

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

July 24, 2015

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 24, 2015, at the District Headquarters, 2104 Illinois Street, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Mike Blomenkamp
Bernard Fehringer
John Gortemaker
Marcus Milanuk

Stuart Morgan
Doug Smith
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; and Jeff Rosenbaum, Senior Meter Tech.

Kelli Chaon recorded these Minutes at the request of Board Secretary, Marcus Milanuk.

President Bernard Fehringer declared a quorum present.

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

APPROVAL OF AGENDA

Gortemaker made a motion to approve the Agenda as presented. Milanuk seconded the motion. Roll call vote: Yea: All Present. Motion carried.

NOTICE OF MEETING

Notice of the meeting was given by publication in the Sidney Sun-Telegraph on Monday, July 14, 2015, and proof of publication showing such notice as published is attached and thereby made a part of these Minutes. Morgan 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

Tom Mathine, Construction Lineman was present.

APPROVAL OF June 26, 2015, BOARD MINUTES

Milanuk moved to waive the reading of the June 26, 2015, Board Meeting Minutes, and that they be approved as presented. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

PUBLIC HEARING & COMMENT PERIOD

Elizabeth Lindahl reported to the Board on her experiences at the Youth Energy Camp this year. Elizabeth was awarded the WIRE Scholarship to attend camp, and enjoyed herself along with the other attendees.

GENERAL MANAGER' S REPORT

Lindahl reported that we had a storm that took out several poles over the weekend. Reilly gave more details in his report.

RFD-TV network is working with Federated Insurance, Safe Electricity, and Wheat Belt for the segments on promoting farm safety and electrical safety.

Personnel

Staffing is back to 27 full-time employees. Lindahl also reported that Jordan Peters, Construction Lineman, was married over the July 4th weekend.

Legislative & Regulatory

Tri-State continues to work on the impending closure of the ColoWyo Mine. This was discussed more in the Tri-State section.

The Rate Payer Protection Act still has not been passed out of Congress. This is an attempt to soften the cost impact of EPA 111d.

Other:

Lindahl reported someone had run into the fence on our Greenwood Substation. Law enforcement was contacted. The act appeared to be deliberate. We do not have any surveillance video at that location.

Lindahl participated as a panelist in the Leaders as Teachers program at Tri-State.

Stan Bray with Federated conducted his Safety and Loss Prevention Assessment this month. The main concern is the lack of fencing around the pole yard. This will be corrected with our new headquarters facility.

Lindahl will be participating, with Reuter, in an interview with RE Magazine regarding hiring veterans.

Lindahl included a sheet showing how our rates compare with other states. A discussion was held.

There is a new rule regarding retirement plan administrators not being able to provide advice to participants, and The Affordable Care Act has started enforcing the rules in place for businesses reimbursing individuals for health insurance costs. Staff is researching both of these to see if changes will be necessary.

Financials

Lindahl and Hostetler have been reviewing our cash requirements and investments. A discussion was held. The consensus of the Board is to set up a line of credit with Co-Bank. Lindahl was directed to get figures from the Co-Bank representative, and present them to the Board next month.

STRATEGIC ISSUES

Facility update: Progress is being made with the new facility. Footings and other concrete have been poured. Also, some of the plumbing has been done. We did not receive a bill this month from JRH Architecture and Planning, so there is no need for approval. A tour of the building site was taken this morning before the Board meeting.

Borges has been in contact with Nebraska Emergency Management and found that we are eligible to apply for a grant for the back-up generator for the new headquarters. The committee meets in October to award these funds. A discussion was held.

Facility Sale: No additional information at this time.

Rates Design: Lindahl reported that the wholesale rate still has not been approved by the Tri-State Board. Morgan stated Tri-State will most likely not see a rate increase at this time. Lindahl provided a gross margin/cost of service comparison for the Board's review.

Blue Creek Substation Sale: Lindahl has discussed this issue with Tri-State, but the issue has been put on hold for now.

District Legal Counsel: Two interviews will be conducted today after the Board meeting. The third will take place in Scottsbluff during the NREA Summer Meeting. It was brought to Lindahl's attention that an additional attorney would like to submit a resume to be our legal counsel. The Board's consensus was to allow this attorney to apply.

EXECUTIVE SESSION

An Executive Session was called to discuss employee policies. A motion was made by Gortemaker and seconded by Milanuk to go into Executive session at 10:26 a.m. Roll call vote: Yea: All present. Motion carried.

A motion was made by Smith and seconded by Gortemaker to come out of Executive session at 10:38 a.m. Roll call vote: Yea: All present. Motion carried. No actions were taken.

