

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

JULY 26, 2019

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order by President Bernard Fehringer, at 8:30 a.m., Friday, July 26, 2019, at the District Headquarters, 11306 RD 32, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Mike Blomenkamp
John Gortemaker
Doug Smith

Bernard Fehringer
Brian Moffat
Brian Zimmerman

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Pam Wieser, Business Manager; Earl Reilly, Operations Manager; Ryan Borges, Staking Engineer; Jim Weeda, IT Manager; Kelli Chaon, Executive Assistant; and Lacey Gulbranson, Energy Optimization Specialist.

Absent: Stuart Morgan

Debra Schlaman recorded these Minutes at the request of the Board Secretary.

All stood for the Pledge of Allegiance to the Flag.

President Bernard Fehringer declared a quorum present.

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

APPROVAL OF AGENDA

Zimmerman made a motion to approve the Agenda as presented. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

NOTICE OF MEETING

Notice of the meeting was by publication in the Sidney Sun-Telegraph on Wednesday, July 10, 2019, and proof of publication showing such notice as published is attached and thereby made a part of these Minutes. Gortemaker

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made a motion to waive the reading of the meeting notice. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

No guests were present.

APPROVAL OF JUNE 28, 2019, BOARD MINUTES

Fehringer announced that there were no corrections to the June 28, 2019, Board Minutes, and they would stand approved as published.

Public Hearing & Comment Period

No one appeared.

EXPENSE REPORT

Fehringer introduced a new expense report to be used by all the Directors.

EXECUTIVE SESSION

An Executive Session was called at 8:38 a.m. to discuss Colorado PUC Legal Matters; FERC Legal Matters; and a personnel issue. Lindahl remained for the Session.

Motion was made by Moffat to go into Executive Session and Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

The meeting resumed at 9:37 a.m. with a motion by Zimmerman. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

A break was taken at 9:39 a.m.

The meeting resumed at 9:55 a.m.

GENERAL MANAGER'S REPORT

Lindahl reported on the Sidney Annex Facilities: Lindahl brought forward a concept to potentially utilize the Sidney Annex facilities as a STEM (Science, Technology, Engineering, Math) lab for high school students. Following discussion, the Board liked the concept. Lindahl was directed to bring proposal/contract ideas to the Board to move forward.

Lindahl reported on an island in Hawaii that has a goal to get to 70% renewable energy by 2030. The NRECA Strategic Advisory Technology Committee is

considering visiting the island to see how their system works.

At the August Board meeting, Hostetler and Gulbranson are scheduled to present their “Financial Strategy.”

Lindahl discussed the NREA’s Irrigation Survey, which was included in the Board book. Discussion on irrigation and time of use followed.

Legislative & Regulatory

Lindahl reported that Tri-State will now be under FERC regulation for rates.

Lengthy discussion was held concerning FERC regulations.

Financials

The Financial Report was distributed under separate cover, and no questions were presented.

Lindahl reported that Jay Spearman with Ameritas visited regarding bonds. The 2014 bond issue can be called early or in October. Spearman will be attending the August Board meeting to discuss refunding and reissuing the 2014 bonds as well as potential cost of money.

Legal

The NRECA Legal Reporting Service Reports were included in the Board book.

The Colorado PUC status was discussed in Executive Session.

The Federated Rural Electric Insurance Exchange Litigation Report was included in the Board book. Fehringer questioned whether we had medical emergency procedures in place. Wieser responded that we did, and we operated within state requirements. Discussion on outages planned or unplanned followed.

Rate E-3 – Distribution Heavy Industrial

Lindahl reported that we have received a signed Interconnection Agreement from Bridgeport Ethanol. We are still negotiating with Tri-State on a metering contract.

The E-3 Distribution Heavy Industrial rate was included in the Board book for consideration. A recommendation was made that the E-3 Rate be effective October 1, 2019. Approving the E-3 Rate, led to suggested changes on the E-2 Rate and the DG-2 Rate, which were included in the Board book. Following discussion, Moffat made a motion to approve the E-3 Rate, the E-2 Rate and the DG-2 Rate as presented in the Board book with all the suggested changes, to be

effective October 1, 2019. Gortemaker seconded the motion. Roll call vote: Yea all present. Motion carried.

Other

Lindahl reported that Tri-State offers Board training classes. Lindahl asked if the Directors would like someone from Tri-State to come and conduct the training following a Board meeting? Following discussion, the Directors would prefer the training to be on the same day as the Board meeting in January. Lindahl will contact Tri-State to make the arrangements.

Lindahl reported that he has a meeting with Brian Heithoff, Manager at High West Energy, to discuss potential partnerships on our Modern Energy and Broadband Strategic Initiatives.

Strategic Technology Overview

Weeda presented his timeline for the Information Technology roadmap and distributed information to the Directors.

Cyber Security Update/Training

Cyber security training is upmost on Weeda's to-do list. Wheat Belt entered into an agreement with a security firm to conduct cyber security testing and training. A test was conducted for all employees and directors and training will commence July 29th. Weeda reported that a link will be provided to the training portal.

