

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

JUNE 28, 2019

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order by President Bernard Fehring, at 8:30 a.m., Friday, June 28, 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 Fehring
Brian Moffat
Doug Smith

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; Kelli Chaon, Executive Assistant; 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 Fehring 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 by publication in the Sidney Sun-Telegraph on Wednesday, June 12, 2019, and proof of publication showing such notice as published is attached and thereby made a part of these Minutes. Gortemaker

made a motion to waive the reading of the meeting notice. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

INTRODUCTION OF GUESTS

Bob McDonald and Larre Brouhard from ESC Engineering, were scheduled to arrive at 10:00 am.

APPROVAL OF MAY 24, 2019, BOARD MINUTES

Fehringer announced that there were no corrections to the May 24, 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 PUC legal issues. All personnel remained for the session.

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

The meeting resumed at 8:45 a.m. with a motion by Smith. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

GENERAL MANAGER'S REPORT

Lindahl reported that Bob McDonald from ESC would discuss the Infrastructure Plan and Chaon would update the Modern Energy Plan, both under Strategic Issues.

Lindahl reported that we had not received the signed Interconnection Agreement from Bridgeport Ethanol.

Lindahl discussed the credit card class action suit regarding credit card fees. The NREA statewide had been contacted and will tackle the issues for all the 35 systems. Strommen had also been contacted.

Lindahl reported that he felt the new Clean Power Plan seemed to be better than the previous one but had not had time to review the Plan.

Discussion was held concerning the Bridgeport Ethanol Plant Interconnection Agreement. Lindahl has had some issues with Tri-State changing things and not

sticking to what was said. Fehringer stated to use the word “comprising” instead of “consisting” of costs in the agreement. Following further discussion, the Board agreed to allow Lindahl to use his best judgement with legal review, on the Agreements. If we receive the Interconnection Agreement, and if they want to get it done before their shut down, the Board gave Lindahl the right to move forward.

Discussion was held concerning the PUC status. Following discussion, the Board chose to move forward regardless of what the majority of the other systems want to do.

Personnel

Nothing new to add to the report.

Legislative & Regulatory

Discussion was held concerning the Guzman offer to Tri-State.

Lengthy discussion was held concerning FERC regulations.

Financials

The Financial Report was distributed under separate cover.

Hostetler will meet with Morgan concerning the “budget to actual comparison” column in the Cash Requirements report that he would like to see.

Fehringer questioned the Irrigation charts for May. Hostetler responded. Blomenkamp questioned the tree clearing costs and Borges responded. The large commercial increase was discussed and Lindahl responded.

Legal

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

The Colorado PUC status was discussed in Executive Session.

Rate E-3 – Distribution Heavy Industrial

Previously discussed.

A break was taken at 9:50 a.m.

The meeting resumed at 10:05 a.m.

STRATEGIC ISSUES

Infrastructure

Lindahl and Borges conducted an evaluation of our current system. Borges updated the Board on the miles of line and presented the value of the plant system in today's dollars of \$135M, and the depreciated value of the plant system at \$71M.

Borges reported on the work plan design, the aging infrastructure and explained the process working with ESC to be able to obtain the figures for the new 2020-2023 Construction Work Plan.

Bob McDonald distributed copies of the proposed 2020-2023 Construction Work Plan. McDonald defined the areas that needed the most work; explained the expenses and the increases. Discussion, questions and answers followed.

McDonald thanked the staff at Wheat Belt for the many years working together as he plans to retire in the next few months. Larre Brouhard will be the new contact person. Action on the 2020-2023 Construction Work Plan will be taken at the July Board meeting.

Modern Energy

Chaon updated the Board on the current status of the Modern Energy Strategic Plan. She reviewed information on electric vehicles, renewable research and charging stations. Chaon answered questions from the Board.

