

APPROVED REGULAR MEETING MINUTES
BOARD OF DIRECTORS - WHEAT BELT PPD

NOVEMBER 23, 2020

The regular monthly meeting of the Board of Directors of Wheat Belt Public Power District was called to order by Vice President & Acting Chairman Brian Zimmerman, at 8:30 a.m., Monday, November 23, 2020, at the District Headquarters, 11306 RD 32, Sidney, Cheyenne County, Nebraska.

ROLL CALL

The following Directors were present:

Mike Blomenkamp
Moe Moffat
Brian Zimmerman

John Gortemaker
Stuart Morgan

Also present were Tim Lindahl, General Manager; Earl Reilly, Operations Manager; Lacey Gulbranson, Corporate Services Manager; Carolyn Hostetler, CFO; and Kelli Chaon, Customer Engagement Manager.

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

All stood for the Pledge of Allegiance to the Flag.

Vice President Brian Zimmerman 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 November 23, 2020, Agenda as presented. Morgan 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, November 11, 2020, 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

Marcus Milanuk and Toni Blomenkamp, newly elected Board members.

Kendra Strommen, Wheat Belt Attorney

Cary Linton, customer interested in open director position, introduced by Morgan.

APPROVAL OF OCTOBER 23, 2020, BOARD MINUTES

A motion was made by Moffat to approve the October Board Minutes as presented. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Public Hearing & Comment Period

Phil Anderson and Colin Anderson appeared before the Board to discuss Account 48666. They are disputing that the pivot ran, but not what our meter says it ran.

Moffat spoke on behalf of Pat Peterson who did not attend due to Covid, concerning his demand charge on meter AG-0484.

Upon discussion among the Directors, a motion was made by Morgan to waive the meter check fees and postpone any delinquent charges until further investigation can be conducted to check the meters and the locations of the meters. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

Phil Anderson asked if his bills could be consolidated? Chaon responded that with the current billing system they cannot, however, the bills can be viewed on the Wheat Belt website where they are consolidated and totaled.

GENERAL MANAGER'S REPORT

Lindahl began with:

Legislative & Regulatory

Lindahl included a packet from the NREA Legislative Committee Meeting. Items discussed at the meeting were: power supply issue/potential legislation and the results of the election, specifically changes to the NPPD board and new members of the Unicameral.

OPPD may support and introduce legislation to remove dark fiber restrictions.

Lindahl learned that fiber crossing for the railroad and state highways are \$10,000 each. We will continue to work towards reducing or eliminating these fees.

Covid-19 Update

Lindahl reported that we had/have several employees out due to illness and a few on close contact quarantine. Remote work will begin with key staff. The crews are trying to remain separated and work apart as much as needed.

Legal

The NRECA Legal Reporting Service Report was included in the Board book.

We continue to move forward on the Air Force project. Borges has been working with Strommen on the nondisclosure statements. Lindahl will be working with the NRECA and DOD outlining the requirements for the rural systems. Money has been appropriated for the upgrade, but not for the utility portion. The project is to begin in 2023 and be completed in 2035 for the entire system.

Financials

The Financial Report was presented under separate cover.

Lindahl reviewed his “dashboard” and the projected and budgeted expenses.

Lindahl reported on the storm adder and rebating the costs back or a portion of them to the consumers.

Morgan reported that Tri-State is looking at a two percent reduction of their cost of power next year and over the next four years for a total of eight percent. Morgan asked how that will affect financing and borrowing? Lindahl commented and discussion followed.

District Insurance

Lindahl reported that the Federated Insurance plan will renew for two years at the end of 2020. There will be an increase of \$1,989 (2%) on the total package. The increase is driven by a state rate increase to auto comp and auto collision and an increase to the DOM and UMB policy due to reinsurance costs. We carry the maximum cyber risk. Following discussion and questions, Moffat made a motion to renew the Federated Insurance Policy for two years. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Board Vacancies

Lindahl reported that two official applications had been received and were on the Directors' desks for review.

Following discussion, it was suggested to wait until after the first of the year when the two new board members will be sworn in. NREA representatives will need to be appointed and approved at that time also. Reorganization of the Board is conducted at the January meeting, and the new Directors will be able to voice their opinions at that time.

Budget Hearing

The meeting was suspended at 9:32 a.m. to begin the Budget Hearing with a motion by Gortemaker and a second to the motion by Moffat. Roll call vote: Yea: All present. Motion carried.

Lindahl explained all the budgeting parameters and explained the attorney fees. Following questions, answers and discussion, Morgan made a motion to adopt the 2021 Budget as presented. Blomenkamp seconded the motion. Roll call vote: Yea: All present. Motion carried.

The Budget Hearing adjourned and the regular meeting reconvened at 9:39 a.m. with a motion by Moffat. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Bond Issue Parameter Resolution/Debt Issue

Lindahl explained the CoBank bonding/borrowing situation, which was summarized in the Board book. Questions and discussion followed. A motion was made by Moffat to approve six million dollars for three years; and we are required to borrow \$5.1M. This debt would be issued by the Board, not staff. Morgan seconded the motion. Roll call vote: Yea: All present. Motion carried.

A break was taken at 10:05 a.m.

The meeting resumed at 10:10 a.m.

EXECUTIVE SESSION

An executive session was called by Gortemaker at 10:10 a.m. to discuss the FERC legal matter (Jason Gray via Video Conference); and a personnel issue. Moffat seconded the motion. Roll call vote: Yea: All present. Motion carried.

