

**Minutes of the 165th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 165th regular meeting of the Northeast Nebraska Public Power District was called to order at 1:00 p.m., on August 23rd, 2011, by President Don Larsen, who chaired the meeting. 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 Bodlak	Director Gansebom	Director Gustafson	
Director Silhacek	Director Larsen	Director Kneifl	Director Lebsock

Directors Absent: Director Birkley

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

Review and approve minutes of the July 19, 2011 regular board of directors meeting: Following review of the minutes, a few corrections were noted, and a motion by Director Kneifl to approve the minutes of the July 19, 2011 Regular Board Meeting with corrections was made, which was seconded by Director Gustafson and was approved on an 7-0 on a voice vote.

Review and approve minutes of the August 12, 2011 safety meeting: Director Gansebom made a motion to approve the minutes of the August 12, 2011 Safety Meeting, which was seconded by Director Silhacek and was approved on a 7-0 on a voice vote.

Public Comment Period: None.

Director Birkley arrived at 1:45 p.m.

Authorization of July 2011 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the July 2011 expenses made by Director Gustafson and seconded by Director Bodlak.

The following roll call vote was taken upon the motion:

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

All directors present voting yes, the motion carried 8-0

Financial Statements for June 2011 and July 2011: Mark Shults presented information about the June 2011 and July 2011 financial statements, as the final statements for June 2011 were not ready at the time of the last regular Board meeting. Mark noted a couple of items, specifically that the negative number for July was due to unbilled revenue, and that going forward he expects to see revenue and expenses closer in line with the budget. He also noted that wholesale power cost is at 68% for the year. Director Lebsock then made a motion to approve the June 2011 and July 2011 financial statements, which was seconded by Director Silhacek. The motion carried on an 8-0 voice vote.

Old Business: None.

New Business:

1. Resolution 2011-08-01. Resolution to obtain credit cards issued through the Cooperative Finances Corp. for use in procuring materials. Mark Shults and Jan Kristjanson discussed the benefits of the program, and after a brief discussion Director Silhacek made a motion to approve the resolution with the additional provision that the Board review the program after one year, which was seconded by Director Kneifl. The resolution passed on a 7-0 voice vote.

Management Reports:

1. Mandy Backer: Mandy gave a report on various items including the fact that the average cost increase of poles is about 2% across all sizes of poles. On average, the District is paying about \$298 per pole as opposed to \$292 last year. She also noted that the District is still having vehicle maintenance issues, with several trucks in the shop.
2. Jan Kristjanson: Jan did not have anything to report.
3. Randy Belt: Randy provided reports on the progress of several construction projects, work completed at the Ponca substation, a voltage complaint, and the fact that they lost three poles during the storm last Thursday.
4. Mark Shults: Mark gave a report on various items, including a reminder that the Board will need to appoint a Board of Directors for the District's charitable fund and that wind generation projects are still being considered near Emerson and Wayne. He also noted that he and attorney Kyle Dahl will work on a process to ensure that any corrections to minutes will be made and properly updated following the regular board meetings. Finally, Mark gave a brief presentation on direct load control, due to some questions from irrigators, but no official action was taken by the Board.

New Business (cont'd):

2. Resolution 2011-08-02. Resolution to suspend membership in the Nebraska Rural Electric Association. After a brief discussion between management and the board, Director Gustafson made a motion to approve the resolution, which was seconded by Director Bodlak.

The following roll call vote was taken upon the motion:

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

All directors present voting yes, the resolution passed 8-0.

Board Member Reports: Director Gansebom gave a report from the G&T.

Executive Session: Director Larsen asked if there was any need for an executive session, and no one stated any need for an executive session, so none was had.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Birkley and was approved 8-0 on a voice vote. The meeting was adjourned at 4:46 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