

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

APRIL 24, 2020

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order by President Bernard Fehringner, at 8:30 a.m., Friday, April 24, 2020, at the District Headquarters, 11306 RD 32, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Mike Blomenkamp

John Gortemaker

Stuart Morgan

Brian Zimmerman via teleconference

Bernard Fehringner via video conference

Moe Moffat

Doug Smith

Also present were Tim Lindahl, General Manager and Lacey Gulbranson, Corporate Services Manager, via video conference.

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

All stood for the Pledge of Allegiance to the Flag.

President Bernard Fehringner declared a quorum present.

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

APPROVAL OF AGENDA

Smith made a motion to approve the April 24, 2020, Agenda as presented. Gortemaker 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, April 8, 2020, and proof of publication showing such notice as published is attached and thereby made a part of these Minutes. Gortemaker made a motion to waive the reading of the meeting notice. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Doug Millay, Dana F. Cole, via teleconference.

APPROVAL OF MARCH 27, 2020, BOARD MINUTES

Fehringer announced that with no corrections to the March 27, 2020, Board Meeting Minutes, they would stand approved as published.

Public Hearing & Comment Period

No one appeared before the Board.

DISTRICT AUDIT REPORT

Doug Millay from Dana F. Cole presented the District Audit Report. Mr. Millay reviewed the report which was distributed to the Directors and answered questions. Mr. Millay reported that Wheat Belt received a clean audit. Mr. Millay reported that the Report needed the Management's Discussion and Analysis, and a few footnotes to be added to the final Report. The final District Audit Report will be formally considered at the next Board meeting.

Executive Session

An Executive Session was called at 9:00 a.m. to discuss the Audit with Mr. Millay. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

A motion was made by Moffat to resume the meeting at 9:04 a.m. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

GENERAL MANAGER'S REPORT

Lindahl began with:

Personnel update to be discussed in Executive Session. Two employees on directed quarantine have returned to full duty. Lindahl reported that there have been personnel organization changes.

Legislative & Regulatory

Kristen Gottschalk from NREA, provided a Government Relations Update which was included in the Board book.

Legal

Lindahl included the NRECA Legal Reporting Services report in the Board book.

Financials

The Financial Report was presented under separate cover. Concerns were voiced on the impact of Covid-19 on the oil and ag industries.

Discussion was held on the ethanol plant and the Tri-State standby rate should the plant have to shut down.

Gulbranson locked in our 2020/2021 fuel contract for Diesel with Panhandle Coop in Scottsbluff.

Discussion was held concerning the attorney's fees for the Colorado PUC litigation.

The Form 7 Report in the Board book was discussed.

Irrigation Time of Use report was discussed. There have not been any new sign-ups so far for 2020.

Pole Attachment Rate PA-1

Discussion was held concerning a new Pole Attachment Rate to allow other entities who wish to attach communication cable or other communication equipment on Wheat Belt poles and infrastructure. Borges developed the new PA-1 Rate and a contract to define the approach distances, etc., would be included in conjunction with the Policy. Following discussion, Morgan made a motion to adopt the Pole Attachment Rate PA-1. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Covid-19 Update

Lindahl explained that the headquarters remains closed to the public. He has implemented team separation to minimize cross contact with employees, as well as limit the number of people in any building at any time. Our technology is working seamlessly so that employees can answer the phone and conduct their work in the remote locations. All implemented practices are based on the Department of Energy, OSHA and the CDC.

Disconnect Procedures

Lindal reviewed the disconnect procedures instituted at the March Board meeting. A concern is that people get too far behind on their previous payments,

and it will be an even more significant challenge for them to catch back up. Following questions and discussion, a motion was made by Gortemaker, that if the customer was past due last month on the March 1st bill and/or the current April 1st bill, they are eligible for the payment plan up to four months. However, they must pay a minimum of one-quarter of the amount due currently, before disconnects. If they do not contact us prior to disconnects, the account will be disconnected, but no fee will be charged. This is only for A-1 and A-2 rate schedules. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

NEMA/FEMA Covid-19

Lindahl reported that we are currently compiling a list of costs incurred due to COVID-19 for submission and potential eligibility of NEMA/FEMA funds for reimbursement.

Legal Update

Lindahl has been closely following all legal requirements and developments relating to the pandemic.

Economic Conditions

A letter from the Nebraska Petroleum Producers was included in the Board book. Following discussion, Lindahl was instructed to write a letter to the Nebraska Petroleum Producers informing them that we give the lowest margins all the time and will be unable to make any exceptions.

A break was taken at 10:37 a.m.

The meeting resumed at 10:50 a.m.

Executive Session

An Executive Session was called at 10:50a.m. by Gortemaker to discuss a personnel update; a real estate transaction; the Colorado PUC Legal matter and FERC legal matters. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

Lindahl and Gulbranson remained for the Executive Session. Morgan left the meeting at 11:32 so discussion could be held concerning FERC matters.

A motion was made by Gortemaker and seconded by Moffat to resume the meeting at 11:50 a.m. Roll call vote: Yea: All present. Motion carried.

