

**Minutes of the 181st Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 181st regular meeting of the Northeast Nebraska Public Power District was called to order at 10:02 a.m., on December 18th, 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 Kneifl
Director Bodlak	Director Newton	

Directors Absent: None.

Others present: Mark Shults, Kyle Dahl, Mandy Backer, Jan Kristjanson, Randy Belt, Kevin Pollard, Dan Neufeld, Fred Christensen.

Review and approve minutes of the November 27, 2012 regular board of directors meeting: A few corrections were noted and then Director Gustafson made a motion to approve the minutes of the November 27, 2012 Regular Board Meeting with corrections, which was seconded by Director Bodlak and was approved 8-0 on a voice vote.

Public Comment Period: District customer Dan Neufeld presented his concerns regarding some issues he had regarding his property that was impacted by the flooding of 2011. This was a discussion item only and no official action was taken by the Board and no vote was had. Also, Fred Christensen, newly elected NPPD director, presented some information and had discussion with the Board about upcoming issues with NPPD.

Financial Statements for November 2012: Mark Shults presented the financial reports for November 2012, which was followed by a brief discussion. The final reports were not ready on the date of the meeting, so the Board only reviewed and discussed the preliminary reports. The final reports will be approved at next month's meeting.

Authorization of November 2012 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the November 2012 expenses made by Director Gansebom and seconded by Director Kneifl. The motion carried on an 8-0 voice vote.

The following roll call vote was taken upon the motion:

Director Larsen - yes Director Gustafson - yes Director Silhacek - yes
Director Kneifl - yes Director Newton - yes Director Gansebom - yes
Director Bodlak - yes Director Lebsock - yes

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

A break was taken at 11:44 a.m. for lunch. The Board reconvened at 12:33 p.m.

Management Reports:

1. Mandy Backer: Mandy gave an analysis of vehicle costs.

2. Jan Kristjanson: Jan gave an update on fees associated with CFC, provided a recap on the banking services, and that the District received an annual cash rebate in the amount of \$22,903 from the US bank purchasing card program.

3. Randy Belt: Randy reported on various maintenance and repair items including work on transmission line from Wayne to Winside substation, work near Sholes substation, and other projects.

4. Kevin Pollard: Kevin discussed recent conversations with the engineer for the City of Pierce, new construction of grain bins, wiring issue with customer, interview with candidate for staking technician position, working on project planning.

5. Mark Shults: Mark provided information about the wholesale power cost to serve irrigation customers for the 2012 season.

Old Business: None.

New Business:

1. Resolution 2012-12-01. Resolution to open an Emergency Line of Credit with the Cooperative Finance Corp. to finance storm damage cost until permanent financing is in place. Mark Shults presented some information about the program and after a brief discussion, Director Gustafson made a motion to approve the resolution, which was seconded by Director Newton. The motion passed on an 8-0 voice vote.

2. Resolution 2012-12-02. Resolution to amend By-Laws of the Charitable Fund's Director Districts to change the number of directors to five. After a brief discussion, Director Gansebom made a motion to approve the resolution, which was seconded by Director Lebsock. The motion passed on an 8-0 voice vote.

3. Resolution 2012-12-03. Resolution to appoint Troy Frank of Osmond to 3 year term on the Charitable Fund Board. After a brief discussion, Director Silhacek made a motion to approve the resolution, which was seconded by Director Newton. The motion passed on an 8-0 voice vote.

4. Resolution 2012-12-04. Resolution to write off annual amount for uncollectible accounts. Jan Kristjanson presented some information about the uncollectible accounts that may need to be written off. After a brief discussion, Director Bodlak made a motion to approve the resolution, which was seconded by Director Kneifl. The motion passed on an 8-0 voice vote.

5. Resolution 2012-12-05. Resolution to review and confirm Policy 11-01 governing billing customers for work on customer owned equipment; Policy 11-04 (with amendments) governing the practice of removing idle services with no revenue; and Policy 11-10 limited refunds and collections to a four year period. After a brief discussion, Director Gustafson made a motion to approve the resolution, which was seconded by Director Kneifl. The motion passed on an 8-0 voice vote.

Board Member Reports: Director Lebsock will be the voting delegate attending the NRECA annual meeting, with Director Silhacek as an alternate.

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues:
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 and no session was had.

There was then a motion to adjourn the meeting made by Director Kneifl and seconded by Director Lebsock and was approved 8-0 on a voice vote. The meeting was adjourned at 3:32 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