

**Minutes of the 180th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 180th regular meeting of the Northeast Nebraska Public Power District was called to order at 10:03 a.m., on November 27th, 2012, by President Don Larsen. This meeting was held in the 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 Gustafson
Director Larsen	Director Lebsock	
Director Bodlak	Director Newton	

Directors Absent: Director Kneifl .

Others present: Mark Shults, Kyle Dahl, Jan Kristjanson, Randy Belt, Mandy Backer, Kevin Pollard, Steve Oswald.

Director Larsen administered the oath of office to Diane Newton, who is serving the remaining term of Director Lowell Birkely.

A motion was made by Director Silhacek to excuse Director Kneifl's absence from the meeting, which was seconded by Director Gustafson. The motion carried on a 7-0 voice vote.

Review and approve minutes of the October 23, 2012 regular board of directors meeting: A few corrections were noted and then Director Lebsock made a motion to approve the minutes of the October 23, 2012 Regular Board Meeting with corrections, which was seconded by Director Bodlak and was approved 7-0 on a voice vote.

Review and approve minutes of the October 26, 2012 Safety meeting: A motion was made by Director Silhacek to approve the minutes of the October 26, 2012 Safety meeting, which was seconded by Director Lebsock. The motion was approved on a 7-0 vote.

Public Comment Period: District customer Steve Oswald presented his concerns regarding some right of way issues he was having the Bureau of Indian Affairs. This was a discussion item only and no official action was taken by the Board and no vote was had.

Financial Statements for October 2012: Mark Shults presented the financial reports for October 2012, which was followed by a brief discussion and a motion to approve the October 2012 Financial Statements by Director Gustafson and seconded by Director Silhacek. The motion carried on a 7-0 voice vote.

Authorization of October 2012 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the October 2012 expenses made by Director Bodlak and seconded by Director Gansebom.

The following roll call vote was taken upon the motion:

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

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

Management Reports:

1. Mandy Backer: Mandy gave reports on the vehicles as well as the Ponca building repairs.
2. Jan Kristjanson: Jan gave an update on the insurance bid information.
3. Randy Belt: Randy reported on various items including the following: lineman going to CRC in Minnesota, transmission patrols and repairs, and other jobs.
4. Kevin Pollard: Kevin discussed recent conversations with the engineer for the City of Pierce regarding the City's request for the District's consent to improve the City line to Foster. The District is attempting to encourage the City to first perform a joint engineering study to see what is required from both the District and City in the way of facilities to meet customer needs in the area.

Old Business: None.

A break was taken at 12:02 p.m. for lunch. The Board reconvened at 1:06 p.m.

New Business:

- 1) Presentation of the 2013 Cost of Service Study for the District by Mr. Phil Euler, Nebraska Municipal Power Pool. Mr. Euler, provided his report on the cost of service study for 2013, and gave his recommendations to the Board. In particular he noted that approximately 70% of the District's costs are attributable to purchasing power.
- 2) Resolution 2012-11-01. Resolution to accept the Cost of Service Study. After a brief discussion, Director Lebsock made a motion to approve the resolution, which was seconded by Director Bodlak. The motion passed on a 7-0 voice vote.
- 3) Resolution 2012-11-02. Resolution to approve 2013 Budget and Workplan. Mark Shults and Mandy Backer provided information on the 2013 Budget and Workplan, and then Director Bodlak made a motion to approve the resolution, which was seconded by Director Gustafson. The motion carried on a 7-0 voice vote.
- 4) Resolution 2012-11-03. Resolution to approve retail rate schedules per the cost of service study and recovering the expected 3.75% average increase in bulk power from NPPD.

Director Gansebom made a motion to approve the retail rate schedules, which was seconded by Director Lebsock. The motion carried on a 7-0 voice vote.

- 5) Resolution 2012-11-04. Review of bids and resolution to approve management's recommendation for banking services in 2013. Mark Shults and Jan Kristjanson provided some information on the banking services and recommended State National Bank & Trust Company of Wayne retain the District's retail banking services for the next three years. Director Newton made a motion to approve the resolution, which was seconded by Director Bodlak. The motion carried on a 7-0 voice vote.
- 6) Resolution 2011-11-05. Resolution to renew general liability insurance with Federated Rural Electric Insurance. Jan Kristjanson presented some information about the general liability insurance, and a motion was made by Director Gansebom and seconded by Director Lebsock to approve the resolution.
- 7) Resolution 2011-11-06. Resolution to modify Policy 10-03 on employee vacation time to match wording in the Collective Bargaining Agreement. Mark Shults presented the reasoning behind the change and after a brief discussion, a motion was made by Director Gustafson to approve the resolution, which was seconded by Director Silhacek. The motion carried on a 7-0 voice vote.
- 8) Resolution 2011-11-07. Resolution to set meeting dates for Calendar year 2013. The Board discussed the meeting dates for 2013, and then a motion was made by Director Gansebom to approve the resolution with changes, which was seconded by Director Newton. The motion carried on a 7-0 voice vote.
- 9) Discusison about web-based training for Directors in 2013. Mark Shults presented some information to the Board about training that is available via the internet and NRECA for the board. No official action was taken and no vote was had.

Board Member Reports: Director Gustafson gave a report on a Wind Energy Conference he attended, and Director Gansebom gave a report on a G&T meeting from last week.

Director Larsen asked if there was any need for the Board to go into executive session. No motions were made for the Board to go into executive session. There was then a motion to adjourn the meeting made by Director Lebsock and seconded by Director Gustafson and was approved 7-0 on a voice vote. The meeting was adjourned at 3:58 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