

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

**OCTOBER 23, 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 8:34 a.m., Monday, October 23, 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 – left @ 11:40 a.m.  
Doug Smith - Absent  
Brian Zimmerman – left @ 12:10 p.m.

Also present were Tim Lindahl, General 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**

Morgan made a motion to approve the Agenda as presented. Blomenkamp 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, October 11, 2017, 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. Blomenkamp seconded the

motion. Roll call vote: Yea: All present. Motion carried.

### **INTRODUCTION OF GUESTS**

Lindahl announced that Kendra Strommen, Legal Counsel, would be present, and she arrived at 8:50 a.m.

### **RECONSIDERATION OF ACTION ITEMS FROM THE SEPTEMBER 25, 2017 BOARD MEETING**

Because the legal Notice of the September 25, 2017, Board Meeting was not published as requested, the Directors re-addressed all Motions that were made at the meeting.

President Fehringer called for discussion by the Directors. As there was none, Morgan made a motion to ratify all the Motions made at the September 25, 2017, Board Meeting. Gortemaker seconded the motion. Yea: All present. Motion carried.

### **APPROVAL OF SEPTEMBER 25, 2017, BOARD MINUTES**

Fehringer announced that there were no corrections to the September 25, 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.

#### **Other**

Lindahl reported:

An Insurance claim has been submitted to Federated for damages to a customer's property when a hawk landed on a corner pole, causing an arc that started a fire north of Broadwater.

Two vehicle accidents resulted in damages to our equipment. The work order information was given to the Wheat Belt attorney for consideration on how to proceed for collection on the damages. Wieser has filed one of the accidents in Small Claims Court, and she will appear in Court on October 25<sup>th</sup>.

The CoBank Sharing Success grant-matching program was discussed. Last year CoBank matched our donation to the WNCC College Foundation. The Directors indicated to Lindahl to apply again for the grant.

The Nebraska Department of Environmental Quality announced that funding is available to Nebraska farmers to replace eligible agricultural irrigation pump diesel engines with electric motors. NDEQ will reimburse 60% of the cost of the new electric motor, installation, and required electrical infrastructure up to a maximum rebate of \$16,200. Following discussion, the Directors would like to see the information provided in the magazine as well as any other applicable means.

Federated contacted WBPPD concerning adding arbitration language to our By-Laws. Lindahl will speak with Mr. Jarecke first, as this new language applies to all PPD's within the state. Discussion followed.

NREA announced that the General Manager Search Committee has hired Kim Christiansen to be the new General Manager.

### **Legislative & Regulatory**

Lindahl reported that the APPA put out a request to sign a letter that would protect tax exempt municipal bonding. NREA's policy is to support tax exempt municipal bonding, and since we operate under their positions, he signed the letter. Lindahl included a letter concerning support to retain the current-law tax exemption for municipal bonds, in the Board book. Following discussion, Gortemaker made a motion to ratify the support letter on municipal bonding. Blomenkamp seconded the motion. Roll call vote: Yea: All present. Motion carried.

The 2017 Legislative/Regulatory Policy Statements were included in the Board book for review.

### **Financials**

Lindahl reviewed the financial reports, which were presented under separate cover. There were no questions on the financials. Lindahl discussed the margins and utilizing debt.

### **Executive Session**

An Executive Session was called at 9:04 a.m. to discuss legal matters, and employee issues. Lindahl and Strommen were present for 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 9:58 a.m. A motion was made by Morgan, and seconded by Zimmerman, to resume the meeting. Roll call vote: Yea: All present. Motion carried.

## **2018 Budget**

### **Large Item Budget**

A preliminary large item budget was included in the Board book for review and discussion. Lindahl discussed the carry-over items, which staff determined could be deferred on replacing or adding from previous years. A significant increase in the budget is due to the addition of the replacement of the AMI system. Discussion was held regarding modifying the existing current work plan to include \$500,000 next year, and the rest of the system spread over the next four-year work plan. Lindahl also discussed borrowing monies and issuing bonds.

### **Financial Forecast**

The long-term financial forecast was also included in the Board book, and reviewed by Lindahl. Lindahl presented charts, and a lengthy discussion with questions was held. A 2018 rate increase was discussed.

A Cost of Service Study from Bob McDonald from ESC was distributed to the Directors, and discussion followed.

## **2018 Rates**

Following discussion concerning the rates, which were presented in the Board book, a motion was made by Milanuk for a three percent revenue increase for planning purposes only. Twenty percent of the revenue increase is to come from increases to the Basic Charge and the remaining eighty percent from increases to the energy charge in each rate class. Morgan seconded the motion. Roll call vote: Yea: All present. Motion carried.

Following the Motion, discussion continued concerning the budget and financing the work plan. Lindahl will continue to work on the numbers, and will have a preliminary budget for the November meeting.

## **STRATEGIC ISSUES**

### **Facility Update**

Lindahl discussed the code violation in Executive Session. Lindahl will continue to address the sound issues in the conference room.

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

The rates were previously discussed. Lindahl included NRECA's rate-making book as a separate document in the Dropbox for the Directors to view.

### **Sub Transmission Project**

The project is still on hold for other projects.

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

Borges was to present an education session on how the work plan is developed, but it will be viewed at the November meeting.

### **Village of Lodgepole Study**

Lindahl and Smith attended the Village Council meeting on October 2<sup>nd</sup>. They asked Wheat Belt to develop a wholesale rate proposal for their consideration. Lindahl created a preliminary rate and discussed it with the Board. Lindahl will be in contact with Tri-State concerning a load growth rate.

