

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

JULY 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 8:33 a.m., Wednesday, July 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; Ryan Borges, Staking Engineer; Pam Wieser, Business Manager; 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

Morgan 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, July 11, 2018, and proof of publication showing such notice as published is attached, and thereby, made a part of these Minutes.

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Gortemaker 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

No guests were present.

APPROVAL OF JUNE 22, 2018, BOARD MINUTES

Fehringer announced that there were no corrections to the June 22, 2018, Board Minutes, and they would stand approved as published.

Public Hearing & Comment Period

No one appeared before the Board.

EXECUTIVE SESSION

An Executive Session was called at 8:36 a.m. by Smith to discuss cyber security issues, the new proposed rates, and a personnel update. Zimmerman seconded the motion. Roll call vote: Yea: All present.

The cyber security training update was presented by Weeda with Schlaman, Chaon, Hostetler, Borges, Wieser, and Gulbranson present.

The Executive Session continued at 9:54 with an industrial customer report and personnel issues with Lindahl present.

The Executive Session ended with a motion by Gortemaker and second by Zimmerman at 10:36 a.m. Roll call vote: Yea: All present. Motion carried.

A break was taken at 10:37 a.m.

The meeting resumed at 10:47 a.m.

GENERAL MANAGER'S REPORT

Personnel

Lindahl reported that the personnel level is fully staffed at 28 full-time employees.

Legislative & Regulatory

Lindahl reported that Kristen Gottschalk asked if there were any legislative ideas that should be presented at the NREA Meeting in Scottsbluff.

Lindahl reported that the governor has not yet made the announcement for the Broadband taskforce appointments.

Legal

Nothing was reported or discussed.

Company Insurance Renewal

Dave Reher from Federated Insurance will be in the office next week. He will meet with Reilly and Chaon as Lindahl will be out of the office. Lindahl and the directors discussed coverages. DOM was questioned and discussed. The consensus was that the coverages remain the same. The question was raised concerning vehicle deductible vs premium costs.

Other

Lindahl reported that the Spring snow storm has been declared a disaster for FEMA/NEMA, and we are waiting to see if we will receive funds. Reilly and Schlaman are working on getting the information entered for refund for Deuel and Cheyenne counties.

Financials

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

Discussion was held regarding the new rate structure and revenue impact. Consensus was that the new rate structure was having the desired effect. Under the old rate structure, in a “wet” irrigation year, revenue would be lower. The current rate structure provides for recouping the demand component even in a low usage year.

Lindahl reported that next month the long-term financial forecast will be presented.

STRATEGIC ISSUES

Lindahl asked the Board if he should try to schedule a time to conduct a strategic planning session to create a new three-year plan? Fehringer mentioned a woman from the NRD that is a facilitator and will talk to her to see if she would be available in January. He will also request her fee schedule. The Directors suggested a date of January 17-18, 2019. The meeting would be held at the Wheat Belt Headquarters. Chaon will continue to look at other facilitators. A proposal will be presented at the August Board meeting.

Facility

Lindahl reported that the sign at the annex building has been replaced. There has been some interest shown in the old headquarters building and the truck barn. Chaon continues to work with the Realtor.

Village of Lodgepole

Lindahl had nothing new to report.

Renewable Energy Projects

Lindahl had nothing new to report.

Broadband

Lindahl and Weeda met with Vistabeam. Vistabeam responded with a map of what it would take to get more robust communication to our substations, which would help with coverage throughout our system.

Sub-Transmission Project

Borges reported that he will have to re-stake some of the line.

Economic Development

Lindahl had nothing new to report.

Four Year Work Plan

Borges reported that work has not begun yet.

Energy Optimization

Gulbranson has nearly finalized data for the new long-term financial forecast, which will be presented at the August Board meeting.

Other:

Lindahl reported that Tri-State is conducting a member survey. They are asking for input from the managers and board of directors. The survey will be conducted at the August Board meeting under Strategic Issues.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan discussed his report in the Board book. There was a hearing on the DMEA issue, and that decision will be discussed at the next Tri-State Board meeting. Discussion followed.

