

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

**AUGUST 24, 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., Friday, August 24, 2018, 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

Bernard Fehringer  
Marcus Milanuk  
Doug Smith

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Earl Reilly, Operations Manager; Ryan Borges, Staking Engineer; Pam Wieser, Business Manager; Jeff Rosenbaum, Senior Meter Technician; Jim Weeda, IT Manager; Lacey Gulbranson, Energy Optimization Specialist; 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 Wednesday, August 8, 2018, 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. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **INTRODUCTION OF GUESTS**

Lindahl introduced Yolanda Hruska, Customer Service and Marketing Representative.

### **APPROVAL OF JULY 25, 2018, BOARD MINUTES**

Fehringer announced that there were no corrections to the July 25, 2018, Board Minutes, and they would stand approved as published.

### **Public Hearing & Comment Period**

No one appeared before the Board.

### **GENERAL MANAGER'S REPORT**

Lindahl reported that he has conducted research on the health associations.

Wieser and Peterson attended a benefits conference.

Lindahl reported on House Resolution 5491 that created the Rural Health Insurance Act of 2018 to help with ag-based businesses with grants and funds for health insurance plans.

Lindahl reported that Basin Electric has an electric heat rate, whereby the District can meter the electric heat separately on a residential property, reducing kw charges. Lindahl contacted Strommen who provided an opinion on rate classes based on East and West Interconnection. Tri-State staff will take a proposal to their Board to allow the systems that can take advantage of it to establish the electric heat rate. The participants would retain 75% of savings with 25% savings shared across the membership. No control pricing and no time of use rates can be used in conjunction with the rate. We could possibly use it for Wheat Belt Headquarters, and the substations. Other opportunities will be studied and pursued. Discussion followed.

### **Personnel**

Lindahl reported that the personnel level is fully staffed. Chase Gaines, comes to us from Wheatland, WY, and is a journeyman lineman. He will be working with Gipfert in Area One. Chaon has updated the Organizational Chart, and it will be provided next month.

### **Legislative & Regulatory**

NREA'S CEO Kim Christiansen sent an e-mail to not support NRECA's Resolution to extend the tax savings for electric cars. The Resolution encourages supporting electric vehicles, not the extension of tax credits.

Morgan reported on an article about the NPPD line going through the Sandhills. He was concerned regarding the senators that want to break up PPD's. Lindahl commented and reported.

Lindahl met with Adrian Smith. Lindahl has a meeting to visit with Jim Matheson of NRECA next week.

Included in the Board book was the Workers Compensation and Insurance statistics. Lindahl reported that we are still way below average on Workers Comp, and the general claims are down also.

### **Legal**

Nothing was reported or discussed.

### **Nebraska Water Balance Alliance Investment**

Lindahl reported that there will be a meeting in Bridgeport on August 29<sup>th</sup>. In 2014, Wheat Belt made a \$1,000 Investment. Morgan reported that Tri-State made a substantial Investment in 2014 also. Discussion followed. Weeda reported on our participation in the program with water monitoring.

### **Tri-State/Epri Research Project**

Tri-State is doing a project with EPRI for low temp heat pump testing. Lindahl and Waite have been approved to be a part of the program in their homes. Lindahl was concerned about the value of the system and if it violated a company policy. Following discussion, Smith made a motion to approve the Wheat Belt employees participating in the low temperature heat pump testing program. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Co-Bank Line of Credit**

Wheat Belt established a line of credit in 2016. Co-Bank reported that the regulations have changed concerning the level of reserves that need to be maintained. They asked if we would consider reducing our line of credit from \$3.5 million to \$1M. Lindahl reported and discussion followed. A motion was made by Gortemaker to lower the line of credit from \$3.5 million to \$1M dollars. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

## **Financials**

The Financial Reports, period ending July 31, 2018, were presented under separate cover.

Discussion was held regarding the Large Items Budget. The large items are: the headquarters sign; board room sound and echo control; and Unit 1, which is due for replacement

Gulbranson has been working on what effect the rate changes have made to our financials. She will prepare a presentation for the October Board meeting.

