

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

AUGUST 25, 2017

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, August 25, 2017, at the District Headquarters, 11306 RD 32, 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; Earl Reilly, Operations Manager; Pam Wieser, Business Manager; Kelli Chaon, Executive Assistant; and Jim Weeda, IT Manager.

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

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

Fehringer announced a change to the Agenda to discuss the Financial Forecast under Strategic Planning. Milanuk made a motion to approve the Agenda as amended. Gortemaker 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 Friday, August 11, 2017, 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. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Jane Bartels, Customer Care Assistant was welcomed by Fehringer. Michael Smith, NRECA Youth Tour attendee, would arrive later.

APPROVAL OF JULY 21, 2017, BOARD MINUTES

Fehringer announced that there were no corrections to the July 21, 2017, Board Minutes, and they would stand approved as published.

PUBLIC HEARING & COMMENT PERIOD

No one appeared before the Board.

GENERAL MANAGER'S REPORT

Personnel

Lindahl reported that the personnel level is fully staffed at 27 full-time employees. One employee is out on disability. Lindahl reported that an employee was injured while setting a post on his own time. He will be out of the office for a week.

Legislative & Regulatory

The interim study to examine public power in Nebraska will be held Friday, September 22nd at the State Capitol. Lindahl plans to attend. Lindahl asked if any of the directors would also like to attend. Smith, Morgan, and Fehringer would like to attend. Lindahl will send an e-mail closer to the date for confirmation from the directors.

A summary of passed legislation impacting NREA members was included in the Board book for discussion purposes.

Lindahl met with Senator Fischer, and several topics were discussed.

Lindahl has been appointed to the Nebraska Information and Technology Community Council.

Lindahl reported that Employment Law Training will be conducted at the Wheat Belt headquarters on Tuesday, August 29th. Sixteen people have registered from neighboring systems, and will be sharing the cost of the training.

Lindahl reported that Hotline School will be held September 12, 13 and 14, 2017, if any of the directors would be interested in attending. Wednesday the 13th would be the best day to attend.

Lindahl announced two changes to the health insurance plan, and discussed the new options.

Tesla shingles were discussed.

Broadband was discussed at length, and explained by Lindahl to the directors as far as federal and state perspectives. Lindahl discussed his concerns and perspectives.

Lindahl discussed First Net. Jim Weeda sits on the Nebraska Board.

Financials

Lindahl reviewed the financial reports, which were presented under separate cover, and answered questions.

Lindahl reported on positive margins and line five - Net Utility Plant on the July Form 7, was explained and discussed.

The non-operating margins were questioned by Fehringer, and directed to Hostetler, and explained.

Legal

The State Fire Marshal report was included in the Board book. Wheat Belt was not implicated, and no claims have been received by Wheat Belt for a fire near Lewellen.

STRATEGIC PLAN PROGRESS REVIEW

Lindahl reviewed and answered questions from the directors concerning topics under the Strategic Plan Progress Review included in the Board book. A lengthy discussion and reporting followed on the various topics and points.

Specifically discussed:

Lindahl will try to organize a tour of a coal plant this fall for directors and employees.

In summary, a mini-strategic planning session will be conducted on January 19, 2018, for prioritization of topics and work, and anything needing to be added for the coming year for discussion.

Lindahl presented a Financial Forecast to the directors prior to going into Executive Session.

A coffee break was taken at 10:00a.m.

The meeting resumed at 10:21 a.m.

An Executive Session was called at 10:21 a.m. to discuss legal matters. Lindahl was present for the entire time, and Hostetler was present for a part of the Executive Session.

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

The meeting resumed at 11:29 a.m. A motion was made by Smith, and seconded by Milanuk, to resume the meeting. Roll call vote: Yea: All present. Motion carried.

Michael Smith, NRECA Electric Cooperative Youth Tour attendee, presented a report and photos of his week-long trip to Washington, D.C., which was sponsored by Wheat Belt.

STRATEGIC ISSUES

Facility Update

Lindahl reported that Cabela's has asked to conduct a photo shoot at our new facilities.

Big Iron has been contacted to conduct an auction for the sale of the digger truck, mower, and other large items, some time in November.

Long Term Rates and Programs

Lindahl visited with Bob McDonald on the cost of service study, and hopes to have a report for the September Board meeting.

Sub Transmission Project

The topic is currently on hold for other projects.

Four Year Work Plan

There was nothing new to report.

Village of Lodgepole Study

Lindahl reported to the Board in Executive Session.

Renewable Energy Projects

Lindahl reported that we are still waiting for pricing from Bluestem Energy.

Broadband

Lindahl continues to work with TEDx Lincoln.

Delivery Point

This topic was discussed in Reilly's report.

TRI-STATE

Tri-State Board Meeting

Morgan reviewed his August report and discussion followed. Morgan commended the Tri-State staff for their cost savings and their diligence in evaluating the significant savings for their consumers.

Morgan reported on the Holcomb project or "impaired project". Tri-State may start writing off the loss from the expenses expended.

Morgan reported that recommendations were approved by Tri-State on the Basin Contract, but didn't know if Basin had accepted the changes.

Tri-State FERC Update

Lindahl reported that the commissioners have been confirmed.

A lunch break was taken at 12:08 p.m.

The meeting resumed at 12:33 p.m.

BUSINESS REPORT

Wieser reviewed her report presented in the Board Book.

Irrigation Testing Write-Off

Wieser asked the Board to approve several irrigation test write-offs.

Irrigation write-offs were requested for:

Account 2686 – location 02656 for \$960.00

Account 17987 - location 40520 for \$979.20

Account 20304 – location 42960 for \$292.80

Account 19083 – location 41505 for \$892.80, for a total of \$3,124.80.

