

**Minutes of the 166<sup>th</sup> Regular Meeting of the Board of Directors  
Northeast Nebraska Public Power District**

The 166<sup>th</sup> regular meeting of the Northeast Nebraska Public Power District was called to order at 7:37 p.m., on September 27<sup>th</sup>, 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:

<b>Director Bodlak</b>	<b>Director Birkley</b>	<b>Director Gansebom</b>	<b>Director Gustafson</b>
<b>Director Silhacek</b>	<b>Director Larsen</b>	<b>Director Kneifl</b>	<b>Director Lebsock</b>

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

Review and approve minutes of the August 23, 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 August 23, 2011 Regular Board Meeting with corrections was made, which was seconded by Director Lebsock and was approved on an 8-0 on a voice vote.

Review and approve minutes of the September 12, 2011 special board meeting for training: Director Lebsock made a motion to approve the minutes of the September 12, 2011 Special Board Meeting, which was seconded by Director Bodlak and was approved on an 8-0 on a voice vote.

Public Comment Period: No one appeared from the public, but Mark Shults gave a brief update on three customer issues. Mark discussed the following requests: Dan Neufeld who was requesting relief from his bill due to the recent flooding of the Missouri River, Kevin Hohenstein made a request regarding the construction of a new subdivision in Jackson, NE, and Tom Hummel, a house mover who still has an outstanding bill with the District. A brief discussion was had about these issues, but the Board did not take any official action and no vote was taken.

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

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	

August 2011 Financial Statements. Mark Shults reported that other than three large items from last year, the financial statements for this year are on track with last year and that a couple items on the RUS financial statement look different from last year due to changes in accounting methods, but that over time they will catch up.

Management Reports:

1. Mandy Backer: Mandy gave a report on various items including a report on maintenance issues with the trucks, including a Dueco audit, a bid for cleaning services, and a meeting with the Nebraska Energy Credit Union.
2. Jan Kristjanson: Jan gave reports regarding the use of the nickname fields by SEDC, that BCBS will be giving the District an update on insurance soon. Jan also provided numbers regarding the number of customers that have opted out of the Operation Round Up program, that Chris Beyer's last day is October 31, 2011, and that flu shots will be available at the office on October 14.
3. Randy Belt: Randy provided updates on District projects, and a RVW work order audit, and also noted that the Nebraska State Electrical Inspector is working on doing inspections on residences that were impacted by the flood.
4. Mark Shults: Mark reported on a couple of customer issues that are mentioned above in the public comment period, and that his first meeting as a member of the Board of Directors of SEDC is coming soon. He also noted that the District is working on technology that will allow it to remotely control reclosers and voltage regulators, which should help with management of the system.

Old Business: None.

New Business:

1. Resolution 2011-09-01. Resolution to approve Work Practice #13 which specifies the procedure to safely connect a load when re-energizing a meter or transformer to avoid damage to customer equipment. After a brief discussion, Director Gustafson made a motion to approve the resolution, which was seconded by Director Silhacek. The resolution passed on an 8-0 voice vote.
2. Resolution 2011-09-02. Resolution to declare the flood emergency over. The Board and management had a discussion about when to start billing customers whose service was disconnected due to the flood emergency and amended the resolution to begin regular billing for basic facilities on November 1, 2011, after giving notice to the customers. Director Lebsock made a motion to approve the resolution, which was seconded by Director Gansebom. The resolution passed on an 8-0 voice vote.
3. Resolution 2011-09-03. Resolution to set job salary ranges for 2012. After a brief discussion, Director Bodlak made a motion to approve the resolution, which was seconded by Director Gustafson. The resolution passed on an 8-0 voice vote.

Board Member Reports: None.

Executive Session: Director Birkley made a motion to go into executive session to discuss the performance evaluation of manager Mark Shults which was seconded by Director Gansebom. The following roll call vote was taken upon the motion:

Director Larsen – yes  
Director Birkley – yes  
Director Kneifl – yes

Director Gustafson – yes  
Director Gansebom – yes  
Director Bodlak - yes

Director Silhacek – yes  
Director Lebsock – yes

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

The Board went into executive session at 10:54 p.m. The Board then came out of executive session at 12:02 p.m.

Following the executive session a motion was made by Director Lebsock to approve the salary and benefits package per the discussion with Mark Shults. The motion was seconded by Director Kneifl and passed on an 8-0 voice vote.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Kneifl and was approved 8-0 on a voice vote. The meeting was adjourned at 12:02 a.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