

**Minutes of the 129th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 129th regular meeting of the Northeast Nebraska Public Power District was called to order at 1:10 p.m., on August 26, 2008, by President Don Larsen. This meeting was held in the power district's Operations Center in Wayne, NE. President Larsen announced that the meeting was being conducted pursuant to the Nebraska Open Meetings Law and pointed out the location of the law in the meeting room.

Notice of this meeting was posted at all facilities of Northeast Nebraska Public Power District and was delivered by first class mail to the City Hall offices of the following towns and villages: Allen, Carroll, Concord, Dixon, Emerson, Foster, Hoskins, Hubbard, Jackson, Martinsburg, Maskell, McLean, Newcastle, Obert, Osmond, Pierce, Ponca, Thurston, Waterbury, Wayne, and Winside. Notice was also sent to the following newspapers: Nebraska Journal Leader, Norfolk Daily News, Norfolk Shopper, Pender Times, Pierce County Leader, Osmond Republican, Randolph Times, South Sioux City Star, Wakefield Republican, and Wayne Herald.

The following Officers and Directors were present:

**Director Larsen Director Gansebom Director Lebsock Director Loberg
Director Silhacek Director Kneifl Director Gustafson Director Bodlak
Director Birkley**

Mark Shults, Manager

Christopher J. Connolly, Attorney

Others present: Jan Kristjanson, Dean Bruggeman, and Randy Belt

The Open Meetings Act advisement was also given.

Minutes of the July 25, 2008 Meeting: There was a motion to approve the minutes with the reference to "late accounts" made by Director Kneifl and seconded by Director Lebsock and was approved 9-0 on a voice vote.

Safety Meeting Minutes: The Safety Meeting was held on August 8, 2008. There was then a motion to approve the minutes made by Director Gansebom and seconded by Director Birkley and was approved 9-0 on a voice vote.

Public Comment: None.

There was then a presentation by Bruce Pontow of NEG&T. He began with a discussion of the resource portfolio for NPPD. A consultant used by the G&T advises that the NPPD Integrated Resources Plan is good with some suggested changes. There was discussion of load growth, NPPD rate increases, and the wholesale power rate projection by NPPD.

Authorization of July, 2008 Expenses: There was a discussion of architect fees and cleaning costs. There was also a discussion of the sale of the Emerson pole yard. There was then a motion to approve the July, 2008 expenses made by Director Gustafson and seconded by Director Gansebom.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson – yes	Director Birkley – yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl – yes
Director Gansebom – yes	Director Bodlak – yes	Director Loberg – yes

All directors present voting yes, the chairman declared the motion carried 9-0.

There was then a discussion of spraying costs for last month.

Review of the Financial Statements: There was a discussion of non-operating margin loss. This continues to decline because of Direct TV sales. The initial loss is from the write-off of old radio gear. There was then a discussion of the length of time remaining on long-term debt. About \$350,000.00 in principle was paid off last year and the District has about \$7,125,000.00 in long-term debt now. There was a discussion of shifting CD's to local banks due to the larger, national bank failures. Consensus seems to be to let the banks in the service areas bid for the CD's. There was then a motion to approve the financials made by Director Birkley and seconded by Director Bodlak

and was approved 9-0 on a voice vote.

Old Business: Nothing.

New Business:

A. Resolution 2008-08-01: This resolution is for authorization of the \$1.4 million bond for construction purposes. There was then a motion to approve authorization for the bond made by Director Bodlak and seconded by Director Kneifl.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson – yes	Director Birkley – yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl – yes
Director Gansebom – yes	Director Bodlak – yes	Director Loberg – yes

All directors present voting yes, the chairman declared the motion carried 9-0.

B. Resolution 2008-08-02: This resolution is regarding voting delegates wherein Director Lebsock would be the representative and Director Gustafson would be the alternate for NRECA and related meetings. There was a motion to approve this resolution made by Director Bodlak and seconded by Director Silhacek and was approved 9-0 on a voice vote.

C. Resolution 2008-08-03: This resolution is regarding the Mutual Aid Agreement with NREA. There was a motion to approve this resolution made by Director Birkley and seconded by Director Lebsock and was approved 9-0 on a voice vote.

