

**Minutes of the 123rd Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 123rd regular meeting of the Northeast Nebraska Public Power District was called to order at 10:02 a.m., on February 19, 2008, by President Don Larsen. This meeting was held in the power district's Operations Center 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 Larsen Director Gansebom Director Lebsock Director Birkley
Director Silhacek Director Kneifl Director Gustafson Director Loberg**

Directors Absent: Director Bodlak

Mark Shults, Manager

Christopher J. Connolly, Attorney

Others present: Jan Kristjanson, Dean Bruggeman, Randy Belt, and Rick Robins

The Open Meetings Act advisement was also given.

Minutes: Minutes of the January 22, 2008 Regular Board Meeting were reviewed. There was a motion to approve the January, 2008 minutes made by Director Lebsock and seconded by Director Kneifl and was approved 8-0 on a voice vote.

Safety Meeting Minutes: Minutes of the January 17, 2008 Safety Meeting were reviewed. There was a motion to approve these minutes made by Director Birkley and seconded by Director Lebsock and was approved 8-0 on a voice vote.

Safety Meeting Minutes of the January 30 – 31, 2008: Minutes of the January 30 – 31, 2008 Safety Meeting were reviewed. There was a motion to approve these minutes made by Director Gustafson and seconded by Director Silhacek and was approved 8-0 on a voice vote.

Public Comment: Nothing.

Approval of January, 2008 Expenses: There was discussion of the Salt Creek Software bill and progress and updates on software. There was also a discussion of fire retardant clothing. There was then a motion to approve the January, 2008 bills made by Director Gustafson and seconded by Director Lebsock.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson – yes	Director Birkley- yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl - yes
Director Gansebom – yes	Director Loberg	

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

Review of the Financial Statements: There was a general discussion of the year-end 2007 reports. There was also discussion of the power bills and distribution expenses. There was then a motion to approve made by Director Gansebom and seconded by Director Kneifl and the motion was approved 8-0 on a voice vote.

January, 2008 Statements: There was then a discussion of the January, 2008 statements. This included general discussion of the effect of the cold weather and how expenses were coming out compared with the budget. There was then a motion to approve the January statements made by Director Gansebom and seconded by Director Gustafson and was approved 8-0 on a voice vote.

Resolution 2008-02-01: Rate increase due to a rate increase from NPPD. There was a discussion of the rate changes and the purpose. There was also discussion of whether adjustments made to rates to consolidate certain categories. There was then a motion to approve Resolution 2008-02-01 to make the retail rate adjustments of 5.5% overall retail rate increase beginning April 1, 2008 as included in the packet provided to the directors. This motion was made by Director Gansebom and seconded by Director Birkley.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Gustafson – yes	Director Birkley- yes
Director Lebsock – yes	Director Silhacek – yes	Director Kneifl - yes
Director Gansebom – yes	Director Loberg	

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

The Board then recessed for lunch at 11:40 a.m. and reconvened at 12:23 p.m.

There was a discussion of the sale of the Emerson property. The City of Emerson appeared to be very interested that but never made an offer. There was then discussion on what to do with the Emerson outpost. The manager feels that the power district would function better if the Emerson crew is brought to Wayne at some point in the future. The district would keep a bucket truck in Emerson for linemen pulling call duty. Some of the crew may go to Wayne, some of the crew may go to Ponca. There was then discussion of whether the linemen should be required to relocate. The manager advised that he has had some discussions with the linemen. The consensus of the board is that there be no requirement to relocate. There was then a discussion of the need for other outposts and staffing levels at each outpost.

There was then a discussion of the proposed building design. The architect needs to return and answer questions about costs and design.

There was then a discussion of extended care insurance to be provided to the employees and directors. The plan would be employee or director paid and would be handled through payroll deductions. If the district paid for some or all of the premium for the directors, it would count towards their compensation cap. Metropolitan Life has provided this plan.

Resolution 2008-02-02: This resolution is in regards to extended care coverage. There was a motion to approve this resolution made by Director Silhacek and seconded by Director Kneifl and was approved 8-0 on a voice vote.

Resolution 2008-02-03: Meter testing policy. There was a motion to approve this resolution made by Director Gansebom and seconded by Director Lebsock and was approved 8-0 on a voice vote.

Resolution 2008-02-04: Raptor Protection Plan. There was a discussion of the need for a Raptor Protection Plan in light of a recent situation involving the district. There was then a motion to approve made by Director Kneifl and seconded by Director Gustafson and was approved 8-0 on a voice vote.

Management Reports:

1. Randy Belt: Tree trimming continues. AMR subs are being installed. AMR meters being changed out. Doing some line patrol.

Director Gansebom leaves the meeting at 2:06 p.m.

2. Jan Kristjanson: AMR change outs create billing questions and issues. AMR move over continues. One hundred meters this month and 150 meters next month. Don't want to add too many at the same time. Some reading issues continue. Policy changes have been reviewed with the office staff. Customer service going better after Bill Flash error was resolved. Jan will attend a Salt Creek meeting in Lincoln this Friday regarding updates.

3. Dean Bruggeman: Ongoing problems with the heat pumps in the Operations Building. There will be repairs to the system soon. Auxiliary heat is now being used.
4. Rick Robins: Tree trimming and line patrol continue. AMR sub installs continue. Two subs are left. Breaker maintenance has started. Truck replacement for Emerson will cost \$169,696.00. The new digger derrick truck has been delivered.
5. Mark Shults: Discussion of two day safety meeting. He thanked the board for providing employees with an excellent training room. He also met with the Winside Board. Their rates from the District will be change to the same schedule as Emerson. The NREA directory needs to updated for personal information from the directors. He also attended a meeting on NPPD's Integrated Resource Plan. Bruce Pontow leads on the IRP matters. There was then a comparison of the Bill Flash expense and in-house expenses versus other providers. Other mailing houses were contacted. In-house would cost .64 cents a piece. Diamond Mailing would cost .54 cents a piece. Invoice Connection would be .545 cents a piece. Qualified Presort would be .52 to .54 cents a piece. Bill Flash is .51 cents a piece. Only Invoice Connection and Bill Flash have online capabilities. There was then a discussion of the recurring problems with Bill Flash. At this point, management is reluctant to switch from Bill Flash due to the lowest cost and a history with Bill Flash that is better than they have shown recently.

Board Member Reports:

1. G&T: Nothing.
2. NREA: Director Gansebom submitted a written report.

There was then a motion to adjourn the meeting made by Director Birkley and seconded by Director Gustafson and was approved 8-0 on a voice vote. The meeting was adjourned at 3:00 p.m.