

**Minutes of the 190th Regular Meeting of the Board of Directors  
Northeast Nebraska Public Power District**

The 190th regular meeting of the Northeast Nebraska Public Power District was called to order at 12:40 p.m., on September 23rd, 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:

<b>Director Gansebom</b>	<b>Director Silhacek</b>	<b>Director Gustafson</b>
<b>Director Larsen</b>	<b>Director Lebsock</b>	<b>Director Kneifl</b>
<b>Director Newton</b>		

Directors Absent: **Director Bodlak.**

Others present: Mark Shults, Kyle Dahl, Mandy Backer, Jan Kristjanson, and Randy Belt, NeNPPD; Todd Hegwer - Timberline Consulting; Lowell Johnson, Garry Poutre, and Gene Hansen from the City of Wayne; Lance Hedquest from the City of South Sioux City; Jim Litchfield from the City of Wakefield; and Norma Hynek and Dick McCabe from City of Emerson;

1. Review and approve minutes of the August 27, 2013 regular Board of Directors Meeting:  
Director Kneifl made a motion to approve the minutes of the August 27, 2013 Regular Board Meeting with corrections, which was seconded by Director Newton and approved 7-0 on a voice vote.

2. Public Comment Period: None

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues: Director Gustafson made a motion for the Board to go into executive session to discuss the District's options regarding the request for proposals for bulk power supply. The motion was seconded by Director Newton.

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 - (absent)	Director Lebsock - yes	

All directors present voting yes, the chairman declared the motion carried 7-0, and the Board went into executive session at 12:42 p.m. Director Bodlak arrived at 1:25 p.m.

Director Gansebom made a motion to come out of executive session at which was seconded by Director Kneifl. The motion carried on an 8-0 voice vote and the Board came out of executive session at 3:35 p.m.

Director Bodlak left at 3:50 p.m.

4. Authorization of August 2013 expenses. There was a brief discussion of various expenses, followed by a motion to approve the August 2013 expenses made by Director Silhacek and seconded by Director Newton.

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 – (absent)	Director Lebsock - yes	

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

Director Bodlak returned to the meeting at 3:55 p.m.

5. Review and Approve the August 2013 Financial Statements. The Board reviewed the August 2013 financial statements with management and staff. Mark Shults noted that the District is still having a good year, although cash has declined slightly due to the purchase of new truck and the payment of two power bills. A motion was then made by Director Gustafson to approve the August 2013 financial statements, which was seconded by Director Kneifl. The motion carried on an 8-0 voice vote.

#### Management Reports:

- 1) Jan Kristjanson – Jan reported on various items including the District’s draft proposal for pre-paid electric service, as well as the District’s workmen’s compensation ratio.
- 2) Mandy Backer – Mandy reported on various items including the fact that Lydell Hagemeyer is out on disability leave and also reported on the status of unclaimed funds that will be sent to the State treasurer’s office for safekeeping until claimed by the owners.
- 3) Randy Belt – Randy reported on the status of various items including construction and maintenance projects, substation repairs, mutual aid meetings and service upgrades.

Old Business: None.

#### New Business:

- 1) Resolution 2013-09-01. Resolution to modify Policy 11-11 to include actions for non-payment by bad check. Mark Shults presented the reasoning for the update, and Director Bodlak made a motion to approve the resolution, which was seconded by Director Newton. The motion carried on an 8-0 voice vote.
- 2) Resolution 2013-09-02. Resolution to approve the startup of a new pre pay alternative program for customers. Mark Shults and Jan Kristjanson explained the program and its details and then a motion was made by Director Silhacek to approve the resolution, which was seconded by Director Lebsock. The motion carried on an 8-0 voice vote.

3) Motion to Terminate Membership in the Nebraska G&T. Director Gustafson made a motion for the District to terminate its membership in the Nebraska G&T and for Mark Shults and Kyle Dahl to provide the required notice to the G&T by certified letter. The motion was 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 motion carried 8-0.

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues: Director Lebsock made a motion for the Board to go into executive session to discuss the general manager's annual review and potential salary increase. The motion was seconded by Director Bodlak.

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, and the Board went into executive session at 5:08 p.m.

Director Silhacek made a motion to come out of Executive Session, which was seconded by Director Newton. The motion carried on an 8-0 voice vote and the Board came out of executive session at 5:53 p.m.

Director Silhacek then made a motion to increase Mark Shults' salary as discussed between the parties and for Mark and Kyle to draft the terms of a 5-year contract to be presented to the Board at a later meeting. Director Lebsock seconded the motion, which was approved on an 8-0 voice vote.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Kneifl and was approved 8-0 on a voice vote. The meeting was adjourned at 6:12 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