

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There were no major outages for the month.

Reilly reported that on September 9th, the FEMA representatives received copies of the seven storm projects. Three job sites were visited by Reilly and the representatives. Wheat Belt could receive approximately \$17,000 from FEMA; \$1,500 of which is for administrative time.

Weyerts Substation: Borges reported that he has received a \$15,630 bid to place culverts and haul dirt at the new site to raise the elevation by 5.5 feet. The poles ordered for the project arrived on September 8th.

Dalton Transmission Transformer: Work will begin October 5th to switch out the transformers. The new transformer is due to be delivered October 8th, and it will take a couple of weeks before it is operational.

Rosenbaum reported on the Cannon meter installation status. He estimates that a quarter of the meters are installed.

BUSINESS REPORT

Wieser reported on the parade season and the political theme implemented this year.

Cap and Trade consumer education was discussed.

Wieser reported that research is still on-going on the HSA plans.

Issues Committee: The Committee has been working on the Wage and Salary review to be presented at the October Board meeting. A disparity with Board policy and operating practice has been discovered and discussed.

Wieser reported that there was a billing problem due to Cannon implementation. The bills were mailed two days later than scheduled.

Fehringer and Wieser will collaborate on some radio ads.

INFORMATION AND TECHNOLOGY REPORT

Bond reviewed her report and answered questions.

Bond is researching new billing software programs and options.

SAFETY ITEMS

The September 11, 2009, Employee Safety Meeting Minutes were reviewed and thoroughly discussed. The Health Fair is scheduled for October 20th and regular flu shots will be administered.

Discussion was held concerning the Customer Hazardous Condition Notification and recommendations will be implemented.

MEETING REPORTS

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

Lindahl's RMEL Fall Conference report was reviewed.

BUDGET

The current budgeting schedule process is being adjusted in order to establish better rates and meet rate notification requirements.

The following items were considered this month:

1. Schedule of budgeting process
2. 2010 capital item requests – items or projects that are over \$5,000
3. Employee medical plan
4. 2010 refined cash budget forecast presentation
5. Rate presentation to maintain a balanced cash budget

Discussion was held on the 2010 capital items requests and ten-year capital items budget. Preliminary approval of the capital items was granted.

Following discussion on the employee medical insurance plan, Fehringer made a motion to renew the medical insurance plan at the current rate. Zimmerman seconded the motion. Yea: All present. Motion carried.

Following the rates presentation and recommendations by Lindahl to maintain a balanced cash budget, Robinson made a motion to increase rates by four percent on January 1, 2010. Morgan seconded the motion. Yea: Hass, Gortemaker and Morgan. Nay: Fehringer, Robinson, Zimmerman and Smith. Motion failed.

After further discussion, Fehringer made a motion to increase rates by 4.83 percent for planning purposes only. Zimmerman seconded the motion. Yea: All present. Motion carried.

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Lindahl will bring the new rate schedules to the October Board meeting for final approval. In the October Notice of Meeting published in the newspaper, voting on the 2010 rates will be included to notify consumers.

The Board broke for lunch at 12:20 p.m. and resumed the meeting at 1:53 p.m. Directors Hass and Zimmerman did not return to the meeting.

POLICIES & RESOLUTIONS

Policy E-18: Insurance for Full Time, Part Time and Retired Employees: Fehringer moved to adopt Policy E-18 as amended. Robinson seconded the motion. Yea: All present. Motion carried.

Policy E-21: Sexual Harassment; Policy E-23: Return to Work; Policy E-25: First Aid and CPR Certification; Policy E-26: Suggestion Plan; and Policy E-27: Employee Behavior: Robinson moved to readopt Policy E-21, Policy E-23, Policy E-25, Policy E-26, and Policy E-27. Gortemaker seconded the motion. Yea: All present. Motion carried.

Policy E-22: Smoking Policy: Fehringer moved to adopt Policy E-22 as amended. Morgan seconded the motion. Yea: All present. Motion carried.

Policy E-24: On-Call Compensation: Fehringer moved to adopt Policy E-24 as amended. Gortemaker seconded the motion. Yea: All present. Motion carried.

STRATEGIC ISSUES

Jerry Hager, engineer with ESC Engineering, presented a motor capacitor program. Questions and discussion followed. Recommendations were presented; suggestions for advertising; suggestions for educating the customers and a time frame for implementation was discussed. At the October Board meeting, the directors would like to be advised of the number of 50+ hp motors in the system; purchase price of the capacitors; and recommendations for implementation of a time frame in which the capacitors have to be installed.

FUTURE MEETINGS & TRAINING

Lindahl reviewed the list of future Director meetings and training. Reservations for the NREA Annual Meeting in Kearney need to be revised.

MEETING DATE CHANGE

The October Board meeting has been changed again, and will now be October 26, 2009.

ELECTION OF DELEGATES & OTHER ORGANIZATIONAL ITEMS

Fehringer will remain as the Director Voting Delegate for Federated Insurance.

SEPTEMBER BOARD MEETING

There being no further business to come before the Board, the President declared the meeting adjourned at 3:30 p.m.

ATTEST:

Doug Smith, President

Stuart Morgan, Secretary