

**Minutes of the 170th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 170th regular meeting of the Northeast Nebraska Public Power District was called to order at 10:05 a.m., on January 11th, 2012, 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 Gustafson Director Lebsock Director Birkley
Director Silhacek Director Larsen Director Gansebom**

Directors absent: Director Kneifl.

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

Review and approve minutes of the December 22, 2011 Regular Board of Directors meeting: Following review of the minutes a few corrections were noted, and then a motion was made by Director Lebsock to approve the minutes of the December 22, 2011 Regular Board Meeting, with corrections. The motion was seconded by Director Birkley and was approved on a 7-0 voice vote.

Director Silhacek then made a motion that the Board officially excuse Director Kneifl's absence from this meeting. The motion was seconded by Director Gansebom, and after a brief discussion was approved on a 7-0 voice vote.

Public Comment Period: None

Authorization of December 2011 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the December 2011 expenses made by Director Lebsock, 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 – (absent)	Director Bodlak - yes	

All directors present voting yes, the motion carried 7-0.

December 2011 Financial Statements. Mark Shults reported that the financial statements, including the Form 7, were not completed at the time of the meeting, due to the change in date of the meeting for this month and the fact that the District had not yet received a wholesale power bill. The December financial statements will be reviewed at the next regular board meeting in February.

Management Reports:

1. Mandy Backer: Mandy reported that an auditor from Schmidt & Co. did an inventory audit recently, and that there were no major issues to report, and that a full audit is to be conducted in the last week of February. She also reported that the District has hired a new person to clean the Ponca office and discussed some of the maintenance issues to be addressed at that office. Finally, she noted that the District has recently implemented an electronic time-keeping system for the linemen.

2. Jan Kristjanson: Jan reported on the collections activity for 2011.

3. Randy Belt: Randy reported that a new bucket truck has been ordered to replace truck #57, and will take 9 to 12 months before it is ready, and that the linemen have been patrolling lines and replacing cross-arms. He also commented that the linemen recently attended a 'hands – on' training session on underground lines at NECC in Norfolk.

4. Mark Shults: Mark noted that Federated Insurance, the District's insurance carrier, will have a booth at the NRECA Annual Meeting and Trade Show, along with SEDC. D.A. Davidson and Co. will also be hosting a reception if any Directors wanted to attend. Mark also commented on a easement issue with the Winnebago Tribe and thanked the staff for keeping things moving smoothly while he was on vacation over the holidays.

Old Business:

1. Naming of Directors of the Northeast Nebraska Public Power District Charitable Fund. Mark Shults commented on the fact that pursuant to the Articles of Incorporation, the NNPPD Board is required to nominate the initial directors to serve on the Board. After discussing possible candidates from each county, Director Gustafson made a motion to nominate the following persons to serve as the initial directors: Troy Frank, representing Pierce County; Susie Day, representing Dixon County; Val Clements, representing Dakota County; Ken Liska, representing Wayne County; Jean Bodlak, representing Thurston County; and Darryl Ferrichs, representing Stanton County. The motion was seconded by Director Birkley and passed on an 7-0 voice vote.

A break was taken at 11:56 p.m. for lunch. The Board reconvened at 12:39 p.m.

2. Discussion about the selection of Attorney to the Board of Directors. Kyle Dahl presented an Agreement for Legal Services to the Board. Kyle has been employed by Jewell & Collins in Norfolk, NE since January 1, 2012. Director Birkley made a motion to approve the agreement, which was seconded by Director Gustafson. Following a brief discussion, the motion carried on a 7-0 voice vote.

New Business:

1. Discussion regarding the District's Charter to be submitted to the Nebraska Power

Review Board. Mark Shults and Kyle Dahl presented information to the Board about the realignment of the subdivision boundaries for the eight districts based upon the 2010 census data. This was an informational item only at this meeting since the Board had previously approved the realignments. No official action or vote was taken by the Board.

Board Member Reports: G&T: None. Audit Committee: Directors Silhacek, Birkley and Bodlak are to meet with the auditors in February to discuss the District's annual audit.

Executive Session: President Larsen asked if there was any need for the Board to go into executive session. No one made a motion for the Board to go into executive session and none was had.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Silhacek and was approved 7-0 on a voice vote. The meeting was adjourned at 1:45 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