D. Resolution 2008-08-04: This resolution is regarding fees for trips for disconnect and reconnect. There was then a discussion of these fees and costs and the procedure for disconnect was reviewed. There was then a motion to approve the resolution made by Director Gansebom to leave the late fees at \$10.00. This was seconded by Director Kneifl and was approved 9-0 on a voice vote.

E. Resolution 2008-08-05: This resolution is regarding use of credit cards by employees. There was a motion to approve this resolution made by Director Gustafson and seconded by Director Gansebom.

The following roll call vote was taken upon the motion:

Director Larsen – no	Director Gustafson – yes	Director Birkley – yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl – yes
Director Gansebom – yes	Director Bodlak – yes	Director Loberg – no

The chairman declared the motion carried 7-2.

There was then a review of the By-Laws for the District, the attorney for the District advised that the review had been done, but not presented. This will be presented to the Board at the next meeting in September.

Management Reports:

1. Jan Kristjanson: Another 300 AMR meters are set to be put up next month. The computer system crashed, took one full week to recover all data. Only one day of data needed to be manually restored. Customers were very cooperative. Penalties were not assessed during that time. Everything is now caught up. There was then a discussion of the need to hire off-site back-up capabilities.
2. Dean Bruggeman: Randy is moving stuff out of the Emerson building. A new truck to be delivered soon back to Osmond. A construction trailer has moved in for the office project. A contractor meeting is set for next week. A consignment sale is set to be held on September 10, 2008. Four trucks were to be sold at that time.
3. Randy Belt: The intern previously hired by the District has now been hired full-time. Four Emerson linemen are now reporting to Wayne. This allows for better mixing of crews. It is working out very well so far. There will be no need to replace the old digger derrick truck. There were 300 AMR meters put in last month. Allen will be finished soon. A line south of Carroll will be replaced with underground.

Director Birkley then leaves the meeting at 4:35 p.m.

A T-2 line south of McLean is still being worked on. Work continues on new homes, a hog confinement facility, and 200-400 amp upgrades continue. There are 45 names on the 2009 irrigation installation list. Randy has talked with RVW on a 5-year work plan. There is an irrigation system 1 mile west of McLean that gets too close to a transmission line. The sag in the line puts it at 18.5 feet above ground. A new H structure will be put in at mid-span. Dean has ordered transmission poles. Schmader's will set the structure. The span is 950 feet long right now. This will cut that in half.

4. Mark Shults: There was a general description of the 5-year work plan. The plan on the west side of the District is irrigation based. The Emerson crew move is working out well so far. Crews, trucks, and inventory is better coordinated. Mark wanted to thank the Emerson crew for making this move with a good attitude. The Village of Emerson will continue to collect bills for the District. There was a discussion of the wind meeting scheduled for September 10, 2008 at the Operations Center. The time is changed from 10:30 a.m. to 8:30 a.m. Mark has put together his evaluation and personal goals for next year. He is looking to do some work with Sub 8. One employee is currently out with carpal tunnel syndrome.

Manager Appraisal: There was a discussion of changes to the evaluation form. The directors will send the completed forms back to the Board President.

Board Member Reports:

1. Director Gansebom gave a report on a NREA customer survey. The purpose of the survey is to educate the public on alternatives to oil for power. There was then a discussion of the cost of wind power.
2. District health insurance only goes up 4.5% of the wellness program participation by District employees.
3. There was then a discussion of new personal protective equipment rules. This will require fire retardant shirts.
4. There will be a G&T meeting in September.

There was then a motion to adjourn the meeting made by Director Gansebom and seconded by Director Kneifl. This motion was approved 8-0 on a voice vote and the meeting was adjourned at 5:29 p.m.

I, the undersigned, secretary of the Northeast Nebraska Public Power District, Wayne, Nebraska, hereby certify that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the District; that minutes of the District were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meeting of said body were provided advance notification of the time and place of said meeting and the subject matters to be discussed at said meeting.

Secretary

Attest: _____
President