

**APPROVED REGULAR MEETING MINUTES**  
**BOARD OF DIRECTORS - WHEAT BELT PPD**

**February 21, 2018**

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., Wednesday, February 21, 2018, at the District Headquarters, 11306 RD 32, Sidney, Cheyenne County, Nebraska.

**ROLL CALL**

The following Directors were present:

Mike Blomenkamp  
Bernard Fehringer  
John Gortemaker  
Brian Zimmerman

Marcus Milanuk  
Stuart Morgan  
Doug Smith, left at 11:50 a.m.

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Earl Reilly, Operations Manager; Pam Wieser, Business Manager; Ryan Borges, Staking Engineer; Jeff Rosenbaum, Senior Meter Technician; Jim Weeda, IT Manager, and Kelli Chaon, Executive Assistant.

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**

Zimmerman made a motion to approve the Agenda as presented. 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, February 9, 2018, and proof of publication showing such notice as published is attached, and thereby, made a part of these Minutes. Milanuk made

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

### **INTRODUCTION OF GUESTS**

Lacey Gulbranson – Energy Optimization Specialist.

Kendra Strommen, Wheat Belt Legal Counsel.

Kim Christiansen – Nebraska Rural Electric Association General Manager (via Skype).

### **APPROVAL OF JANUARY 19, 2018, SPECIAL BOARD MEETING MINUTES**

Fehringer announced that there were no corrections to the January 19, 2018, Special Board Meeting Minutes, and they would stand approved as published.

### **APPROVAL OF JANUARY 26, 2017, BOARD MINUTES**

Fehringer announced that there were no corrections to the January 26, 2018, Board Minutes, and they would stand approved as published.

### **LEGISLATIVE AND ENVIRONMENTAL UPDATE**

Kim Christiansen, NREA General Manager, Skyped into the meeting. She gave a brief update on the legislative session and the current bills on the floor, and NREA's position on them.

A list of topics for the Board meetings this year was provided in the Dropbox by Lindahl and Fehringer for review by the Directors.

Smith asked for orientation for the Directors on broadband for a better understanding of the subject. Fehringer indicated that it could be discussed at the March Customer Meeting, and Lindahl will provide information.

### **BOARD EVALUATION**

Secretary, Marcus Milanuk, distributed the results of the Board Evaluation to the Directors and discussed the results in open session with all present. Milanuk reviewed the results/ratings, and the Directors commented. Milanuk was thanked for compiling the results of the Survey and reporting.

## **GENERAL MANAGER'S REPORT**

### **Personnel**

Lindahl reported that the personnel level is fully staffed at 28 full-time employees. We also have one powerline intern, and one non-paid high school job shadow student.

Lindahl reported that we hosted the Peetz FBLA officers for a business overview session as they are preparing for a competition. A history of the rural electric system and Wheat Belt was presented. Lindahl and staff discussed the current business organization, and the various careers in the utility field.

Lindahl participated in the Nebraska Department of Education round table discussion on gaining industry input on how students are being educated.

Lindahl will be interviewed and Wheat Belt will be featured in a magazine on cyber security.

RE Magazine interviewed Lindahl on the Cabela's situation, and the impact it will have on our economy and our company.

Lindahl was asked to speak at the NRECA Annual Meeting during a breakout session on Cyber Security. An article on the costs of cyber crimes was reported and discussed by Lindahl.

Lindahl reported that Tri-State is holding a distributed generation advisory council meeting on battery storage, and how to handle the batteries for contractual purposes.

Lindahl reported that we have a contract with surrounding systems on the training field where the hotline and underground training is conducted. We receive \$35 per participant for each course to help pay off the land, etc. Discussion will be held at the MDM meeting this month. Lindahl will report at the March or April meeting.

A meeting was held at Wheat Belt with the Border States-Kriz Davis representatives to see if there is an opportunity to use our new network with Landis & Gyr (Gridstream meters) to provide communication service to others.