Lindahl reported that the Basin Managers meeting was postponed last week and rescheduled for September 17th. Discussion followed.

Lindahl reported on the fires in the Colorado area. Damages have been to the distribution lines and not the transmission lines.

Tri-State FERC Update

Nothing was reported.

Midwest Reports

Nothing was reported.

Tri-State Membership Survey

Lindahl reported that the Survey will be forthcoming for the Directors to complete.

Tri-State Membership Committee

Lindahl attended a Tri-State meeting on Policy 115, and reported to the Board.

MEETING REPORTS

SEPA Grid Evolution Summit Meeting

Lindahl's report was included in the Board book.

POLICIES AND RESOLUTIONS

Policy E-10: Code of Ethics; Policy E-11: Employment of Relatives; Policy E-12: Cell Phone Use; Policy E-13: Separation of Service; Policy E-14: Theft from the District; Policy E-15: Electrician's License; Policy E-16: Employee Recognition; Policy E-17: Equal Employment Opportunity; and Policy E-18: Medical Insurance, Retired Employees. A motion was made by Gortemaker to readopt Policies E-10, E-11, E-12, E-13, E-14, E-15, E-16, E-17, and E-18, with no recommended changes. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy E-32: Exchange Time, was discussed and Gortemaker made a motion to readopt Policy E-32 with the suggested wording changes. Smith seconded the motion. Roll call vote: Yea: All present. Motion carried.

Policy E-36: Procurement Conflict of Interest Policy: The Policy was discussed, and Smith made a motion to approve Policy E-36 with a few changes. Any wording of “cooperatives” be changed to “district”; removal of the fifth bullet on Appendix A; and move the signature page to the last page, not the Appendix A page. Gortemaker seconded the motion to approve the Policy with the changes. Roll call vote: Yea: All present. Motion carried.

Policy C-6: Standard Construction Practice was discussed. Following discussion, Smith made a motion to approve Policy C-6. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

SAFETY ISSUES and SAFETY MEETING MINUTES

The July 11, 2018, Safety Meeting Minutes were thoroughly reviewed. The training was conducted by NREA JT&S instructor Greg Nelson on Back Injury/Prevention.

The on-site RESAP observation was conducted on Tuesday, July 17th. There were no significant issues.

Commitment to Zero

NRECA and Federated developed a “Commit to Zero” contacts program. Lindahl committed Wheat Belt to participate in the program.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages:

Nothing was reported.

Construction, Maintenance & Operations

Borges reported that the crews have been replacing bad poles. Borges was asked to report on the failure rate of the tested poles, which was 1.6 percent for 2018.

NEMA/FEMA

FEMA declared Disaster 4375-DR for Cheyenne and Deuel Counties due to the April blizzard.

Schlaman and Reilly participated in a webinar to begin the paperwork for the disaster. Information has not been received yet about the May 10, 2018 storm.

BUSINESS REPORT

Wieser requested a write-off for irrigation demand for Account 18020 in the amount of \$917.63, and Account 19852 in the amount of \$608.90. Smith made a motion to approve the irrigation write-offs. Zimmerman 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. Discussion followed. Wieser will bring hard figures to the August Board meeting for approval.

METERING, INFORMATION and TECHNOLOGY

No one present to report.

IT Report

Weeda was not present to report.

Security Report

Weeda was not present to report.

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

Peterson reviewed the upcoming meetings with the Directors.

ELECTION OF DELEGATES

NRECA voting directors are currently Smith and Fehringer. A motion was made by Gortemaker and seconded by Zimmerman to appoint Milanuk and Morgan as the upcoming voting directors. Roll call vote: Yea: All present. Motion carried.

Basin Electric delegates are currently Morgan and Fehringer, and will remain the same.

Co-Bank delegate is currently Fehringer, and he will complete the 2018 Director Election Voting request.

OTHER

There was a request to change the December Board meeting date. Directors will check their calendars and report at the August Board meeting.

The next Board meeting will be Friday, August 24, 2018, beginning at 8:30 a.m.

JULY BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 12:31 p.m.

ATTEST:

Bernard G. Fehringer, President

Marcus Milanuk, Secretary