

**Minutes of the 196th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 196th regular meeting of the Northeast Nebraska Public Power District was called to order at 3:00 p.m., on March 25th, 2014, by President Don Larsen. This meeting was held in the District General's Office in Wayne, NE. Director 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 Silhacek	Director Gustafson	Director Kneifl
Director Lebsock	Director Ganseboom	Director Larsen
Director Newton	Director Bodlak	

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

1. Review and approve minutes of the February 25, 2014 regular Board of Directors Meeting: A motion was made by Director Lebsock to approve the minutes with corrections from the February 25, 2014 Board meeting. This motion was seconded by Director Newton and carried on an 8-0 voice vote.
2. Public Comment Period: No public comment period was necessary at this time.
3. Authorization of February 2014 expenses: Following a brief discussion about the February 2014 expenses, a motion was made by Director Silhacek to authorize February 2014 expenses. This motion was seconded by Director Lebsock.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson - yes	Director Silhacek - yes
Director Newton - yes	Director Ganseboom – yes	Director Kneifl – yes
Director Bodlak – yes	Director Lebsock - yes	

All directors present voting yes, the motion carried 8-0.

4. Review and approve the February 2014 Financial Statements: Mark Shults and Mandy Backer discussed the condition of the financial statements noting an accounting adjustment ruling which impacted how bond costs are expensed. Director Ganseboom then made a motion to approve February 2014 financial statements, which was seconded by Director Gustafson and carried on an 8-0 voice vote.
5. Management Reports to the Board:

- a. Mandy Backer – Mandy discussed Curt Frye’s retirement and how they plan to re-organize some of the duties and assignments.
 - b. Randy Belt – Randy reported on a number of items, including the addition of irrigation loads throughout the district, and noted the good report from Federated Insurance Representative following the inspections of trucks.
 - c. Jan Kristjanson – Jan didn’t have anything to report at this time.
6. Old Business: None.
7. New Business:
- a. Resolution 2014-03-01 Following a presentation by D.A. Davidson & Co., and discussion with the Board and management, a motion was made by Director Gustafson to approve the resolution to issue revenue bonds in the amount of \$800,000 for a term of 8 years. This 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 Newton - yes	Director Ganseboom – yes	Director Kneifl – yes
Director Bodlak – yes	Director Lebsock - yes	

All directors present voting yes, the motion carried 8-0.

- b. Resolution 2014-03-02: After a brief discussion, a motion was made by Director Ganseboom to approve the electric rates for irrigation pumping for 2014. This motion was seconded by Director Kneifl and carried on an 8-0 voice vote.
- c. Resolution 2014-03-03: After a brief discussion, a motion was made by Director Gustafson to begin legal proceedings to resolve NPPD’s re-interpretation of multiple provisions of the existing power contract. This motion was seconded by Director Newton and carried on an 8-0 voice vote.
- d. Resolution 2014-03-04: After a brief discussion, a motion was made by Director Ganseboom to approve the construction of new irrigation services in 2014. This motion was seconded by Director Silhacek and carried on an 8-0 voice vote.
- e. Motion to Re-Appoint Directors to NNPPD Charitable Fund: A motion was made by Director Kneifl to re-appoint Val Clements and Jean Bodlak to the Board of Directors Northeast Nebraska Public Power District Charitable Fund, which was seconded by Director Newton. The motion carried on an 8-0 voice vote.
- f. Board Discussion about Disconnection of Service for non-payment: A discussion was had between Mark Shults and the Board regarding modifications to the District Policies on disconnection of service for non-payment. These modifications incorporate the District’s new “Pre-Pay” option into the practices and procedures for disconnection of service. This was a discussion item only and no motions were made and no official votes were taken.
- g. Discussion to Retain MCR Services: A discussion was had in consideration for retaining the services of MCR consultants to evaluate the feasibility of the District’s

membership in the Southwest Power Pool. This was a discussion item only; no motions were made and no votes were had.

8. Board Member Reports:

- a. Director Silhacek and Director Lebsock gave a report regarding the NRECA National Meeting.
- b. Director Silhacek gave a report on the CoBank meeting.
- c. Director Newton gave a report from the Audit Committee.

9. Executive Session: A motion was made by Director Bodlak to enter Executive Session. This 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 Newton - yes	Director Gansebom – yes	Director Kneifl – yes
Director Bodlak – yes	Director Lebsock - yes	

All directors present voting yes, the motion carried 8-0 and Executive Session was commenced at 7:54 p.m.

There was then a motion to exit Executive Session made by Director Gustafson and seconded by Director Silhacek. This motion carried 8-0 and the Board came out of Executive Session at 8:13 p.m.

There was then a motion in open session to adjourn the meeting made by Director Lebsock and seconded by Director Gansebom. The motion was approved 8-0. The meeting was adjourned at 8:15 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