Lindahl discussed the Large Budget variance with carry-over from 2017. The Spill Containment Plan was included in the budget for 2017, but the final bill was not received until 2018. Lindahl's questions was it still an approved expenditure? Fehringer suggested footnoting the expenditure and Hostetler agreed. The Rate Study costs are significantly over what was budgeted for the Cost of Service Study. Lindahl asked for an exception to the 2018 Budget. A motion was made

by Morgan and seconded by Gortemaker to approve the exception to the 2018 Budget for the final payment for the Rate design and changes. Roll call vote: Yea: All present. Motion carried.

Discussion was held on the purchase of an electric car and charging stations. It was decided to wait until 2019 for discussion on the subject.

Lindahl and Reilly reported on a safety incident with Unit 30. Federated will be covering the expenses on the repairs of the truck except for the deductible.

Lindahl discussed the building payback. Discussion followed.

### **Financials**

Lindahl reviewed the financial reports, which were presented under separate cover. Fehringer asked if there were any questions from the Directors.

**A break was taken at 9:54 a.m.**

**The meeting resumed at 10:07 a.m.**

### **EXECUTIVE SESSION**

Milanuk made a motion to go into Executive Session for a legal discussion on metering errors at 10:08 a.m. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried. Lindahl, Wieser and Strommen were present.

The meeting resumed at 10:35 a.m. A motion was made by Gortemaker and seconded by Milanuk to resume the meeting. Roll call vote: Yea: All present. Motion carried.

Following the Executive Session, Lindahl reported a clarification that he received from Hostetler concerning ESC, the Rate Study and Five-Year Cost of Service costs. Lindahl asked if the previous motion would still stand, and the Directors agreed that it would.

### **STRATEGIC ISSUES**

#### **Facility**

Lindahl reported that the realtor, Mr. Stefka has shown the truck barn to an interested party.

We still have not received the written confirmation from the City Attorney

regarding the sign issue.

Lindahl provided an analysis of the utility costs on the new headquarters in the Board book. There have not been any further issues with the well. The only costs on the old facilities are the utility bills.

### **2018 Rates**

The new rates have been posted and the March magazine insert will include the new rates. A rate presentation will be given at the March customer meeting.

### **Sub-Transmission Project**

Borges is still waiting for inventory items for the project.

### **Four-Year Work Plan**

This was deferred to a later time.

### **Village of Lodgepole**

Lindahl developed a conceptual rate schedule and presented it to the Directors. Discussion followed. The Board agreed that the conceptual rate should be presented to the Village of Lodgepole.

### **Renewable Energy Projects**

Alternative technology is being considered.

### **Communication**

The Wheat Belt Customer meeting is scheduled for March 23<sup>rd</sup>, and was discussed.

### **Broadband**

Lindahl provided written testimony in support of the Broadband Task Force Legislation.

### **Delivery Point**

The advantages and disadvantages of a new Wheat Belt delivery point were provided in the Board book and discussed. Reilly reported and answered questions on the sustainability and reliability of the project. Reilly reported that a decision needed to be made by April for Tri-State to budget the project for 2019. Blomenkamp voiced his opinion on the subject. A motion was made by Smith to

table further discussion until next month, wanting further information on depreciation costs, interest costs, etc. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Communication**

Lindahl reported on a proposed agenda for the customer meeting on March 23<sup>rd</sup>. Tri-State representatives will be available as well as NREA's General Manager.

### **Debt Issuance**

Lindahl reported on bond issuing and that bond rates continue to rise. Fehringer would like to see Ameritas present projection costs on a 1.5 M and a 4M dollar issue.

### **BUSINESS REPORT**

Wieser reported on the upcoming Customer meeting.

### **Irrigation Write-Offs**

The CT meter errors were discussed in the Executive Session.

A motion was made by Gortemaker to write off the balance on Account 53370 in the amount of \$67,881.57. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

A motion was made by Milanuk to write off the balance on Account 2864 in the amount of \$41,975.91. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Legal counsel was asked to prepare suggested policy language regarding Policy C-8: Time Limitations.

### **Scholarships**

Wieser reported that Linda Morgan is reviewing the applications. Wieser was asked to send scholarship applications to the Peetz and Potter schools also.

**A lunch break was taken at 11:54 a.m.**

**The meeting resumed at 12:30 p.m.**

**Following lunch, it was decided to begin the March Board meeting at 8:00 a.m.**

## **Power Supply Reports**

### **Tri-State Board Meeting**

Morgan reviewed his February Board meeting report.