## **KRTA Report**

Lindahl showed the charts and explained the KRTA (Key Ratio Trend Analysis) report to the Directors. The Analysis compares several Wheat Belt metrics with various other utility groups. This will provide foundational knowledge going into the 2019 budget process. Questions and discussion followed. The Board complimented Chaon on her work presenting the information as charts. They were easier to understand than the numbers.

**A break was taken at 10:12 a.m.**

**The meeting resumed at 10:23 a.m.**

## **Long Term Financial Forecast**

Lindahl presented his new 2019 Long Term Financial Forecast, which is used to determine financial impacts. Questions and discussion followed. The Directors consensus was to stay with the rate plans established by ESC Engineering.

## **STRATEGIC ISSUES**

### **Facility**

Lindahl reported that the sign at the annex building has been replaced.

### **Village of Lodgepole**

Lindahl had nothing new to report.

### **Renewable Energy Projects**

Fehringer mentioned that Bluestem has the contract for a Polk County wind generation project. Discussion followed.

### **Broadband**

Lindahl was appointed to the State of Nebraska Broadband Task Force. The meeting time schedule is an issue for Lindahl. He has sent a message expressing his concerns to the Chairman of the Task Force.

Lindahl indicated that he will be taking a plan to the Committee regarding the electric utility place in the whole picture of broadband. Discussion and questions from the Directors followed.

### **Sub-Transmission Project**

Borges reported that the crews will begin after Labor Day.

### **Economic Development**

UST Global, a technology company is coming to Sidney and hopes to increase its labor force to 200 employees in the next two years. Adams Industries has several companies going in at their locations.

Lindahl and Gulbranson reported on the Bridgeport Ethanol plant status. Gulbranson explained the ethanol plant margin, and proposed rate change.

### **Four Year Work Plan**

The current Work Plan will be extended through 2019. Action will be taken in December.

### **Energy Optimization**

Gulbranson presented an update on her analysis findings, and the direction she will be taking her position. An overview of system losses was presented.

Gulbranson will update her information and place the presentation in the Dropbox for the Directors.

**A lunch break was taken at 12:20 p.m.**

**The meeting resumed at 1:00 p.m.**

### **Board Room Sound Budget**

Chaon provided information in the Board book concerning AudioMatrix's bid for the project. Following discussion, Morgan made a motion to approve the exception to the budget for an additional \$8,000. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Tri-State Strategic Survey**

An on-line version of the Survey was presented on the screen and moderated by Lindahl during the meeting. The completed survey was submitted electronically. Chaon recorded the Director answers in paper format.

### **Strategic Planning Facilitator**

Lindahl and Chaon presented the candidates for the Strategic Planning Facilitators. Discussion followed. The consensus of the Directors was for Mike Lewis to conduct the Strategic Planning Session on January 15<sup>th</sup> and a half day January 16, 2019. An offsite location is preferred, and Chaon will check on alternate sites.

## **POWER SUPPLY REPORTS**

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

Morgan discussed his report in the Board book. Morgan discussed the year end margins. Tri-State denied DMEA's request for more information. The gas margins were discussed.

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

Nothing new was reported.

### **Midwest Reports**

Nothing new was reported.

### **Basin Report**

Nothing new was reported.

### **Tri-State Membership Committee**

Lindahl attended a meeting and reported.

## **MEETING REPORTS**

### **Tri-State Managers Meeting**

Lindahl's report was included in the Board book.

### **NREA Summer Meeting**

Directors stated that the railroads and fees were discussed. Milanuk voiced his frustration with the way some of the committee meetings are conducted. It was suggested to invite NREA GM Kim Christiansen to gauge input on how to restructure the committees.

### **WyoBraska MDM Meeting**

Lindahl hosted the meeting at Wheat Belt. Emergency communications and mutual aid were discussed. The NREA meeting structure and the broadband issues were also discussed. The JT&S Evaluations and the Basin Electric Heat rebate were also topics for discussion.