Morgan left the meeting and returned at 11:50 a.m. Lindahl, Gulbranson, Strommen, Milanuk and Toni Blomenkamp remained.

A motion was made by Moffat to resume the meeting at 12:05 p.m. Gortemaker seconded the motion. Roll call vote: Yea: All present. Motion carried.

Lunch break was taken at 12:10 p.m.

The meeting resumed at 12:52 p.m.

Retail Rates

Lindahl reviewed his report in the Board book.

A motion was made by Gortemaker that notwithstanding any significant storms or other unexpected events between November 23, 2020, and December 31, 2020, to refund the full Storm Recovery Adder collected in 2020 with a credit to each account to be reflected on the January 2, 2021, statements. Should a significant event occur that would potentially drop the debt service coverage ratio below the minimum requirements in the bond obligations, this can be reconsidered at the December Board meeting, or if after the December Board meeting, delayed until further consideration. Morgan seconded the motion. Roll call vote: yea: All present. Motion carried.

FERC Rate Intervention and Protest

A motion was made by Gortemaker, and seconded by Moffat, directing the CEO to send a letter to Duane Highley, CEO at Tri-State G & T, to request a determination of its Contract Termination Payment, based on action taken at the November 23, 2020, Board meeting. This request is for planning purposes only. Wheat Belt is not giving notice of intention to withdraw from Tri-State at this time. Roll call vote: Yea: Gortemaker, Blomenkamp, Zimmerman and Moffat. Morgan abstained. Motion carried.

POLICIES AND RESOLUTIONS

Policy E-30: Access to Employee Exposure and Medical Records; Policy E-31: Change in Work Hours and Premium Rates; Policy E-34: Personal Use of Wheat Belt Tools or Equipment; Policy E-35: Prevention of Identity Theft; and Policy E-36: Procurement. Policy E-32: Exchange Time; and Policy E-33: Military Leave for Reservists. A motion was made by Gortemaker and seconded by Moffat to readopt Policy E-30, Policy E-31, Policy E-34, Policy E-35 and Policy E-36, with no recommended changes. And to readopt Policy E-32 and Policy E-33 with grammar changes. Roll call vote: Yea: All present. Motion carried.

POWER SUPPLY REPORTS

Tri-State Board Meeting

Morgan reported that there will be a December Membership meeting to determine if a partial requirements member should have a board seat. Tri-State feels that if they get at least fifty percent of their power from Tri-State, they should have a board seat. Discussion will also be held concerning amendments to Bylaws and amendments to the Articles of Incorporation.

The Colorado Air Quality Commission stated that Craig #3 has to be shut down in 2028. Tri-State had already scheduled shut down in 2029.

Basin Report

Basin had their Annual meeting and Membership meeting virtually. No one from Wheat Belt attended.

Midwest Report

Midwest will conduct a virtual meeting on December 9, 2020.

STRATEGIC ISSUES

Gulbranson had nothing to add to her report in the Board book and asked for questions.

Lindahl discussed the Air Force project. He will be evaluating the economic pay back of burying our lines.

MEETING REPORTS

No meeting reports.

SAFETY ISSUES and SAFETY MEETING MINUTES

The October 16, 2020, Safety Meeting Minutes were included in the Board book and reviewed. NREA JT&S instructor Joel Duffield presented winter driving, storm safety & survival. Three employees conducted pole top and bucket rescue.

The November 10, 2020, virtual Safety Meeting Minutes were included in the Board book and reviewed. Videos on distracted driving and working in the cold were viewed.

The November 10, 2020, Safety Committee Meeting Minutes were included in the Board book and reviewed.

Reilly had nothing to add. The December Safety Meeting will be held virtually.

CONSTRUCTION, MAINTENANCE & OPERATIONS

Major Outages

Sunday, November 8, birds got in the Gurley Sub. Outage was about two hours.

Construction, Maintenance & Operations

Reilly reported that the construction crew is working on the six miles of copper weld near Gurley.

Cold Storage Building

Reilly reported that the building is scheduled to be built the first two weeks in December.

CORPORATE SERVICES REPORT

General

Gulbranson reported that a new lineman will be starting next week. A verbal offer for the analyst position has been accepted. The new employee will start after the first of the year.

Irrigation Write-Off Request

Blomenkamp asked about the outage notification and Gulbranson reported. The App is available in the App store for download.

Milanuk asked about the FCC not allowing disconnect calls for non-payment. Gulbranson explained that delinquent notifications cannot go out on the phones. They can be notified by the App, but no robo calls to phones are acceptable per the FCC.

METERING, INFORMATION and TECHNOLOGY

No report.

IT

No report.

FUTURE MEETINGS, TRAINING & ARRANGEMENTS

All future meetings will be virtual. The NREA Board meeting will be available at Wheat Belt if any Director would like to view it at the Headquarters.

ELECTION OF DELEGATES & OTHER ORGANIZATIONAL ITEMS

Nothing this month.

The next regular Board meeting will be Monday, December 21, 2020, beginning at 8:30 a.m.

Other

Morgan read his Thank You from the American Legion Post #301 for his \$250 contribution.

NOVEMBER BOARD MEETING ADJOURNMENT

There being no further business to come before the Board, the President declared the meeting adjourned at 1:25 p.m.

ATTEST:

Brian Zimmerman, Vice President

Brian Moffat, Secretary