Morgan reported that net margins are at 68M. Discussion and questions followed.

### **Tri-State FERC Update**

Nothing was reported.

## **MEETING REPORTS**

### **NREA Legislative Meeting**

Lindahl reported that most of the Board of Directors attended the meeting, and that Kim Christiansen from NREA, gave an update on most of the bills that pertain to our industry.

### **NREA Managers Meeting**

Lindahl reported that prepaid metering is being offered by other systems and Lindahl wanted to know if we needed to consider it again. The directors advised waiting. Lindahl reported that an update was provided on the Hazard Mitigation process and some changes in how we may do our future Hazard Mitigation plan with the Nebraska Emergency Management Association. Other topics discussed were radio frequencies and communicating with other utilities in the event of a widespread blackout situation.

### **Midwest Electric Water and Power Committee Meeting**

Lindahl reviewed his report in the Board book. The Corps of Engineers provided an update on snowpack, and projected water runoff and generation.

## **POLICIES AND RESOLUTIONS**

### **Wheat Belt Bylaws**

The suggested changes were presented for review. Action will be taken at the March Board meeting following publication.

**Policy C-4: Work on Customer's Premises (with recommended changes); Policy C-5: Relocation, Retirement, Removal of Facilities and Minimum Bills; Policy C-6: Standard Construction Practice; Policy C-7: Payment**

**Responsibility; Policy C-9 Disconnect for Nonpayment; and Policy C-10: Reading of Meters & Meter Calibration.**

A motion was made by Gortemaker to readopt Policy C-4 with recommended changes, Policies C-4, C-5, C-6, C-7, C-9 and C-10, with no recommended changes. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

**Policy C-8: Time Limitations** will be brought back at the March Meeting for review.

**SAFETY ISSUES and SAFETY MEETING MINUTES**

The February 9, 2018, Safety Meeting Minutes were thoroughly reviewed with questions and answers.

Training: Trenching Shoring/Confined Space Entry – NREA JT&S Brian O'Bannon.

Directors Blomenkamp and Gortemaker were present.

A truck/safety incident was questioned by Morgan, and Reilly reported on the incident. Unit 30 has been inspected, and part of the boom, hoses and bearings will be replaced on the truck.

**SAFETY COMMITTEE MEETING MINUTES**

The February 9, 2018, Safety Committee Meeting Minutes were thoroughly reviewed with questions and answers followed.

Reilly reported that the Safety Committee members would like to have another golf tournament for the employees and Directors, but outside this time.

**CONSTRUCTION, MAINTENANCE & OPERATIONS**

**Major Outages:**

Reilly had no major outages to report.

**Construction, Maintenance & Operations**

Reilly reviewed the report in the Board Book. Four new services have been built and twelve services were retired. The crews installed two new reclosers in the Oshkosh Substation.

## **Large Services**

Borges reported that all the new overhead lines are constructed, and the contractor has begun digging in the underground to the pad mount transformers. We will then install the pad mounts.

## **LB 723 – A Bill to Increase the Net Metering Threshold from 25kW to 100kW**

Borges provided written testimony to the Natural Resources Committee for LB 723. The written testimony was included in the Board book.

## **METERING, INFORMATION and TECHNOLOGY**

Rosenbaum had nothing new to add to the report in the Board book.

## **IT Report**

Weeda attended a First Net meeting and reported.

## **Security Report**

Weeda had nothing new to add to this report. Fehringer discussed the “security tip of the month”, which was in Weeda’s report in the Board book.

## **FUTURE MEETINGS, TRAINING & ARRANGEMENTS**

Peterson reviewed the upcoming meetings with the Directors.

## **ELECTION OF DELEGATES**

Nothing this month.

**The Tri-State Annual Meeting information was provided in the Dropbox.**

**The next Board meeting will be Friday, March 23, 2018, beginning at 8:00 a.m.**

**The Wheat Belt Customer Meeting will be Friday, March 23, 2018 beginning at noon with lunch provided.**

**FEBRUARY BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President declared the meeting adjourned at 1:14 p.m.

ATTEST:

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Bernard G. Fehringer, President

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Marcus Milanuk, Secretary