Smith moved to approve the irrigation testing write-offs in the amount of \$3,124.80. Zimmerman seconded the motion. Roll call vote: Yea: All Present. Motion carried.

Wieser wished to publicly extend a “Thank You” to Basin Electric for making the banners and stickers used for the Sesquicentennial Parade. They will also be used in the other Fall parades.

Lindahl reported on Agenda Item 16-C. Following discussion, a motion was made by Morgan and seconded by Smith, authorizing staff to use all necessary options for collection of Accounts 91007, 91017 and 92144. Roll call vote: Yea: All present. Motion carried. The consumers will be contacted by the District’s attorney, concerning the CT billing errors, for collection on their accounts.

A motion was made by Morgan and seconded by Smith, to authorize the District’s attorney to contact consumers regarding the CT billing errors for collection on their accounts.

Lindahl reported that Aid in Construction back to January of 2007 until current, is in the amount of \$1,936,216.44 (provided by Hostetler). Discussion followed.

MEETING REPORTS

Tri-State Managers Committee Meeting

Lindahl reviewed his report in the Board book.

NREA Summer Board Meeting

Fehringer asked for discussion and comments concerning the meeting from the Directors.

NRECA Interact

Lindahl reported on the NRECA’s HR Conference which he, Wieser, and Peterson attended. Lindahl led a cyber security workshop at the Interact Conference. The hour-long session focused on how HR personnel can engage their staff on Cyber Security, and what their roll is becoming in this area.

Lindahl met with Henry Cano, who led the Lodgepole study, and provided him

with an update, and solicited his opinion on how to proceed.

While there, Lindahl met with several NRECA staff, and discussed a variety of items, including the rural broadband initiatives.

POLICIES AND RESOLUTIONS

Policy E-19: Drug Free Workplace; Policy E-19A: Drug and Alcohol Testing; Policy E-20: Safety Policy; Policy E-20B: Emergency Management/Evacuation Plan; Policy E-20D: Bloodborne Pathogen Program; Policy E-20E: Hearing Conservation Program; Policy E-20F: Powered Industrial Trucks; Policy E-20G: Fire Prevention Plan; and Policy E-20H: Energy Control (Lock-out/Tag-out) Program.

A motion was made by Milanuk to readopt Policies E-19, E-19A, E-20, E-20B, E-20D, E-20E, E-20F, E-20G, and E-20H, with no changes. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy E-20A: Safety and Injury Prevention Program, and Policy E-20C: Hazard Communication Plan:

Suggested changes to Policy E-20A for updates to names of Committee members and Policy E-20C to reflect nomenclature of Material Safety Data Sheets to Safety Data Sheets. Motion was made by Gortemaker to accept the changes to Policy E-20A and Policy E-20C. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy C-25: Irrigation Disconnect Rebate Program:

Lindahl reported and explained Policy C-25. Following discussion, Policy C-25 was tabled until next month.

SAFETY ISSUES and SAFETY MEETING MINUTES

The August 11, 2017, Safety Meeting Minutes were thoroughly reviewed. Questions and discussion followed.

Training: Recognizing Substance Abuse.

Guest: James Dukesherer – NREA Assistant Director of Government Relations: Grassroots Coordinator. Dukesherer gave a presentation on the Grassroots projects in the State of Nebraska.

SAFETY COMMITTEE MEETING MINUTES

The August 11, 2017, Safety Committee Meeting Minutes were reviewed and

discussed.

Metering, Information and Technology

Weeda reported on Rosenbaum's Board book report, and answered questions. Weeda stated that the Gridstream pilot project installation had been completed.

IT Report

Weeda had nothing new to add to his report.

Security Report

Weeda had nothing new to add to his report.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Reilly reviewed the major outages for the month as reported in the Board book.

Construction, Maintenance & Operations

Reilly reviewed his report in the Board book.

Industrial Customer Line Extension

Reilly reported.

New 115 KV Delivery Point

The Tri-State delivery point presentation was shown to the directors. Reilly and Lindahl explained and commented on the Tri-State report, and discussion followed. A decision was tabled until a permanent easement is obtained from a landowner.

Lewellen Fire

Reported on earlier in the meeting.

Account 80402 Lapaseotes LTD

Lapaseotes LTD has abandoned a three-phase irrigation well, and donated the well to the Dalton and Bridgeport Fire Departments. Lapaseotes LTD and the Fire Departments are paying to have the well converted from three-phase to single-phase, and set to pump about 200 gallons per minute. Reilly asked the

Board for permission to write off the cost of downsizing the service in the amount of \$333.10. The well will be monitored by NRD, and can only be used by the Fire Departments. Lapaseotes LTD will pay the monthly bill for the single-phase service and any usage.

Following discussion, Milanuk made a motion to approve the write-off in the amount of \$333.10. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

FUTURE MEETING, TRAINING & ARRANGEMENTS

Peterson reviewed the upcoming meetings with the Directors.

ELECTION OF DELEGATES

Midwest Electric Consumers Association

Midwest Electric Consumers Association voting delegates currently are: Zimmerman and Fehringer. Following discussion, the delegates will remain the same.

CoBANK

CoBank's voting delegate currently is Fehringer. Following discussion Fehringer will remain as the CoBank voting delegate.

OTHER:

Round table discussion: Fehringer questioned each of the Directors for further comments or input. There was nothing more to discuss.

The next Board meeting will be **Monday, September 25, 2017.**

AUGUST BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 1:24 p.m.

ATTEST:

Bernard G. Fehringer, President

Marcus Milanuk, Secretary