

**Minutes of the 183rd Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 183rd regular meeting of the Northeast Nebraska Public Power District was called to order at 10:00 a.m., on February 26th, 2013, by Vice-President Paul Bodlak, acting in place of President Don Larsen. This meeting was held in the District's General Office in Wayne, NE. Director Bodlak 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	Director Kneifl*	

*Directors Gansebom, Kneifl, and Larsen were out of state during the meeting, but appeared via telephone and video conferencing. They participated in the meeting and discussions, but did not vote on any official matters

Directors Absent: None.

Director Gustafson agreed to act as Secretary for the meeting.

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

Review and approve minutes of the January 11, 2013 regular board of directors meeting: Director Lebsock made a motion to approve the minutes of the January 11, 2013 Regular Board Meeting with corrections, which was seconded by Director Silhacek and was approved 5-0 on a voice vote.

Public Comment Period: None.

Authorization of January 2013 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the January 2013 expenses made by Director Lebsock and seconded by Director Silhacek. The motion carried on a 5-0 voice vote.

The following roll call vote was taken upon the motion:

Director Larsen – n/a	Director Gustafson - yes	Director Silhacek - yes
Director Kneifl – n/a	Director Newton - yes	Director Gansebom – n/a
Director Bodlak – yes	Director Lebsock - yes	

All directors present voting yes, the motion carried 5-0.

Financial Statements for December 2012: Mark Shults presented the financial reports for December 2012. Mark reported that the District had a fairly normal year to what they expected with regard to expenses, but noted the ever-increasing cost of wholesale power. He also noted that sales were up slightly for 2012, but that otherwise it was a fairly non-eventful year. After a brief discussion, a motion was made by Director Lebsock to approve the financial reports for December 2012, which was seconded by Director Silhacek. The motion carried on a 5-0 voice vote.

Financial Statements for January 2013: Mark Shults also presented the financial reports for January 2013. After Mark's presentation and few questions from the Board, a motion was made by Director Lebsock to approve the financial reports for December 2012, which was seconded by Director Newton. The motion carried on a 5-0 voice vote.

A break was taken at 12:01 a.m. for lunch. The Board reconvened at 12:34 p.m.

Management Reports:

1. Mandy Backer: Mandy reported that the auditors were coming to do their annual audit on the days of March 20 through March 22; that Randy Gamble was ordering a suburban to help assist with staking equipment; and that they were meeting with a customer to discuss the District's aid-to-construction policy.
2. Jan Kristjanson: Jan reported that the District will be able to complete the Irrigation construction projects for those customers who want their services completed in 2013. However, if those customers are not in a hurry, their projects will be moved to the 2014 schedule.
3. Randy Belt: Randy reported on various maintenance and service projects, including the work schedule, tree trimming, and discussed meeting with various fire departments help coordinate communication in the event of outages.
4. Kevin Pollard: Kevin reported that the staking equipment was working well and that he has had two meetings with the City of Pierce's engineer to discuss ways that the District and Pierce can share facilities in the area.
5. Mark Shults: Mark reported on various items including:
 1. A status report about correcting billing for metered power factor less than 95%. Accounts with power factor computations less than 95% do not pay for all power consumed unless a correction is applied. This correction is usually required on service to large motor loads without capacitors. This is an industry practice.
 2. A status report about the feasibility of purchasing up to 2 mW of wind energy from Bluestem LLC
 3. Report on a prepayment option through NRECA for some pension liabilities in return for a reduction in future payroll contributions.
 4. Report on recent discussions with American Electric Power about wholesale purchase through the market established by the Southwest Power Pool

These were discussion items only and no official action or vote was taken.

Old Business: None.

New Business:

1. Resolution 2013-02-01. Resolution to assist the Osmond School System by granting an easement for a safety sidewalk on property owned by the District near the school. Mark Shults presented some information about the easement, and after a brief discussion, Director Gustafson made a motion to approve the resolution, which was seconded by Director Newton. The motion passed on a 5-0 voice vote.
2. Resolution: 2013-01-02. Resolution making management's second report to the Board

on future wholesale power decisions available to the public and customers. Mark Shults provided some background on the issue, and after a brief discussion, Director Lebsock made a motion to approve the resolution, which was seconded by Director Silhacek. The motion passed on a 5-0 voice vote.

3. Approve a Resolution asking the Nebraska G&T to embark on a thorough training course to prepare local Directors in exercising their responsibility for making wholesale power purchase decisions. After a brief discussion on this issue, no motions were made to approve the resolution, and no official action was taken on this issue.

Board Member Reports: None.

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues: Director Bodlak 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 Gustafson and seconded by Director Lebsock and was approved 5-0 on a voice vote. The meeting was adjourned at 2:21 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