Consideration of Sale of Sidney Annex Property

A motion was made by Smith authorizing the CEO to enter into an Agreement with Best Heating and Plumbing, and to negotiate a Purchase Agreement contained in the Intent to Purchase. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

OATT Rate

A motion was made by Moffat to ratify our passive protest at the FERC for the Tri-State OATT (Open Access Transmission Tariff) Rate. Gortemaker seconded the motion: Roll call vote: Yea: Blomenkamp, Fehringer, Gortemaker, Moffat, and Smith. Morgan Abstained. Motion carried.

DMEA Settlement Rate

A motion was made by Smith to file a protest at the FERC on the DMEA Buyout Settlement Rate. Moffat seconded the motion: Roll call vote: Yea: Blomenkamp, Fehringer, Gortemaker, Moffat and Smith. Morgan Abstained. Motion carried.

Contract Buyout Rate

A motion was made by Blomenkamp authorizing the Chairman and the General Manager, should they deem it necessary, to protest the Buydown Rate and Buyout Rate. Gortemaker seconded the motion. Roll call vote: Yea: Blomenkamp, Fehringer, Gortemaker, Moffat and Smith. Morgan Abstained. Motion carried.

A lunch break was taken at 11:58 a.m.

The Meeting resumed at 12:30 p.m.

Bond Issue Parameter Resolution

Lindahl reported that the current interest rate was 2.41%, and no action was taken. The topic will remain on the agenda for next month.

STRATEGIC ISSUES

Modern Energy

Lindahl reported that we will be getting a Tesla from Tri-State to test for 30 days. We are scheduled for May 1-27, 2020. Chaon will set up a calendar for directors and employees to test drive the car. Waivers will need to be signed prior to driving or riding.

Customer Relations

Gulbranson reported that she is working on alternate meeting structures and other communication improvements.

POLICIES AND RESOLUTIONS

Policy C-21: Energy Efficiency Credit Rebates, Policy C-10: Reading of Meters & Meter Calibration and Policy C-29: Request for District Information. A motion was made by Gortemaker and seconded by Moffat to readopt Policy C-21, Policy C-10 and Policy C-29 with the recommended changes. Roll call vote: Yea: All present. Motion carried.

Policy C-27: Line Interference; Policy C-28: Billing Adjustments; Policy D-1: Director Compensation and Expense Report Approval; Policy D-2: Director Insurance; Policy D-3: Student Scholarships; Policy D-4: Selection of General Manager; Policy D-5: Board of Directors Duties; and Policy D-5A: Board of Directors Duties. A motion was made by Gortemaker to readopt Policies C-27, C-28, C-29, D-1, D-2, D-3, D-4, D-5, and D-5A, with no recommended changes. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan had nothing more to add to his report in the Board book.

Morgan reported that the Annual meeting is now scheduled for August.

MEETING REPORTS

Tri-State Contract Committee

Nothing to report.

CORPORATE SERVICES REPORT

Gulbranson provided an update on the March 31st disconnect waivers for A-1 and A-2 accounts.

Customer Appreciation

Gulbranson reviewed her report in the Board book and the Directors gave their input. Discussion followed.

Marketing

The 2020 Youth Tour has been cancelled. NREA is offering students, that had planned to attend in 2020, an opportunity to attend the tour in 2021. Contact will be made with the student that was planning to attend to advise him that he could attend in 2021.

Other

Gulbranson reported: Alger Cattle Company in the past year took over some properties Wheat Belt serves. The Liens were never released on the accounts from the previous owner, as there were outstanding balances. The current owner is in the process of selling these properties and Wheat Belt would not release the Liens until the balances against the properties were paid. The balances have been paid in full by the current owner. Wheat Belt has released the Liens. The current owner inquired about gaining credit for the accrued interest on the past due accounts.

Following discussion, the Board did not approve a credit for the accrued interest.

SAFETY ISSUES and SAFETY MEETING MINUTES

The April 13, 2020, Safety Meeting Minutes were included in the Board book and were reviewed.

Reilly reported that the April Safety Meeting was conducted via audio conference. The employees viewed an NREA JT&S Hazard Recognition video for training purposes at their convenience.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Reilly's report was included in the Board book.

Construction, Maintenance & Operations

Reilly reviewed his report in the Board book.

Reilly reported that two poles were hit by a customer.

Reilly reported that the pole testers will be here next week.

FEMA/NEMA

Wheat Belt is registered for the Covid-19 disaster.

Coldwater Creek Substation

Reilly reported that with the Covid-19 delays, the contractors asked for a 15 day extension.

METERING, INFORMATION and TECHNOLOGY

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

IT Report

Weeda had nothing new to add to his report in the Board book. Weeda answered a question concerning KnowB4.

Security Report

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

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

Currently no meetings are scheduled.

Other

A financial status report from Mark Churchill of Arbor Wealth was distributed under separate cover, and reviewed by the Board.

The next Board meeting will be Friday, May 22, 2020, beginning at 8:30 a.m.

APRIL BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 1:15 p.m.

ATTEST:

Bernard G. Fehringer, President

Brian Moffat, Secretary

