

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

May 25, 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, May 25, 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; Pam Wieser, Business Manager; 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

Fehringer announced a minor change to the Agenda. The rates will be discussed during the GM report, but no action will be taken until after the Executive Session. Milanuk made a motion to approve the Agenda as amended. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

Fehringer welcomed Roger Abrams to the meeting and thanked him personally for his keeping the lights on for 44-50 years. Roger gave a brief speech.

NOTICE OF MEETING

Notice of the meeting was given by publication in the Sidney Sun-Telegraph on Wednesday, May 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

Roger Abrams, Sidney Area Foreman

APPROVAL OF APRIL 27, 2018, BOARD MINUTES

Fehringer announced that there were no corrections to the March 23, 2018, 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 28 full-time employees until June 1, when Roger Abrams retires. Lindahl extended his thanks to Roger for his years of dedication to Wheat Belt.

Legislative & Regulatory

Lindahl announced the house vetoed the farm bill as it was presented. The State Legislature authorized the Rural Broadband Study. The committee met, and Lindahl was chosen to be the representative of the rural electrics to the State. His concern is traveling to Lincoln and how often. The Board agreed unless the time commitment becomes too much. Lindahl expanded on the subject of rural broadband access. Questions and a lengthy discussion followed.

Lindahl received a letter from the Nebraska Game and Parks on determinations regarding endangered and threatened species. The letter was included in the Board book and discussion followed. Lindahl stated that there was no significant impact for Wheat Belt on the new list.

Other

Lindahl asked the Board about contributing to the Cooperative System Integrity

Fund through NRUCFC. Following discussion, the consensus was to send \$100 to the Cooperative System Integrity Fund.

Financials

The Financial Reports, period ending April 30, 2018, were presented under separate cover.

Lindahl reported that we were able to receive a better interest rate for the bonds. We issued tax exempt municipal bonds in the amount of 4.225 million dollars with a closing date of June 20, 2018. The 2012 Bond Issue Series were called and redeemed.

Lindahl discussed the expenses involved for the blizzard and the straight-line wind damages. Hopefully we will qualify for NEMA/FEMA reimbursement.

Lindahl reported on the Bridgeport Ethanol plant status. Questions and discussion followed.

Fehringer asked if he could share the demand and energy analysis information that Gulbranson has compiled on water restrictions and how it affects demand with the NRD.

Smith questioned some expenses on the Actual Cash Expenditures report. Hostetler and Lindahl reported, and answered his questions.

Tri-State Load Forecast

The Tri-State 2018 Load Forecast for Wheat Belt PPD was included in the Board book. Following a lengthy discussion, Morgan made a motion to approve the Tri-State 2018 Load Forecast with comments. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

BUSINESS REPORT

Wieser reviewed her report in the Board book.

Irrigation Write-Offs

Wieser reported that there were requests for demand write-offs on five accounts: Account 48920, Location 90933 in the amount of \$361.05, Account 48933, Location 90934 in the amount of \$417.22, Account 49432, Location 91032 in the amount of \$286.87, Account 79901, Location 92648 in the amount of \$428.80, and Account 79992, Location 40564 in the amount of \$317.31, totaling \$1,811.25. Gortemaker made a motion to approve the Irrigation write-offs totaling \$1,811.25. Morgan seconded the motion. Roll call vote: Yea: All

present. Motion carried.

Congratulations were extended to Kelli Chaon for completing the Management Intern Program Select in Madison, Wisconsin. This is an intensive two-week learning experience focused on select cooperative utility management issues.

Youth Energy Camp

Gortemaker commended Gulbranson for volunteering to be a counselor at the Youth Energy Camp.

Other

Fehringer asked the Directors to think about Wheat Belt committing to funding the Leadership Cheyenne County trip to Lincoln, as they lost grant funding. They are in need of sponsors. NREA's James Dukesherer educates the attendees on the Legislative process and public power, etc.

Legal

Wieser explained why wording changes were recommended in the rates for the location/account issue, as there are no retail demand charges associated with a transferred account. Lindahl reworked the time frame issue in the I-2 Irrigation Time of Use rate.

A break was taken @ 9:40 a.m.

The meeting resumed @ 9:45 a.m.

EXECUTIVE SESSION

Gortemaker made a motion to go into Executive Session to discuss legal matters and certain customer issues at 9:45 a.m. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried. Lindahl, Wieser and Weeda were present.

A motion was made by Milanuk and seconded by Zimmerman to resume the meeting at 11:05 a.m. Roll call vote: Yea: All present. Motion carried.

Rates for Acceptance

Rate I-1 Irrigation, Rate C-1 Large Power, Rate C-2 Large Power Time-of-Use, Rate E-1 Transmission Heavy Industrial and Rate E-2 Distribution Heavy Industrial were discussed at length. The recommendation for changing the wording in each of the Rates from **customer** to **location** was discussed. A motion was made by Gortemaker and seconded by Zimmerman to accept the

wording changes in Rate I-1, Rate C-1, Rate C-2, Rate E-1 and Rate E-2. Roll call vote: Yea: All present. Motion carried.

Rate I-2 Time of Use Irrigation was reviewed and discussed at length. Wording recommendations were suggested. The sentence under Rate Requirements will now read: **A service must be assigned to this rate no later than five full business days prior to the last day of the month and remain on the rate for one calendar year.** A motion was made by Morgan to accept Rate I-2 with the new wording. Milanuk seconded the motion. Roll call vote: Yea: All present. Motion carried.

Lindahl presented Fehring with his Director Gold Status plaque.