### **POLICIES AND RESOLUTIONS**

**Policy E-19: Drug Free Workplace; Policy E-19A: Drug and Alcohol Testing; Policy E-20: Safety Policy; Policy E-20A: Safety and Injury Prevention Program** (updates to names of Committee Members); **Policy E-20B: Emergency Management/Evacuation Plan; Policy E-20C: Hazard Communication Plan; Policy E-20D: Bloodborne Pathogen Program; Policy E-20E: Hearing Conservation Program; Policy E-20F: Powered Industrial Trucks; E-20G: Fire Prevention Plan and Policy E-20H: Energy Control (Lock-out/Tag-out) Program.** A motion was made by Gortemaker to readopt Policies E-19, E-19A, E-20, E-20B, E-20C, E-20D, E-20E, E-20F, E-20G and E-20H, with no recommended changes, and E-20A, with updates to names of committee members. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **SAFETY ISSUES and SAFETY MEETING MINUTES**

The August 10, 2018, Safety Meeting Minutes were reviewed. The training was conducted by NREA JT&S instructor Kory Hildebrand. Pole Top/Bucket Rescue was conducted.

Reilly reported that Joel Duffield is the new instructor for our area.

### **SAFETY COMMITTEE MEETING MINUTES**

The August 10, 2018, Safety Committee Meeting Minutes were reviewed.

### **CONSTRUCTION, MAINTENANCE & OPERATIONS**

#### **Major Outages:**

Reilly reported on the August 2<sup>nd</sup> outage. Tri-State's 115kv line from Snake

Creek to Wildhorse opened because of a bad insulator. Covalt Sub was off about 15 minutes.

### **Construction, Maintenance & Operations**

Borges reported that the crews have been replacing bad poles.

### **NEMA/FEMA**

Reilly and Schlaman have been working on Disaster 4375-DR for Cheyenne and Deuel Counties as a result of the April blizzard. Information was submitted for line mitigation.

### **Capital Items**

Unit 1 is due for replacement. Reilly would like to switch to a Diesel engine instead of a gas. The new box is \$12,750. Reilly asked for a \$16,000 adjustment to the budget. Smith made a motion to approve the additional \$16,000 adjustment to the budget. Gortemaker seconded the motion. Roll call vote: Yea: All present.

Reilly stated that he will trade in the old Unit 29 and keep the current Unit 1 as a backup.

Reilly commented that bills still need to be submitted to Federated for the hail damage at the Oshkosh outpost building, and the lightning strike on July 27<sup>th</sup> at the headquarters.

### **BUSINESS REPORT**

Wieser requested write-offs for irrigation demand for Account 77581 in the amount of \$366.52, Account 48091 in the amount of \$212.68, Account 84982 in the amount of \$536.00, Account 88353 in the amount of \$329.96, Account 88366 in the amount of \$286.87, Account 88375 in the amount of \$510.27 (two months), Account 88388 in the amount of \$551.87 (two months), Account 49010 in the amount of \$628.19, Account 49063 in the amount of \$483.69, and Account 48491 in the amount of \$129.50. Milanuk made a motion to approve the irrigation write-offs in the amount of \$4035.55. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Wheat Belt Sign**

Wieser reported on the proposed Wheat Belt sign for the Headquarters. Wieser stated the sign without electrical and landscaping would be approximately \$29,000. Discussion followed. Following discussion and questions from the Directors, Wieser was directed to obtain more bids on a monument sign.

## **METERING, INFORMATION and TECHNOLOGY**

Rosenbaum reported that Coss and Birkel installed five routers. Rosenbaum stated that they have found nine meters with broken glass from the Oshkosh hail storm.

### **IT Report**

Weeda had nothing further to report.

### **Security Report**

Weeda had nothing further to report.

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

Peterson reviewed the upcoming meetings with the Directors.

## **ELECTION OF DELEGATES**

CFC voting directors are currently Morgan and Smith and will remain unchanged. The 2019 District 7 Meeting Official Mail Ballot will be filled out, and Fehringer will vote for Brockman.

Midwest Electric Consumers Association voting delegates are currently Zimmerman and Fehringer and will remain unchanged.

## **OTHER**

The Directors discussed the December 28<sup>th</sup> Board meeting date and decided to move the December Board meeting to Friday, December 21, 2018.

**The next Board meeting will be Friday, September 21, 2018, beginning at 8:30 a.m.**

## **AUGUST BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President

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declared the meeting adjourned at 2:50 p.m.

ATTEST:

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Bernard G. Fehringer, President

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Marcus Milanuk, Secretary