

**Minutes of the 141st Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 141st regular meeting of the Northeast Nebraska Public Power District was called to order at 1:00 p.m., on August 25, 2009, by Vice President Paul Bodlak, presiding in the absence of President Don Larsen. This meeting was held in the power district's Operations Center in Wayne, NE. Director Bodlak 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 Birkley Director Gansebom Director Silhacek Director Loberg
Director Kneifl Director Lebsock Director Bodlak**

Directors Absent: Director Larsen, Director Gustafson

Others present: Mark Shults, Kyle Dahl, Jan Kristjanson, Randy Belt, Dean Bruggeman.
Nebraska Public Power District (NPPD) representatives: Wayne Boyd, Virgil Froelich, Ron Asche, Jack Henderson.

Public Comment: None

Minutes of the July 25, 2009 Meeting: There was a motion to approve the minutes of the July 25, 2009 meeting made by Director Loberg and seconded by Director Kneifl and was approved 7-0 on a voice vote.

Minutes of the August 14, 2009 Employee Safety Meeting: There was a motion to approve the minutes from the August 14, 2009 employee safety meeting made by Director Gansebom and seconded by Director Loberg. The motion was approved 7-0 on a voice vote.

Presentation by Mr. Ron Asche, CEO and President of Nebraska Public Power District (NPPD): There was a presentation by Mr. Asche, followed by a discussion between the directors and the representatives of NPPD. Mr. Asche discussed the projected rate increase of 5.9% for wholesale power for 2010, and some of the factors that caused an increase. Mr. Asche noted that there are several factors that have resulted in decreased revenue including less energy demand due to the economy and cool summer temperatures. Mr. Asche also discussed the NPPD's plans to increase the amount of energy sourced from renewable sources such as wind power, and how companies with facilities or manufacturing plants in Nebraska are looking for energy from renewable resources. Finally there was a discussion about the current proposed "Cap & Trade" legislation in Congress and how that will impact Nebraska and other rural power companies.

Authorization of July 2009 Expenses: There was then a brief discussion of various expenses followed by a motion to approve the July 2009 expenses made by Director Loberg and seconded by Director Kneifl.

The following roll call vote was taken upon the motion:

Director Larsen – (absent)	Director Gustafson – (absent)	Director Loberg - yes
Director Silhacek – yes	Director Kneifl – yes	Director Birkley – yes
Director Gansebom – yes	Director Bodlak – yes	Director Lebsock - yes

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

Financial Reports for July 2009: Mark Shults noted that the financial outlook was positive so far for 2009 and that through the past several years, even though there has been an increase in the cost of wholesale power, the District has managed to keep the District's operating expenses at relatively the same levels. There was then a motion to approve the financials made by Director Birkley and seconded by Director Lebsock and approved 7-0 on a voice vote.

Management Reports:

1. Randy Belt: Randy gave updates on the progress of various projects, including the progress on using AMR technology to detect and locate blinks in service more effectively, and the District's practice of locating secondary power lines that are buried on customers' property.
2. Jan Kristjanson: Jan gave a follow up report about a customer who was on an even pay plan, and after reconciliation was owed a credit. She also discussed the fact that due to an employee resignation at the software vendor, the implementation of the new billing software will be delayed until October 1, 2009.
3. Dean Bruggeman: Dean gave updates on various projects including changes to the transformer storage area that are being implemented to comply with Federal environmental regulations.
4. Mark Shults: Mark Shults provided information on irrigation usage and how the peak day announcements have positively impacted usage and the cost of power for the District.

Old Business: None.

New Business:

1. Discussion by Manager Mark Shults regarding employee pension plan performance: Mark Shults discussed the employee pension plan, and the fact that the District's contribution may need to increase next year for a couple reasons. Interest rates are low so the present value of lump-sum payments are greater which has created a cash flow issue. Also, the assets that support the pensions have declined, thus requiring more input from other sources.
2. Discussion by Manager Mark Shults regarding Customer Appreciation Day and Open House on September 27, 2009: Mark noted that there is a Customer Appreciation Day and Open House scheduled from 1:00 to 4:00 pm on September 27, 2009 at the District's new facilities located at 1410 West 7th Street in Wayne, NE. There will be a number of events and activities for customers throughout the day.

Board Reports:

Director Gansebom provided gave a report from the NREA meeting held on August 19, 2009 in Scottsbluff Nebraska.

Director Lebsock left the meeting at 4:52 p.m.

Executive Session: Director Bodlak then asked those in attendance if there was a need to conduct an executive session. There was not a call for one and none was conducted.

Director Bodlak then asked for a motion to adjourn. There was a motion made by Director Gansebom and seconded by Director Kniefl and was approved 6-0 on a voice vote. Director Bodlak then declared the meeting adjourned at 5:03 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.

Attest: _____

Secretary

President