STRATEGIC ISSUES

Facility

Lindahl said there was nothing new to report. Wieser is still working on the new sign. Lindahl will look into why the truck barn is still not listed with the realtor.

Debt Issuance

Lindahl had nothing further to report.

Village of Lodgepole

Nothing new to report. Lindahl will try to meet with their Board sometime in the future.

Renewable Energy Projects

Lindahl reported on an NRECA grant through the Department of Energy to study energy storage, thermal batteries and thermal energy storage testing.

Sub-Transmission Project

Work has been delayed due to the storm damages.

Economic Development

Nothing new was reported.

Four Year Work Plan

Lindahl presented Borges' program on how work plans are developed and how the work plan creates a four-year budget on system replacement. Reilly was

present to answer questions. Questions and discussion followed.

Broadband

Lindahl reported earlier in the meeting.

Energy Optimization

Gulbranson was not present, but Lindahl reported that she had generated an optimum AMI installation plan. Lindahl will provide Gulbranson with the economic information. Gulbranson will have a presentation next month on a stand-by rate.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan had nothing to add to his report in the Board book. He did report on the status of the Southwest Power Pool. Discussion and questions followed.

Tri-State FERC Update

Nothing was reported.

Midwest Reports

Nothing was reported.

MEETING REPORTS

NRECA Strategic Technology Advisory Council

Lindahl had nothing more to report.

NREA Employee Law Update

Lindahl reported and discussed the information that was provided in the Board book.

Tri-State Cyber Security Conference

Lindahl was on the panel for the RC-3 program. Weeda and Kuhns also attended the conference. Discussion was held on national security.

NREA Spring Board Meeting

Milanuk and Fehringler attended. They reported that the association had a clean audit report.

POLICIES AND RESOLUTIONS

Policy D-1: Director Compensation and Expense Report Approval; Policy D-2: Director Insurance; Policy D-3: Student Scholarships; Policy D-4: Selection of General Manager; Policy D-5: Board of Directors Duties; Policy D-5A: Appendix to Policy D-5; D-6: Board of Directors/General Manager Relationship; Policy D-6A: Appendix to Policy D-6; Policy D-7: Director Elections; Policy D-8: Director Absence from Meetings; Policy D-9: Electronic Communications; Policy D-10: Reliability Standards; Policy D-11D: Paperless Boardroom/Director Technology; Policy D-11S: Paperless Boardroom/Staff Technology; Policy D-13: Non-Director Officers; and Policy D-14: Filling a Vacancy on the Board of Directors.

A motion was made by Milanuk to readopt Policies D-1, D-2, D-3, D-4, D-5, D-5A, D-6, D-6A, D-7, D-8, D-9, D-10, D-11D, D-11S, D-13, and D-14, with no recommended changes. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy C-28: Billing Adjustments. A motion was made by Gortemaker to adopt Policy C-28 with wording changes. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried

SAFETY ISSUES and SAFETY MEETING MINUTES

The May 7, 2018, Safety Meeting Minutes were thoroughly reviewed with questions and answers. Milanuk and Fehringler were present at the meeting. The training was NSP Active Killer, provided by Trooper Jordan Grabill and Trooper Schyler Luther.

Safety Committee Meeting Minutes

The May 7, 2018 Safety Committee Meeting Minutes were thoroughly reviewed.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Reilly reviewed his report in the Board book and reported on the updates as to the storm rebuilds.

Major Outages:

Reilly reported that on May 10th we experienced 80-100 mph straight-line winds.

Approximately 100 poles were broken. Mutual aid was supplied by Chimney Rock, Midwest and PREMA. Lindahl commended the Linemen and staff on their work ethics. Fehringer complimented everyone on their work with no injuries.

Construction, Maintenance & Operations

Reilly had nothing more to add to his report in the Board book.

Work Plan Item 300-107

Crews completed the project on May 4th.

NEMA/FEMA

Preliminary cost estimates have been turned in to the Nebraska Emergency Management Agency. Under Policy E-24 – On Call Compensation, the Wheat Belt Board of Directors reserves the right to declare an emergency when caused by manmade or a natural disaster. Reilly asked that the storms be declared a disaster. A motion was made by Morgan and seconded by Zimmerman to declare the April 13 – 14, 2018, blizzard, and the May 10, 2018, straight-line wind storm, disasters. Roll call vote: Yea: All present. Motion carried.

Blomenkamp reported high compliments to the lineman from several of his neighbors. They were very appreciative of getting their feedlot water working. The Facebook updates were also appreciated by many of the customers. A Director mentioned putting information in the magazine or on the bills to tell customers to “Like” the Facebook page in order to receive the posted updates. It was also mentioned to put an article in the magazine reminding customers to get a generator.

METERING, INFORMATION and TECHNOLOGY

Rosenbaum was not present. His report was reviewed.

IT Report

Weeda had nothing new to add to his report in the Board book.

Security Report

There was nothing new to add to his report. Policy IT-1 was included in the Board book for review. Fehringer asked that under Section 2, first sentence, add “**Directors**” following “all employees...” With the additional wording, Gortemaker made a motion to approve Policy IT-1. Milanuk seconded the motion. Roll call vote: Yea: Blomenkamp, Zimmerman, Smith, Morgan, Milanuk, and Fehringer. Nay: Gortemaker.

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

Peterson reviewed the upcoming meetings with the Directors.

ELECTION OF DELEGATES

No changes were needed this month.

The next Board meeting will be Friday, June 22, 2018, beginning at 8:30 a.m.

MAY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 12:18 p.m.

ATTEST:

Bernard G. Fehringer, President

Marcus Milanuk, Secretary