

**Minutes of the 186th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

1. Call to Order and Roll Call. The 186th regular meeting of the Northeast Nebraska Public Power District was called to order at 7:31p.m., on May 21st, 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; Norma Hynek, City Clerk, Village of Emerson; Mr. Todd Hegwer, Lowell Johnson, City Administrator, Wayne, Nebraska; Lance Hedquist, City Administrator, South Sioux City, Nebraska; Jim Litchfield, City Administrator, Wakefield, Nebraska, Gene Hansen, Plant Superintendent, Wayne, Nebraska; Jason Jarescki, American Electric Power, and Vince Findley, American Electric Power.

2. Review and approve minutes of the April 23, 2013 regular Board of Directors Meeting: Director Lebsock made a motion to approve the minutes of the April 23, 2013 Regular Board Meeting, with corrections, which was seconded by Director Silhacek and approved 8-0 on a voice vote.

3. Review and approve minutes of the April 19, 2013 Employee Safety Meeting: Director Gansebom made a motion to approve the minutes of the April 19, 2013 Employee Safety Meeting, which was seconded by Director Kneifl and approved 8-0 on a voice vote.

4. Public Comment Period: None

5. Authorization of April 2013 expenses. There was a brief discussion of various expenses, followed by a motion to approve the April 2013 expenses made by Director Gustafson 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 - 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.

6. Review and Approve the April 2013 Financial Statements. Mark Shults presented the financial reports for April 2013. He stated that everything was running smooth and fairly close to budget. He also noted that the District incurred approximately \$100,000 in additional costs for the April ice storm. Following a brief discussion, Director Lebsock made a motion to approve the financial statements for April 2013, which was seconded by Director Bodlak. The motion carried on an 8-0 voice vote.

7. Management Reports:

- a. Mandy Backer: Mandy reported that the trucks are having lots of issues, but nothing uncommon. She also noted that Steve, Scott and she are working on the auto-cad update.
- b. Jan Kristjanson: Jan reported that they are advertising for a full-time billing clerk. She also gave a report on revenue from pre-season irrigation billing and that they currently have five irrigators on no control billing and 574 on time of use billing.
- c. Kevin Pollard: Kevin discussed the T2 power line project south of Osmond. He also reported that the new hires and new software are working well.
- d. Mark Shults: Mark reported on updates to changing over to metered demand.

7. Presentation by representatives of American Electric Power regarding market based supply. Jason Jarescki and Vince Findley, of American Electric Power, who gave a presentation on market based supply which was followed by a discussion between the AEP representatives, management, and the Board. This was a discussion item only, no official action or votes were taken.

A short break was taken at 9:15pm. The meeting reconvened at 9:30pm.

8. Presentation by Todd Hegwer regarding his work identifying and pricing future sources of wholesale power: Todd Hegwer gave a brief presentation which was followed by a discussion between Mr. Hegwer, management and the Board. This was also a discussion item only, no official action or votes were taken.

9. Old Business: None

10. New Business:

- a. Resolution 2013-05-01: Resolution to accept the 2012 financial audit by Schmidt and Co. was discussed. A motion was made by Director Silhacek to adopt the resolution, which was seconded by Director Newton. The motion carried on an 8-0 voice vote.
- b. Resolution 2013-05-02: Resolution to retain the services of Todd Hegwer to develop and implement a formal request for competitive proposals (RFP) for wholesale power supply was discussed. A motion was made by Director Bodlak to retain Todd Hegwer and implement a formal RFP request, which was seconded by Director Gustafson.

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.

- c. Resolution 2013-05-03: Resolution to approve for public viewing management's status report to the board regarding on bulk power supply options dated May 2013 was discussed. A motion was made by Director Silhacek and seconded by Director Lebsock. The motion carried on a 8-0 voice vote.

11. Board Member Reports: Director Gansebom reported on the recent NPPD meeting.

12. 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.

13. Adjournment. There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Newton and was approved 8-0 on a voice vote. The meeting was adjourned at 11:19 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