

**Minutes of the 184th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 184th regular meeting of the Northeast Nebraska Public Power District was called to order at 8:02 a.m., on March 26th, 2013, 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, and Kevin Pollard from NNPPD; Steve Figueroa and Scott Thompson from Aces Marketing; Adam Herink from Bluestem; Gene Hansen and Lowell Johnson from the City of Wayne; Chuck Hofland from Siouxland Ethanol; Dan Leise from Cedar-Knox Public Power District; Gary Westphal from Butler Public Power District; Bruce Pontow and Darrin Bloomquist from Nebraska G&T; Jim Lichtfield from the City of Wakefield; Gerald Bohling from Burt County Public Power District, Joel Lipp and Doug Nelson, NNPPD customers.

Training by ACES, a nationwide power marketing consortium for rural electric systems. ACES Marketing presented information about the workings of bulk power markets. This was a presentation and discussion item only. No official action or vote was taken by the Board at this time.

A break was taken at 12:15 p.m. for lunch. The Board reconvened at 1:12 p.m.

Review and approve minutes of the February 26, 2013 Regular Board of Directors Meeting: A few corrections were noted and then Director Lebsock made a motion to approve the minutes of the February 26, 2013 Regular Board Meeting with corrections, which was seconded by Director Kneifl and was approved 8-0 on a voice vote.

Review and approve minutes of the March 18, 2013 Special Board of Directors Meeting: Director Kneifl made a motion to approve the minutes of the March 18, 2013 Special Board Meeting, which was seconded by Director Newton and was approved 8-0 on a voice vote.

Review and approve minutes of the February 22, 2013 Safety Meeting: Director Silhacek made a motion to approve the minutes of the February 22, 2013 Safety Meeting, which was seconded by Director Gustafson and was approved 8-0 on a voice vote.

Old Business:

a. Presentation and update by Adam Herink from Bluestem. Mr. Herink stated that he should have a finalized proposal with final pricing information to the Board by the April meeting. No official action or vote was taken at this time.

Authorization of February 2013 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the February 2013 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.

Public Comment Period: District customers Joel Lipp and Doug Nelson presented their concerns regarding the Districts Aid to Construction policy. After a brief discussion, the Board thanked them for the time, but this was a discussion item only and no official action was taken at this time.

New Business

- a. Update on communications with the G&T about Director education. There was a motion made by Director Bodlak to rescind the recently passed resolution regarding a proposed resolution for adoption by the Nebraska G&T, and instead to present only the resolution that was passed by this Board at the last meeting. The motion was seconded by Director Gustafson and passed on an 8-0 voice vote.
- b. Resolution 2013-03-02. Approve modifications to Board Policy 11-29 on Aid to Construction payments, increasing District's contribution based on 2013 Cost of Service Study. A motion was made by Director Gansebom to adopt the resolution, with the amendment that the period be changed from 3 to 5 years, which was seconded by Director Gustafson. The motion carried on a 7-1 voice vote, with Director Silhacek voting against the resolution.
- c. Resolution 2013-03-03. Review and affirm Board Policy 11-25 and 11-27 which are companion policies to set out the cases where the District will bear a portion of the cost for line extensions that require a customer payment under Policy 11-29. Director Gustafson made a motion to approve the resolution which was seconded by Director Kneifl. The motion carried on an 8-0 voice vote.
- d. Resolution 2013-03-04. Approve funds for construction projects for 2013 to new electric irrigation loads. Director Silhacek made a motion to approve the resolution, which was seconded by Director Newton. The motion carried on an 8-0 voice vote.
- e. Resolution 2013-03-05. Routine review of Personnel Policies #19 and #20 which set cap on reimbursement amounts for travel by employees and directors. Director Silhacek made a motion to approve the resolution, which was seconded by Director Newton. The motion carried on an 8-0 voice vote.
- f. Approve Director Silhacek to attend CFC meeting in Indianapolis. Director Newton made a motion to approve Director Silhacek's attendance at the meeting, which was seconded by Director Lebsock. The motion carried on a 7-0 voice vote, with Director Silhacek abstaining.

Director Gansebom left the meeting at 3:06 p.m.

Financial Statements for February 2013: Mark Shults presented the financial reports for February 2013,

which was followed by a brief discussion. Mark noted that the difference in budgeted revenue was due to a skew in how the budget was allocated monthly. Director Silhacek made a motion to approve the financial statements for February 2013, which was seconded by Director Newton. The motion carried on a 7-0 voice vote.

Management Reports:

1. Mandy Backer: Mandy reported that the auditors were here last week, and she has hired a new cleaning service.
2. Jan Kristjanson: Jan gave an update on CT services.
3. Randy Belt: Randy reported that irrigation services are being installed, that they are reviewing services, and tree-trimming projects are continuing as well.
4. Kevin Pollard: Kevin discussed the fact that he wants to put together a presentation on the projects they are working on this year, as well as a recent meeting with CVA regarding potential new service.
5. Mark Shults: Mark gave a report about prepayment of employee pension accounts.

Board Member Reports: The audit committee reported that the audit was good, and that there were no surprises or areas of concern.

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 Gustafson and seconded by Director Kneifl and was approved 7-0 on a voice vote. The meeting was adjourned at 3:55 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