

**Minutes of the 126<sup>th</sup> Regular Meeting of the Board of Directors  
Northeast Nebraska Public Power District**

The 126<sup>th</sup> regular meeting of the Northeast Nebraska Public Power District was called to order at 7:32 p.m., on May 27, 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  
Director Bodlak**

Mark Shults, Manager

Christopher J. Connolly, Attorney

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

The Open Meetings Act advisement was also given.

Public Comment: Jan Kristjanson gave an update on her husband's medical condition, he is doing much better.

Minutes of the April 22, 2008 Meeting: There was a motion to approve the minutes made by Director Kneifl and seconded by Director Lebsock and was approved 9-0 on a voice vote.

Authorization of April, 2008 Expenses: There was a discussion of landscaping, credit refunds, postage, chainsaws, and hauling slag. There was then a motion to approve the April, 2008 expenses made by Director Silhacek and seconded by Director Bodlak.

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 – yes	Director Bodlak – yes

All directors present voting yes, the chairman declared the motion carried 9-0.

There was then a discussion of Mark Shults' expense report approval procedure. There was also a discussion of the cost of the slag being used for road bed on district property.

Review of the Financial Statements: There was a discussion of special funds and other deferred debits. Mark Shults compared financials with other districts. The district is on track to have another good year. There was a discussion of continued improvement in line loss. This is due to new construction which improves electrical line losses and better accounting which improves financial losses. There was also a discussion of whether to use reserves to pay for office construction or borrow the money. With interest rates at current levels, it does not appear to make much difference which way the building is funded. There was then a motion to approve the financial statements made by Director Gansebom and seconded by Director Birkley and was approved 9-0 on voice vote.

### Old Business:

1. Vehicle Inspections: Mark Shults advised the Board that he will probably be instituting a weekly written inspection report procedure. This will begin shortly.
2. Insurance Coverage: There was a review of the \$1,000.00 medical coverage policy. The increase to \$2,000.00 is expensive and considered not cost effective at this time. The Board will review again at the July meeting.
3. There was then a discussion on the cost impact on retail customers from potential climate change legislation. Mark Shults attended a meeting concerning such legislation and the grassroots campaign in Nebraska is seeking funding from NPPD to help educate the public. NPPD appears to be interested in helping with this effort. There was further discussion of the need to educate the public on legislative impact and the need to show customers that the district is trying to keep costs low.

### New Business:

1. Resolution 2008-05-01: Hot Work Procedure Changes. There was a motion to approve made by Director Lebsock and seconded by Director Bodlak and was approved 9-0 on a voice vote.
2. Resolution 2008-05-02: Changes to the FMLA Policy. After a discussion, there was a motion to approve made by Director Ganseboom and seconded by Director Birkley and was approved 9-0 on a voice vote.
3. Resolution 2008-05-03: Stray Voltage Policy. After a discussion of whether changes should be made, there was a motion to approve the resolution made by Director Gustafson and seconded Director Silhacek and was approved 9-0 on a voice vote.

### Management Reports:

1. Jan Kristjanson: More customers have been moved AMR. Things are going pretty smoothly. There was then a discussion of online payments. Customers can use a credit card online or can sign up for automatic withdrawal. There was a discussion of payment option advantages and disadvantages.
2. Dean Bruggeman: Randy Gamble has sprayed the substations. There was a discussion of chemicals used for that process. Boyd is beginning the process of detaching the body of an old bucket truck so that a new chassis can be put under the body. Materials continue to come in at a satisfactory rate. Prices keep going up. One new pickup is in. Randy Belt will get this new pickup. There was a discussion of donating the old bucket truck to Northeast Nebraska Community College for their linemen training program.
3. Randy Belt: Irrigation services are pretty much caught up. A lot of work done in a short period of time. Three people were sent to rubber glove school. Underground school will have two linemen attending. With bin services, people are calling in to make sure they are in compliance with the National Electrical Safety Code. The Dixon County Sheriff will assist in a disconnect near Newcastle, NE. Boyd and Scott have done irrigation meter reading. There was a discussion of complaints about meter readers driving through fields.
4. Mark Shults: There was a discussion of phone bills. There was also a discussion of use of pagers. Several thank-yous were discussed as well as an NRECA resolution. Mark Shults and Larry Silhacek are going to the NPPD Board Meeting on June 13, 2008. American Broadband has shortened a list of needed repairs for the office in Wayne. There was also a discussion of complaints phoned in.

### Board Member Reports:

1. NREA: An NREA meeting was held recently in Norfolk. Director Gustafson gave a report. Eleven power districts will be involved in the grassroots program.
2. Director Silhacek gave a report on the Co-Bank Conference in Phoenix, AZ.
3. Director Gustafson handed out a written report from the NRECA Legislative Rally in Washington, DC held in early May.

4. Director Larsen discussed efforts by Jeff Morlok to put together a construction management arrangement for building the office. Jeff has also approached Director Lebsock. There were discussions then about whether to use the construction management method. The consensus is to leave things as they are and make no changes.

There was then a motion to adjourn the meeting made by Director Kneifl and seconded by Director Lebsock and was approved 9-0 on a voice vote. The meeting was adjourned at 10:40 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