

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

**April 28, 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, April 28, 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 arrived @ 8:40 a.m.

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Pam Wieser, Business Manager; Earl Reilly, Operations 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.

President, Bernard Fehringer, declared a quorum present.

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

All stood for the Pledge of Allegiance to the Flag.

**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 Wednesday, April 12, 2017, 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**

President Fehringer announced that Bill Drummond, of Midwest Electric Consumers Association, would be arriving by 9:00 a.m.

### **APPROVAL OF MARCH 24, 2017, BOARD MINUTES**

Fehringer announced that with no corrections to the March 24, 2017, Board Minutes, they stand approved as published.

### **PUBLIC HEARING AND COMMENT PERIOD**

No one appeared before the Board.

### **TRI-STATE MEMBERSHIP SURVEY**

Lindahl explained that Tri-State is conducting an extensive assessment of the membership, staff, and board. The results will be used in their strategic planning. Lindahl led the Directors in conducting the Membership survey as a group. The survey was put on the screen and the Directors discussed and answered each question. Chaon documented the consensus answers to the questions, and prepared the official survey to be sent to Tri-State.

### **Power Supply Report**

Mr. Bill Drummond from Midwest Electric Consumers appeared before the Board to provide an update on the Federal power system. He discussed the power marketing administration and unobligated balances. A lengthy discussion with questions and answers followed.

**A break was taken at 10:22 a.m.**

**The meeting resumed at 10:30 a.m.**

Mr. Brad Zalesky, Secretary for the Cheyenne County Fair Board, appeared before the Board to discuss moving a pole in the arena area and fixing/replacing lights in the arena area. He also requested a bid to turn into the County Commissioners, for insurance purposes, for costs to repair the lights or replace them with LED lights. There are 21-25 lights that need repaired/replaced in the arena area.

Following questions, answers and discussion, Smith suggested that some of the Directors donate their \$250 personal philanthropic allocation for the repairs.

Fehringer and Morgan agreed that they would donate their philanthropic allocations. A motion was made by Smith that Wheat Belt perform the pole move, and repair the light fixtures. The cost to do the repairs, in excess of the \$500 philanthropic allocation, and the Fair Board's insurance recovery, will be absorbed by Wheat Belt. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

**Resumed/completed the Tri-State Survey following the Zalesky report.**

Lindahl reported on a letter from LaPlata concerning increasing the self-generation percentage (a ten percent allowance is being pushed for.) The Tri-State Contract Committee is continuing this discussion. Lindahl asked the Directors for the opinion on the percentage increase. They all indicated to stay firm for now on the five percent.

**GENERAL MANAGER'S REPORT**

**Personnel**

Lindahl stated that we are fully staffed at 27 full-time employees.

**Other**

Lindahl reported that Federated Insurance hired their own fire investigator for a fire in our service territory. The conclusion was that Wheat Belt was not responsible for the cause of the fire. Wheat Belt has not received a State fire report as of the meeting.

Lindahl said that he had scheduled a financial education session on CPR's, but will postpone until next month.

Lindahl reported that Troy Bredekamp is no longer with NREA. Details have not been forthcoming. The hope is that Lindahl will learn more at the upcoming Board meeting.

Wheat Belt received a code violation on the old headquarters from the City of Sidney. We are required to have address numbers on the front of the building. We have thirty days to comply. Discussion has been held at the City offices concerning an ordinance that is being developed, for signs on properties that are no longer in business.

The new bucket truck, Unit 27, was delivered. The old truck was inspected and would need approximately \$7,000 worth of work. Zimmerman suggested that another estimate for repairs be done.

Lindahl explained about the 21<sup>st</sup> Century Water situation. Wheat Belt's attorney

was contacted, and she will send a letter requesting payment for the damages. Following discussion, a motion was made by Gortemaker to let the attorney decide how to proceed in the matter. The motion was seconded by Smith. Roll call vote: Yea: All present. Motion carried.

Morgan commented and feels that 21<sup>st</sup> Century Water should be supplied a letter that they did not have a permit, and that they are responsible for the damages. Equipment is getting taller and taller and will continue to be a problem. He feels that in the spare time of the linemen, the line heights should be checked to avoid future problems. The variances in line height due to temperature fluctuations were discussed.

### **Legislative & Regulatory**

Lindahl attended the Legislative Rally in Washington, DC and reported. Questions, answers and discussion followed.

### **Financials**

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

Hostetler reported on a negative balance shown on the Balance Sheet. She has spoken to the auditors and will make upcoming changes in the accounting process. She will move the balance to Other Current and Accrued Liabilities from the Cash - General Funds.

**A lunch break was taken at 11:55 a.m.**

**The meeting resumed at 12:38 p.m.**

**Policy DG-1 – Distributed Generation Avoided Cost:** Borges reported on the Net Metering Update Package. **Policy C-23:** Net Metering, was discussed. Copies were distributed to the directors; one with Fehringer's suggested changes and one with Borges' suggested changes. Borges explained why the wording had to be a certain way. Following questions, answers and discussion, Fehringer asked that the attorney review the new **Policy C-23**. A motion was made by Morgan to approve the entire Net Metering package, including Policy C-23, Rate DG-1, and Agreements. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **STRATEGIC ISSUES**

#### **Facility Update**

Lindahl reported that the one-year warranty will be up soon at the new

headquarters. There are still a few small items that are being addressed and Chaon has a list of all items to be addressed under the warranty.

Lindahl included Wheat Belt's March energy bill in the Board book. We have had substantial savings by avoiding the peak.

