

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

MAY 24, 2019

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 24, 2019, 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
Brian Moffat
Doug Smith

Also present were Tim Lindahl, General Manager; Carolyn Hostetler, Chief Financial Officer; Pam Wieser, Business Manager; Earl Reilly, Operations Manager; Jeff Rosenbaum, Senior Meter Technician; Jim Weeda, IT Manager; and Lacey Gulbranson, Energy Optimization Specialist.

Debra Schlaman recorded these Minutes at the request of the Board Secretary.

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

Gortemaker made a motion to approve the Agenda as presented. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

NOTICE OF MEETING

Notice of the meeting was by publication in the Sidney Sun-Telegraph on Friday, May 10, 2019, 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. Gortemaker seconded the motion. Roll

call vote: Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

No guests were present.

APPROVAL OF APRIL 26, 2019, BOARD MINUTES

Fehringer announced that there were no corrections to the April 26, 2019, Board Minutes, and they would stand approved as published.

Public Hearing & Comment Period

No one appeared.

EXECUTIVE SESSION

An Executive Session was called at 8:33 a.m. to discuss a legal matter, a real estate transaction matter, an accident that occurred on the Wheat Belt system, and a personnel issue. All personnel remained for the first part of the session.

Motion was made by Moffat to go into Executive Session and Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

The meeting resumed at 9:32 a.m. with a motion by Smith. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

A coffee break was taken at 9:32 a.m.

The meeting resumed at 9:45 a.m.

GENERAL MANAGER'S REPORT

Personnel

Leif Anderson, Wheat Belt intern, is our 1,000 hour employee.

Legislative & Regulatory

Lindahl reported that two interim studies were introduced in the Nebraska Legislature on Broadband by Senator Friesen and Senator Cavanaugh. Senator Friesen's study will take a look at the outcome from the Broadband Taskforce for legislation to be introduced. Cavanaugh's study will take a look at the telecom universal service fund and mapping (current maps are poor at best).

Lindahl reported on the Legislative meeting in Washington, D.C. Several meetings occurred with the Air Force, including Congressional Office staff that

serves the Air Force. There are three Air Force bases that serve the missile sites (F. E. Warren in Wyoming, Minot in North Dakota, and Malmstrom in Montana) and they plan to update their infrastructure. The project is being bid on by two entities, Boeing and Northrop Grumman. The REA industry is asking for information/guidance on how we should be maintaining the current lines. The Air Force is asking if our current infrastructure will be reliable until 2036. Currently in our service territory, we serve 139 miles at 27 sites. Gulbranson reported on the monthly dollar amount and the kW load on the accounts. Discussion was held concerning the Wheat Belt Work Plan for the project, or would the expense go into the rate?

Financials

The Financial Report was distributed under separate cover.

Energy purchases and gross margins were up for April, and it was a good month financially. We continue to peak outside of the window.

Morgan asked if there could be a budget to actual comparison column in the Cash Requirements report. Going forward, Lindahl and Hostetler will develop a sheet to show expenses to budget monthly and year to date.

Legal

The NRECA Legal Reporting Service Reports were included in the Board book.

The Colorado PUC status was discussed.

Rate E-3 – Distribution Heavy Industrial

Lindahl reported that we are in the process of getting the Interconnection Agreement. Bridgeport Ethanol responded that they have a small change to the Agreement, and we will be working to modify, review and return the Agreement to Bridgeport Ethanol for signatures. Once we have the signed Agreement, Borges will order the protection equipment.

Lindahl discussed the Basin Board report relating to ethanol generation.

Rate F-1 – Street and Security Lights

Lindahl reported that we need to take a detailed look at the cost of the LED lights and their operations.

Following discussion, a motion was made by Smith to approve the modified F-1 Rate as presented in the Board book. The motion was seconded by Gortemaker. Roll call vote: Yea: All present. Motion carried.

MIP Budget Exception

Gulbranson was accepted into the full MIP program this year and has secured a spot for one session this year, and two sessions next year. Lindahl asked for an exception to the Large Item Budget for Gulbranson to attend the MIP program. The amount this year will be \$6,541, which includes the estimated travel costs.

A motion was made by Morgan to approve the exception to the Large Item Budget. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

Cooperative System Integrity Fund

Following discussion of the CFC Integrity Fund, the Directors agreed to send a \$100 check.

Modification of the 401K Plan Document

Information was provided in the Board book for consideration of a requested change by Mark Churchill of Arbor Wealth to the 401K Plan Document. Lindahl explained the reason for the change to the Plan and following discussion, a motion was made by Gortemaker to give approval to the General Manager to sign the document when he receives it from Mark Churchill. Blomenkamp seconded the motion. Roll call vote: Yea all present. Motion carried.

