

**Minutes of the 191st Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 191st regular meeting of the Northeast Nebraska Public Power District was called to order at 7:36 p.m., on October 22nd, 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: 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;

Review and approve minutes of the September 24, 2013 Regular Board of Directors Meeting: Director Kneifl made a motion to approve the minutes of the September 24, 2013 Regular Board Meeting with corrections, which was seconded by Director Lebsock and was approved 8-0 on a voice vote.

Review and approve minutes of the September 13, 2013 Safety Meeting: Director Gustafson made a motion to approve the minutes of the September 13, 2013 Safety Meeting, which was seconded by Director Bodlak and was approved 8-0 on a voice vote.

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues: Director Bodlak made a motion for the Board to go into executive session to hear a presentation by Todd Hegwer and to discuss the District's options regarding 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 - yes	Director Lebsock - yes	

All directors present voting yes, the chairman declared the motion carried, and the Board went into executive session at 7:41 p.m.

A motion was made by Director Kneifl to come out of executive session, which was seconded by Director

Gansebom, and was approved 8-0 on a voice vote. The Board came out of executive session at 9:00 p.m.

Authorization of September 2013 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the September 2013 expenses made by Director Lebsock and seconded by Director Bodlak. 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.

Review and Approve the September 2013 Financial Statements. At the time of the meeting the Form 7 was not complete, so there was nothing to approve. The Board will approve the September Form 7 (monthly profit/loss statement) at the next regular meeting.

Public Comment Period: None.

Old Business: None.

New Business:

1. Discussion of services removed by recent tornado and monthly payment of basic facilities charges by affected customers. There was some concern about whether or not the Board would need to consider how to handle services removed by the tornado and the payment of the basic facilities charge, but it appears that this might not be an issue after further review by management. This was a discussion item only and no official action or vote was taken by the Board.

2. Discussion of preliminary budget for 2014. Mark Shults and Mandy Backer provided some initial information for the 2014 budget. This was a discussion item only and no official action or vote was taken by the Board.

3. Resolution 2013-10-01. Resolution to renew contract with Schmidt and Co. for annual financial audit. A motion was made by Director Gansebom to approve the resolution, which was seconded by Director Bodlak, and approved on an 8-0 voice vote.

4. Discussion of health insurance benefits for employees for 2014. Mark Shults presented some information on the rising costs of health insurance, particularly a 41% cost increase to the District. This was a discussion item only and no official action or vote was taken by the Board.

5. Discussion of progress on customers upgrading old irrigation wiring to better 4 wire wye connections. Mark Shults and Kevin Pollard discussed the progress of upgrading the old irrigation wiring. This was a discussion item only and no official action or vote was taken by the Board.

6. Resolution to enter into an employment contract with the General Manager. Director Gansebom made a motion for the Board to go into executive session to discuss the General Manager's contract as well as the wholesale power contract options. The motion was seconded by Director Kneifl.

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 and the Board entered executive session at 10:46 p.m.

A motion was made by Director Gustafson to come out of executive session, which was seconded by Director Lebsock. The motion carried on an 8-0 voice vote and the Board came out of executive session at 11:20 p.m. Director Gansebom then made a motion to approve resolution 2013-10-02, which was seconded by Director Kneifl, and an approved on an 8-0 voice vote.

Management Reports:

1. Mandy Backer: Mandy reported on some updates following the tornado on October 4th, and that they have received bills from Elkhorn RPPD and North Central PPD and that they have been in contact with FEMA and NEMA, but that they are probably not going to receive much assistance for the costs.
2. Jan Kristjanson: Jan reported that the newsletter will be going out with the bills in late October and early November, and that the final billing for irrigation will occur in October.
3. Randy Belt: Randy reported on some statistics from the October 4 tornado, including the fact that they replaced approximately 109 poles. He stated that the linemen have been doing a good job and that the majority of the poles were reset by the following Friday. He also reported on an electrical contact accident near Emerson, NE.
4. Kevin Pollard: Kevin also discussed the storms damage, and that NPPD's bill \$200 and \$250k. He also reported that temporary service was set up for CVA near the intersection of Highways 20 and 81 as well as a new irrigation project near Concord.

Board Member Reports: None.

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 11:44 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