The sand filter has been installed and a VFD well motor was traded for the traditional one. This should eliminate the sand issues and provide some energy savings.

### **Sidney Communications Tower Sale**

Lindahl had nothing new to report.

### **Long-Term Rates and Programs**

Bob McDonald continues to work on this, however, we have shifted his work to the design for the new industrial customer.

### **Sub Transmission Project**

Borges had nothing new to report.

### **Four Year Work Plan**

There was nothing new to report.

### **Village of Lodgepole Study**

Lindahl will contact Henry Cano concerning his final report.

### **Renewable Energy Projects**

Lindahl has been in contact with Bluestem Energy. Bluestem has proposed three different solar projects for consideration, and will report on the pricing of the projects soon.

Lindahl reported and explained community solar projects to the directors. Lindahl reported on a CFC program – consumer installed solar – with the potential to have CFC offer consumer-based financing.

## **TRI-STATE**

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

Morgan reviewed his April report. Questions and discussion followed.

Morgan reported on the Los Conchas fire.

### **Tri-State Annual Meeting**

Morgan reported that he received favorable comments on the Annual Meeting.

### **Tri-State Member Board Survey**

The survey was conducted earlier in the meeting.

### **Tri-State Rate Committee**

There was nothing new to report.

## **MEETING REPORTS**

### **WyoBraska MDM Meeting**

Lindahl's report was provided in the Board book.

### **NRECA Legislative Rally**

Lindahl encouraged the directors to attend the Conference and observe the process.

### **Policies and Resolutions**

**Policy C-18: Dissemination of Customer Information; Policy C-20: Service Sizing Requests (Single Customer); Policy C-21: Energy Efficiency Credit Rebates; and Policy C-22: Reward for Damage Reporting; Equipment, have no recommended changes. Policy C-19: Customer Requested Service Connection or Disconnects After Business Hours** (grammatical changes).

A motion was made by Milanuk to adopt Policy C-19 with the recommended changes and to readopt Policies C-18, C-20, C-21, and C-22, with no recommended changes. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

**Policy C-24: Irrigation Capacitor Rebate Program and Policy C-25: Irrigation Disconnect Rebate Program:** Addition of the I-2 Rate Schedule and a comma were the recommended changes.

A motion was made by Gortemaker to adopt Policy C-24 and Policy C-25 with the recommended changes. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

**Policy D-1: Director Compensation and Expense Report Approval:**

Changes were recommended to allow for Directors to order a coat and shirts with the Wheat Belt logo on them.

Following discussion, a motion was made by Gortemaker to allow a Director to order a new jacket and shirt every term, and pay half the cost. Wheat Belt will pay half the cost and the embroidery costs. The motion was seconded by Zimmerman. Roll call vote: Yea: All present. Motion carried.

Reilly reported on a phone call he received during lunch, concerning the Fair Board situation. He indicated that some of the directors may also be receiving a phone call from the Cheyenne County Commissioners.

**SAFETY ISSUES and SAFETY MEETING MINUTES**

The April 14, 2017, Safety Meeting Minutes were thoroughly reviewed. Questions and discussion followed.

Training: NREA JT&S Instructor Kory Hildebrand conducted field observations.

Weeda presented a Cyber Security video and Joe Boatright from Custom Truck and Equipment conducted a new Unit 27 orientation.

Milanuk questioned whether we were still working on security lights. Reilly reported and answered the question.

**CONSTRUCTION, MAINTENANCE & OPERATIONS**

Reilly reviewed his written reports and indicated there was nothing new to report.

**New Large Service**

Borges reported an extensive turn of events relating to the new large service build. The customer's initial estimation for the load was much too low. The new forecast for the load is about three times what they initially projected. Wheat Belt will need to approach the project differently, and Borges in the process of getting different easements and the proper approval to be able to cross the river with distribution line to feed the load off the Silverthorn Substation. The load and the distance were too great to be able to make the project work off the Oshkosh Substation. Borges indicated that the revenue justification will cover most of the costs through the line extension policy.

Reilly asked about the idea of a new Tri-State delivery point that would feed the new service and some irrigation load from Oshkosh and the Covalt Substation.

Following discussion, the Board approved researching the new delivery point.

### **Stock Well Services**

Borges reported that the cattle in the pasture had moved his stakes and they had to be replaced. The project should take about a week and a half to build.

### **BUSINESS REPORT**

Wieser asked if there were any questions concerning her report.

Wieser reported on a Time of Use request. A customer took over an irrigation well in January, and was not aware of the TOU option on irrigation. He is interested in participating. A motion was made by Gortemaker to allow the customer to participate in the Time of Use program. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **METERING, INFORMATION and TECHNOLOGY**

Rosenbaum reviewed his report, and answered questions.

### **INFORMATION and TECHNOLOGY**

#### **IT Report**

Weeda reported that he received an e-mail from NRECA that we were accepted to participate in the RC3 (Rural Cooperative Cyber Security Capabilities) program. This program will develop tools to deal with cyber security issues.

Weeda reported on the Tech Conference that he and Kuhns attended.

#### **Security Report**

Weeda had nothing new to add.

### **FUTURE MEETINGS, TRAINING AND ARRANGEMENTS**

Peterson reviewed the upcoming meetings with the Directors.

### **OTHER:**

The CFC Forum will be held June 11-14. The directors need to contact Shelley if they are interested in attending.

The next Board meeting will be **Friday, May 26th**.

**APRIL BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President declared the meeting adjourned at 1:57 p.m.

ATTEST:

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Bernard G. Fehringer, President

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Marcus Milanuk, Secretary