STRATEGIC ISSUES

Infrastructure – Consideration of the Four-Year Work Plan

The 2020-2023 Work Plan was discussed at the June Board Meeting and was included in the Board book. Approval of the Work Plan will set the budget for the next four years. It also sets the stage for next year's rates and financing. Discussion was held on how to proceed with accomplishing the Work Plan in the most efficient manner, and whether adding a crew or hiring a contract crew is more efficient and cost effective. Following discussion, Smith made a motion to approve the 2020-2023 Work Plan. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Financials

Gulbranson presented slides on a Key Ratio Trend Analysis. Lindahl reported that he would include the presentation in the drop box for later perusal.

Broadband

Lindahl included information in the Board book.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan was not present. Reports were included in the Board book.

MEETING REPORTS

Tri-State Contract Committee

Lindahl had nothing to add to his report in the Board book.

Governor's Economic Development Conference

Lindahl had nothing to add to his report in the Board book.

POLICIES AND RESOLUTIONS

Policy E-11: Employment of Relatives; Policy E-13: Separation of Service; Policy E-14: Theft from the District; Policy E-15: Electrician's License; and Policy E-17: Equal Employment Opportunity. A motion was made by Gortemaker to readopt Policies E-11, E-13, E-14, E15, and E-17 with no recommended changes. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy E-12: Cell Phone Use and Policy E-18: Medical Insurance, Retired Employees. A motion was made by Smith to approve the suggested changes to Policy E-12 and Policy E-18. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy E-16: Employee Recognition. A recommendation was made to double the monetary value of the employee recognition gifts. Zimmerman made a motion to accept the recommended increase to the monetary value of the employee recognition gifts. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

Resolution 19-03: State of Nebraska Law Choice

A motion was made by Gortemaker to adopt Resolution 19-03. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

SAFETY ISSUES and SAFETY MEETING MINUTES

The July 10th Safety Meeting Minutes were included in the Board book and reviewed by the Board. Director Moffat was present at the meeting. Training was conducted at the meeting by Reilly on heat exhaustion/heat stroke; blood borne pathogens, fire extinguishers, slips trips and falls, trenching and shoring, and snake bites.

The OSHA 300 Data report was included in the Board book. Wheat Belt ranks very high with a low mod rate. Lindahl reported that the company takes safety very seriously and discussed the rebate process.

Fehringer asked questions regarding some of the issues reported in the Safety Meeting Minutes. Reilly explained and discussion was held.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Listed in the Board book: Sidney, June 30, 2019, lightning, south circuit of Sidney breaker 2242 off about three hours, bad insulator.

Also, the East circuit of Gurley breaker 2132, off about 2.5 hours; bad set of bells.

Construction, Maintenance & Operations

Reilly reported that three reclosers in the Lewellen Substation have been replaced per Work Plan Item 500-21.

Pole Inspections

Borges reported that the pole inspections were completed; 5216 poles were tested this year. Fifty poles were bad and needed to be replaced. The failure rate for 2019 testing was .96%. Industry standard is about 3% failure rate.

Coldwater Creek Substation

Reilly reported that Tri-State closed on the land on June 22nd. Tri-State scheduled an in-service date of June 1, 2020.

BUSINESS REPORT

Wieser reported that the Touchstone charity event check for Gold Rush Days was received. The money will be donated to the Orphan Grain Train which established a fund specifically for flood relief in the Kearney area.

Youth Energy Camp

Wieser reported that Hruska volunteered as a camp counselor and her report was included in the Board book. Fehringer said to thank Hruska for attending the camp.

Smith asked why we sent a non-customer child to camp. Wieser replied that it is a policy to send someone if we don't have a high number of customer children attending. We have had customers nominate non-customer student.

Irrigation Write-Offs

Wieser asked for approval of the following irrigation write-offs:

Location 00016, Account 22 in the amount of \$478.85

Location 90900, Account 48819 in the amount of \$945.72

Total amount of \$1,424.57.

A motion was made by Blomenkamp and seconded by Smith to approve the Irrigation write-offs in the amount of \$1,424.57. Roll call vote: Yea: All present. Motion carried.

METERING, INFORMATION and TECHNOLOGY

Rosenbaum was installing meters. Nothing was added to his report.

IT Report

Weeda had nothing new to add to his report in the Board book.

Security Report

Weeda had nothing new to add to his report in the Board book.

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

Peterson reviewed the upcoming meetings with the Directors.

NREA Standing Committees

Fehringer asked if anyone wanted to be nominated for any of the Standing Committees. Smith said he would like to be added to the nominations for the Legislative Committee.

A Special Board meeting will be held on August 8, 2019, in Scottsbluff.

The next regular Board meeting will be Friday, August 23, 2019, beginning at 8:30 a.m.

JULY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 11:45 a.m.

ATTEST:

Bernard Fehringer, President

Brian Zimmerman, Secretary