STRATEGIC ISSUES

An updated Communication Outline of the 2019-2021 Strategic Plan was reviewed. Lindahl would like to create a Broadband forum in western Nebraska for regional communicators, providers, PPD's Co-op's, utilities, economic developers, and others on a round table format to be held at the Wheat Belt Headquarters. Questions and discussion followed.

Next month an update on Infrastructure and Modern Energy will be presented.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan reported that there is an organization, (Guzman) that has offered a considerable amount of money to Tri-State to retire their coal assets and build 600 MW of solar, 600 MW of wind, and 600 MW of gas. Colorado has passed a law that all coal plants in Colorado need to be decommissioned by 2030. Morgan also discussed margins.

The Colorado PUC case was briefly discussed.

MEETING REPORTS

Strategic Advisory Council

Lindahl attended the meeting at the North Carolina State Freedom Center where the attendees were introduced to Steady State Transformers, that shut off when there is no load and act as a capacitor when needed. These transformers get rid of idle losses, which is an issue with irrigation services which sit idle for several months out of the year.

NREA Spring Board Meeting

Gortemaker reported on the meeting. Electric vehicle discussions were held and the upcoming evaluation of Kim Christiansen, the NREA General Manager was a topic of discussion. Fehringer reported on the upcoming retirees on the NREA Board.

Nebraska Rural Broadband Taskforce

Lindahl reported earlier.

POLICIES AND RESOLUTIONS

Policy C-13: Nondiscrimination: Changes were made to match RUS requirements and to comply with the upcoming Civil Rights Audit. Following discussion, a motion was made by Gortemaker and seconded by Zimmerman to approve Policy C-13 as amended. Roll call vote: Yea: All present. Motion carried.

Policy D-6: Board of Directors/General Manager Relationship; Policy D-6A: Board of Directors/General Manager Relationship; 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 Moffat to readopt Policies 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. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

SAFETY ISSUES and SAFETY MEETING MINUTES

The May 8th Safety Meeting Minutes were included in the Board book and reviewed by the Board. Training was conducted at the meeting by Mike Davis

with Tri-State who showed a power point presentation and played dispatch recordings. George Niekum with Tri-State discussed switching problems and procedures.

Reilly had nothing more to add to his report. Morgan commented on the extension cord incident and Reilly responded.

The May 8th Safety Committee Meeting Minutes were included in the Board book and reviewed by the Directors.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Reilly commented on the Sunday May 5th outage at the Sidney Substation caused by two doves.

Construction, Maintenance & Operations

Reilly reported on the 336 single phase and three phase wire being replaced which is the FEMA Mitigation Plan work.

Reilly reported that he will be meeting with Tri-State in early June for the new substation site inspection.

BUSINESS REPORT

Wieser reported on:

The Safety Fair, which is held once every three years, was hosted at the Sidney Annex Facilities.

Leadership Cheyenne County is conducting a school supply drive and a box is provided at the Wheat Belt Headquarters for donations.

The Touchstone Energy hot air balloon will be tethered at the park during Gold Rush Days. Touchstone is donating \$1,000 plus to flood relief.

The irrigation billing adjustments for 2018, have been entered into the system.

Irrigation Write-Offs

Wieser asked for approval of the following irrigation write-offs:

Location 01970, Account 2086 in the amount of \$272.45

Location 03130, Account 2931 in the amount of \$528.38

Location 21666, Account 11085 in the amount of \$334.37

Location 90657, Account 48200 in the amount of \$376.06

Total amount of \$1,511.26.

A motion was made by Smith and seconded by Moffat to approve the Irrigation write-offs in the amount of \$1,511.26. Roll call vote: Yea: All present. Motion carried.

METERING, INFORMATION and TECHNOLOGY

Rosenbaum reported a problem with the collectors and the routers having to be rebooted. Communication was lost to the routers and Landis & Gyr did a firm-ware update, but each router has to be individually rebooted.

IT Report

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

Security Report

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

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

Peterson reviewed the upcoming meetings with the Directors.

The CFC Forum will be held in New York City on July 4th.

Election of Delegates

NCSC – Currently Lindahl is the Voting Delegate and Fehringer is the Alternate Delegate. Following discussion, the delegates will remain the same and Fehringer voted for the District 4 Director Position. Morgan commented on the candidate for District 4.

An Executive Session was called at 11:53 by Gortemaker and seconded by Zimmerman to discuss real estate. Roll call vote: Yea: All present. Motion carried.

The meeting resumed at 12:04 with a motion by Morgan and Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

The next Board meeting will be Friday, June 28, 2019, 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 12:06 p.m.

ATTEST:

Bernard Fehring, President

Brian Zimmerman, Secretary