TRI-STATE

Tri-State Board Meeting

Morgan reviewed his July Tri-State Board Meeting report and discussion followed. Morgan reported that Trapper Mine discovered they have 17M tons of coal to mine under the permit currently being challenged. Discussion and questions and answers followed.

Morgan also reported that the Las Conchas fire lawsuits' financial claims appear to be much less than originally indicated. Tri-State's legal staff has a mediation meeting later this month regarding the claims.

Tri-State FERC Complaint

Morgan reported FERC has stated that it is the Tri-State Board's responsibility to determine rates.

Other

Gary Aksamit from First Security Power will be attending the August Board meeting. Discussion was held on whether we need a Tri-State representative at the meeting. Lindahl will contact Tri-State to get their opinion. James Dukesherer with NREA, will also be at the meeting.

MEETING REPORTS

Tri-State Managers

Lindahl has taken over as Chairman of the Managers' committee until the end of

2016. This meeting was held in Granby. The owner of the resort's energy management company, where the meeting was held, did a presentation on how the resort wants to become completely off the grid. Lindahl stated the owner has created a good case argument for this.

It was reported at the Managers' meeting, that 24-26% of the energy sold to members is from renewable sources.

Basin Managers

Lindahl gave a brief report regarding the Dakota Gasification Company that takes coal and turns it into natural gas, tar oil, etc. Discussion continues on the possibility of Minnkota Power joining Basin. A discussion was held.

POLICIES & RESOLUTIONS

Policy E-10: Code of Ethics; Policy E-11: Employment of Relatives; Policy E-12: Cell Phone Use; Policy E-13: Separation of Service; Policy E-14: Theft from the District; Policy E-15: Electrician's License; Policy E-16: Employee Recognition; Policy E-17: Equal Employment Opportunity; Policy E-18: Medical Insurance, Retired Employees: Gortemaker made a motion to readopt Policy E-10, Policy E-11, Policy E-12, Policy E-13, Policy E-14, Policy E-15, Policy E-16, Policy E-17 and Policy E-18, as presented. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy C-25: Irrigation Disconnect Rebate Program: After discussion regarding this policy, the Board consensus was to leave the policy as is and put it on the agenda for the Strategic Planning Session in January along with Policy C-24: Irrigation Capacitor Rebate Program.

Resolution #15-01: To Restate the Wheat Belt Public Power District 401K Plan: Morgan made a motion to approve Resolution #15-01 as presented. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

SAFETY ISSUES and SAFETY MEETING MINUTES

The July 8, 2015, Safety Meeting Minutes were reviewed and discussed.

The Federated Worker's Comp Modification Rating was discussed. Wheat Belt has one of the lowest, and has stayed low for the last eight years.

CONSTRUCTION, MAINTENANCE & OPERATIONS REPORT

Major Outages: Reilly reported that we lost fifteen poles as a result of a storm on Saturday, July 18. Then we had a car hit a pole on Monday, July 20.

Construction, Maintenance & Operations: Reilly reported on what was noted in the Board book. He also informed the Board that he and Kristin Gottschalk from NREA, gave a presentation hosted by the Illinois Association of Electric Coops regarding Avian Protection.

BUSINESS REPORT

Wieser reported that changes need to be made to the HRA Plan Document to cover major medical events on new employees or employees that are terminating. Changes will be made and brought back to the Board next month.

Discussion was held regarding idle services. Staff needs to put more time and research into this, and bring it to the Board.

Wieser asked if any of the Board members had pictures of themselves working on community projects. Working for Nebraska has asked for them.

Wieser asked the Board what direction they would like her to take on Account 28993. The consensus of the Board is to treat it as a new account.

Irrigation

Wieser requested an irrigation write-off under our testing policy on the Account 7978 for \$238.

A motion was made by Smith and seconded by Zimmerman to approve the irrigation write-off. Roll call vote: Yea: All present. Motion carried.

METERING

Rosenbaum reviewed his report. Discussion was held.

INFORMATION AND TECHNOLOGY REPORT

Weeda was absent from the meeting. Rosenbaum informed the Board that at this point, it sounds as if Hamilton will be moving with us to our new headquarters building.

FUTURE MEETINGS, TRAINING, AND ARRANGEMENTS

Peterson reviewed the upcoming meetings.

ELECTION OF DELEGATES AND OTHER ORGANIZATIONAL ITEMS

The Basin Electric Voting Delegate and Alternate Delegate were due for renewal. A motion was made by Smith and seconded by Zimmerman to maintain Morgan

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as voting delegate and change Fehringer to the alternate. Roll call vote: Yea:
All present. Motion carried.

JULY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President
declared the meeting adjourned at 12:13 p.m.

ATTEST:

Bernard G. Fehringer, President

Marcus Milanuk, Secretary