### **Renewable Energy Projects**

Lindahl reported that Bluestem is still awaiting pricing on panels.

### **Broadband**

Lindahl has attended several meetings with NPPD, NTA, NITC, NREA and others on the topic. He has also submitted a concept approach for consideration to the Broadband Working Groups.

### **Communication**

Based on feedback in Lindahl's review last month, an attempt will be made to organize another customer meeting sometime in January. The possibility of an annual meeting was discussed.

### **Delivery Point**

This project is on hold pending other options.

### **Board/Employee Activity**

A board/employee activity has been scheduled for the afternoon of the November Board meeting. We will play hallway putt-putt golf. The employees will be divided into teams, and each team will design a hole, utilizing supplies found

onsite. During lunch a drawing will be held to determine which director will be on which team. After the meeting, the tournament will begin.

## **TRI-STATE**

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

Lindahl reviewed Morgan's October report, and discussion followed.

The Tri-State Rate Book was included in the Board book for review.

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

Lindahl reported that there was nothing new to report.

*A lunch break was taken at 12:10 p.m.*

*The meeting resumed at 12:50 p.m.*

## **MEETING REPORTS**

### **NREA/NPPD Broadband Meeting**

Lindahl reviewed his report in the Board book.

### **NTC Community Council Meeting**

Lindahl's report was included in the Board book.

### **Tri-State Manager's Meeting**

Lindahl reviewed his report in the Board book, and answered questions.

### **Nebraska Telecommunications Assn. Meeting**

Lindahl's report was included in the Board book.

### **NREA Region 7 & 9 Meeting**

Milanuk and Gortemaker reported and commented on the classes they took. Discussion and questions/answers followed on various topics from the meeting.

## **POLICIES AND RESOLUTIONS**

**Policy F-1: Checks, Drafts, Etc.; Policy F-2: Financial Goals; Policy F-3: Investments; and Policy F-4: Handling of Payments.**

A motion was made by Gortemaker to readopt Policies F-1, F-2, F-3, and F-4, with no changes or with changes as presented. Blomenkamp seconded the motion. Roll call vote: Yea: All present. Motion carried.

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

The October 13, 2017, Safety Meeting Minutes were thoroughly reviewed. Questions and discussion followed.

Training: NREA JT&S Kory Hilderbrand presented Hazard Recognition.

Borges reviewed the report in the Board book, and answered questions.

Lindahl reported on Salamander badges for employees. Wheat Belt will take the picture, and send them to Region 21 to develop the badges.

## **CONSTRUCTION, MAINTENANCE & OPERATIONS**

### **Major Outages**

On September 30, 2017, a bird got into the Sidney WAPA Substation, and caused the circuit switcher to open, dropping all three of our circuits. The outage lasted for approximately one hour and 45 minutes.

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

Borges reviewed the report in the Board book. Tree trimming is being conducted in the Dalton and Gurley areas.

### **New Large Services**

Borges reported that the easements have been received and signed. He has received the permit from the Army Corps of Engineers. The Agreement with UPRR was sent to the attorney for review.

### **New 115 KV Delivery Point**

Borges had nothing new to report.

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

Last month, Reilly asked the Board for permission to move \$15,000 of the \$38,567 balance from work-plan item 500-20 Gurley Substation, to work-plan item 500-30, replacing seventeen 15KV switches and three 36KV arresters. He forgot to multiply the 14 switches times three as the switches are sold per phase not in groups of three. Now Reilly asked to move \$18,000 from work-plan 500-20

to work-plan 500-30. This will be a total of \$33,000 for work-plan 500-30 leaving \$5,567 for work-plan 500-20.

Following discussion, Milanuk made a motion to approve moving the monies from one work plan item to another work plan item in the total amount of \$33,000. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Cheyenne County Fairgrounds Lights**

Borges reported that we received a check for the full amount of the bill for the light repairs. Discussion was held on the \$500 disbursement from the Directors, which was tabled until the November meeting.

### **Business Report**

Wieser was not present and Lindahl reviewed her report.

Lindahl asked the Board if the employees used their personal day/PTO or Comp on December 24, 2018, if the Board would close the office on December 24, 2018 and December 31, 2018, so the employees could enjoy two four-day weekends during the holidays.

Blomenkamp made a motion to close the office on December 24, 2018, and December 31, 2018, and the employees use their personal day/PTO or Comp on December 24, 2018. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Irrigation Write-Off**

A write-off for Account 1029 at Location 00702 in the amount of \$1,003.20 was requested by Wieser. Milanuk made a motion to grant the write-off in the amount of \$1,003.20 for Account 1029. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

### **Metering, Information and Technology**

Rosenbaum was reading meters so Weeda reviewed the report in the Board book. Weeda discussed the Landis & Gyr sale.

### **IT Report**

Weeda had nothing new to add to his report.

**RC3 Summit**

Weeda had nothing more to add.

**Security Report**

Weeda had nothing new to add to his report. He discussed Bluetooth and spear-phishing.

**FUTURE MEETINGS, TRAINING & ARRANGEMENTS**

Peterson reviewed the upcoming meetings with the Directors.

**ELECTION OF DELEGATES**

**NREA**

The NREA voting delegate currently is: Milanuk with Smith and Lindahl as the alternate delegates. Following discussion, the delegates will remain the same.

The next Board meeting will be **Monday, November 20, 2017**.

**OCTOBER BOARD MEETING ADJOURNMENT**

There being no further business to come before the Board, the President declared the meeting adjourned at 1:26 p.m.

ATTEST:

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Bernard G. Fehringer, President

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Marcus Milanuk, Secretary