Broadband

Lindahl reported that the committee is making progress. They will have a draft report out by September 20th, then they will have public comment and meetings to finalize the draft to forward to the Legislature. Lindahl would like to host a round table at Wheat Belt regarding Broadband in our area of rural Nebraska, rather than keeping everything in the Lincoln area.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan reviewed his report in the Board book.

Morgan reported that if Tri-State goes with FERC, that will make Basin go to FERC also.

MEETING REPORTS

NREA Summer Managers Meeting

Lindahl had nothing to add to his report in the Board book.

State Broadband Task Force Activity

Lindahl reported that he and Kristen Gottschalk attended a meeting with a group of progressive independent phone companies that have deployed fiber to the home. There were several concepts that were discussed, and he looks forward to visiting with the group in the future.

POLICIES AND RESOLUTIONS

Policy E-1: Employment Policies; Policy E-3: Holidays; Policy E-4: Uniforms and Safety Equipment; Policy E-6: Educational Courses; Policy E-7: Expenses; Policy E-8: District Vehicles and Mileage Payments; Policy E-9: Physical Examination; Policy E-10: Code of Ethics with no recommended changes; and Policy E-2: Paid Time Off (PTO) with a suggested change of the word “will” to “may” for offer of a transitional work option. A motion was made by Gortemaker to readopt Policies E-1, E-3, E-4, E-6, E-7, E-8, E-9, E-10 with no recommended changes, and Policy E-2 with a wording change. Zimmerman seconded the motion. Roll call vote: Yea: All present. Motion carried.

SAFETY ISSUES and SAFETY MEETING MINUTES

The June 7th Safety Meeting Minutes were included in the Board book and reviewed by the Board. Training was conducted at the meeting by Joel Duffield on Noise Hazard Assessment/Hearing Protection.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Nothing reported.

Construction, Maintenance & Operations

Borges reported that the Cedar View Campground upgrade had been completed. Crews are currently working on two miles of line reconditioning off the Chappell Substation.

Coldwater Creek Substation

Reilly reported that the landowners have signed a purchase agreement for the five acres. The Blowout Penstemon Plant is in the pasture, but not on the substation site. Discussion followed.

BUSINESS REPORT

Wieser reported that the Touchstone balloon was unable to be launched at the Gold Rush Days, but the brat feed was a huge success.

Tri-State Advisory Committee

Wieser attended the meeting and reported to the Board. Morgan commented on the NEED program. Wieser feels that the program isn't being taken advantage of by the teachers, and efforts need to be made to get the information to the proper parties.

Irrigation Write-Offs

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

Location 42780, Account 20202 in the amount of \$627.46

Location 40099, Account 17629 in the amount of \$99.07

Location 72560, Account 84960 in the amount of \$412.80

Location 50565, Account 25554 in the amount of \$482.98

Total amount of \$1,622.31.

A motion was made by Smith and seconded by Moffat to approve the Irrigation write-offs in the amount of \$1,622.31. Roll call vote: Yea: All present. Motion carried.

Sign

Smith asked if the work had been completed on the sign. Wieser reported that we are waiting on the electrician to get the electric service to the sign.

METERING, INFORMATION and TECHNOLOGY

Rosenbaum reported that they continue to work on the Gridstream meter and equipment installations. They will be reading meters next week in preparation for billing.

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.

Morgan will be attending the Region 7 Meeting. He is on the Resolution Committee and will be present to vote.

NRECA has created a director portal so that the directors can have a list-serve type of communication available.

Round table discussion was conducted: Morgan asked about the status of the Annex Building and Lindahl and Chaon reported. Smith asked about the Work Plan, and if the Board was voting on approval today. Borges explained that it will be on the Agenda for the July Board meeting. Gulbranson and Hostetler will present in August on how to pay for the work in the new Work Plan. The Board was asked to begin thinking about contract labor or a second crew.

The next Board meeting will be Friday, July 26, 2019, beginning at 8:30 a.m.

JUNE BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 12:00 p.m.

ATTEST:

Bernard Fehringer, President

Brian Zimmerman, Secretary