

**Minutes of the 156th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 156th regular meeting of the Northeast Nebraska Public Power District was called to order at 1:02 p.m., on November 23rd, 2010, by President Don Larsen. This meeting was held in the power district's General Office 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 Gansebom	Director Silhacek	Director Larsen
Director Kneifl	Director Lebsock	Director Bodlak

Directors Absent: Director Gustafson, Director Birkley

Others present: Mark Shults, Kyle Dahl, Jan Kristjanson, Randy Belt, Dean Bruggeman, Mandy Backer.

President Larsen expressed condolences on behalf of the Board to the family of Dan Loberg who passed away last month.

Review and approve minutes of the October 26, 2010 regular board of directors meeting: Director Gansebom made a motion to approve the minutes of the October 26, 2010 Regular Board Meeting, which was seconded by Director Silhacek and was approved 6-0 on a voice vote.

Public Comment Period: None

Authorization of October 2010 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the October 2010 expenses made by Director Bodlak and seconded by Director Lebsock.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson – (absent)	
Director Silhacek – yes	Director Kneifl – yes	Director Birkley – (absent)
Director Gansebom – yes	Director Bodlak – yes	Director Lebsock - yes

All directors present voting yes, the chairman declared the motion carried 6-0.

Financial Statements for October 2010: Mark Shults presented some information of the financial reports for October 2010, noting that the district remains financially strong. Then there was a brief discussion followed by a motion to approve the October 2010 Financial Statements by Director Bodlak and seconded by Director Silhacek. The motion carried on a 6-0 voice vote.

Management Reports:

1. Jan Kristjanson: Jan gave reports on various items including a report on the different types of electronic payments and their frequency of use by customers. She also noted that programming on the naming conventions for customers with multiple service locations is completed, and an update on vault filing for records.
2. Randy Belt: Randy provided information on various items including the progress on checking transmission poles, various projects on the five-year working plan, and that they are working with some of towns and villages to put up Holiday decorations.
3. Dean Bruggeman: Dean discussed various items including that the District is doing well with materials in the event of another major ice storm, that there is only one vehicle currently undergoing repairs, and that they are making some changes to their procedures when they replace poles. In the future, they are trying to make sure they get back out and pick up the poles or transport them to people who have indicated they can use them.
4. Mark Shults: Mark reported on various items including the fact that lineman Lynn Bailey is retiring on January 7, 2011, that there will be an open house on December 3 at the District's main offices, and that they have completed work on electronic mapping programming software. This new program allows operations to see where outages are located in real time as new tickets are opened by the customer service staff. He also raised the option that the Board may want to consider re-organizing the districts into eight subdivisions rather than replace Director Loberg at this time, due to the forthcoming re-districting on 2010 census data.
5. Mandy Backer: Mandy reported that the auditors were in last week and had positive comments. Transition planning also continues with Dean.

Director Gustafson arrived at 1:39 p.m.

Old Business:

1. Update from the Board's Attorney regarding negotiations with the City of Pierce to redefine the City's service area and re-affirming the District's rights to serve loads within the District's area. Attorney Kyle Dahl gave a brief update to the board regarding negotiations with the City of Pierce regarding the service area issues and service to Todd Kumm and other customers in the area. An agreement has been reached regarding Mr. Kumm's property and several other customers immediately north of Pierce's service area. The agreement was approved by the Power Review Board and compensation has been paid to Pierce Utilities.
2. Resolution 2010-11-01. Resolution to set objectives and process in evaluating NREA services. Following a brief discussion, a motion was made by Director Gansebom and seconded by Director Lebsock to approve the resolution. The motion passed on a 7-0 voice vote.

President Larsen asked if anyone was willing to serve as Secretary in place of Director Loberg. Director Gustafson was appointed to assume the duties of Secretary.

A break was taken at 3:48 p.m. The Board reconvened at 4:00 p.m.

New Business:

1. Resolution 2010-11-02. Resolution to Approve management's Budget and Work Plan for 2011. Mark Shults reviewed the information that had been previously presented to the Board

regarding the work plan for 2011. Following a brief discussion, a motion was made by Director Silhacek and seconded by Director Bodlak to approve the resolution. The motion passed on a 7-0 voice vote.

2. Approve new policy to distinguish between wind generators under 25 kW that qualify under the District's net metering policy and establish policy that wind units over 25kW will contract directly with NPPD. The Board decided to table this item for a future meeting, and no official action was taken.
3. Resolution 2010-11-04. Resolution to approve retail rates for fiscal year 2011. Mark Shults presented information on the various items affecting the rates for next year including the increases from wholesale power suppliers. Director Bodlak then made a motion to approve the resolution which was seconded by Director Kneifl. The motion passed on a 7-0 voice vote.
4. Resolution 2010-11-05. Resolution to approve contribution to NRECA's international fund. Mark Shults provided information on the NRECA's international fund and its goals of improving the lives of people in rural areas of undeveloped countries around the world. Then a motion was made by Director Gansebom and seconded by Director Bodlak to approve the motion. The motion passed on a 7-0 voice vote.
5. Annual Review of District's By-Laws. This item was tabled by the Board for further discussion at a later meeting.
6. Resolution 2010-10-07. Resolution to move December Board Meeting date to December 21, 2010. Since the regular board meeting date would fall between the Christmas and New Year's holidays, Mark Shults suggested that the meeting be moved up to December 21, 2010, to accommodate Holiday plans. A motion was then made by Director Kneifl and seconded by Director Bodlak to approve the resolution. The motion carried on a 7-0 voice vote.

Board Member Reports: Director Gustafson provided a report from the G&T. The average rate increase for members in 2011 is 9.25%, and they are expecting increases of approximately 6.5% for 2012, and 2% for 2013.

Executive Session: The President asked those in attendance if there was a need to conduct an executive session. There was not a call for one and none was conducted

There was then a motion to adjourn the meeting made by Director Kneifl and seconded by Director Gustafson and was approved 7-0 on a voice vote. The meeting was adjourned at 4:51 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