

**Minutes of the 147th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 147th regular meeting of the Northeast Nebraska Public Power District was called to order at 10:08 a.m., on March 3rd, 2009, by President Don Larsen. This meeting was held in the power 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 Gustafson	Director Silhacek	Director Larsen	Director Bodlak
Director Lebsock	Director Loberg	Director Birkley	Director Kneifl

Directors Absent: Gansebom

Others present: Mark Shults, Kyle Dahl, Jan Kristjanson, Randy Belt, Dean Bruggeman.

Review and approve minutes of the January 27, 2010 regular meeting: There was a motion to approve the minutes of the January 27, 2010 Regular Meeting by Director Gustafson and seconded by Director Birkley and was approved 8-0 on a voice vote.

Review and approve minutes of the February 12, 2010 employee safety meeting: There was a motion to approve the minutes of the February 12, 2010 employee safety meeting by Director Birkley and seconded by Director Kneifl and was approved 8-0 on a voice vote.

Public Comment Period: Theresa and Jim Simeon came before the board to discuss their request for reimbursement due to alleged power surges in their home and subsequent loss of appliances. Mark Shults and Randy Belt stated the employees of the District had visited their home and could not identify any specific problems. Several board members asked questions about the incident and thanked the Simeons for their time. After a discussion, the Board did not take any official action regarding the incident.

Authorization of January 2010 Expenses: There was a brief discussion of various expenses including rebates to customers and other expenses followed by a motion to approve the January 2010 expenses made by Director Lebsock and seconded by Director Gustafson.

The following roll call vote was taken upon the motion:

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

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

Review and Approve December 2009 Year End Financial Statements: Mark Shults provided a summary of the December 2009 Year End Financial Statements. Overall the District had a good year, and has very strong financial indicators, especially when compared to other rural power districts across the country. Then there was a motion to approve the December 2009 Financial Reports by Director Silhacek and seconded by Director Lebsock. The motion carried on an 8-0 voice vote.

Financial Reports for January 2010: There was a discussion of the financial reports for January 2010, including questions on taxes and other various items. Then there was a motion to approve the January 2010 Financial Reports by Director Loberg and seconded by Director Bodlak. The motion carried on an 8-0 voice vote.

A break was taken at 11:28 p.m. for lunch. No official business was discussed and no official action was taken. The Board reconvened at 12:07 p.m.

Management Reports:

1. Jan Kristjanson: Jan gave a report that included an update on the work that is being done on transferring all the files into a new filing system and that the transition to the new call center has been completed and seems to be going well.
2. Randy Belt: Randy gave updates on various items including the fact that the District is still repairing or replacing equipment that was damaged during this year's snowstorms. He estimated there are still 15-20 poles that still need to be replaced but have not been accessible due to snow, road conditions, or both. The District is also doing maintenance on 3-phase irrigation meters and working to improve the coordination of various breakers to improve reliability to its customers.
3. Dean Bruggeman: Dean provided reports on the annual in-house inspections on the baskets and bucket trucks, the number of poles that replaced during this year's storms (approximately 130), and the replacement of truck Unit #40.
4. Mark Shults: Mark provided updates on some consumer complaint issues, and the possible need for a policy to address the issue of the need for three-phase line at certain locations where the capacity required is not available on existing single phase lines. Mark also provided an update on the NRECA Annual meeting he attended in Atlanta, GA, as well as the irrigator's meeting that was held locally.

Old Business: None.

New Business:

1. Discussion by management of the recent NRECA safety attitude survey: Mark Shults provided information about the District's participation in the NRECA attitude survey. The intent of the survey is for electric cooperatives not just to measure compliance with safety programs, but to measure employee's attitudes towards safety and the importance of those programs.
2. Resolution 2010-02-01: Routine review and modification of Policy 11-08 governing collection procedures. There was a brief discussion about the changes to the policy followed by a motion to adopt resolution 2010-02-01 by Director Kneifl seconded by Director Bodlak. The motion carried on an 8-0 voice vote.
3. Discussion by management on the financial impacts of the recent ice storm and of NPPD's 2010 rate increase: Mark Shults provided information and a discussion followed with the Board regarding the financial impact of the recent ice storm. Mark estimated that the cost to the District will be near \$700,000. However, he noted that was the total

amount of the cost during the time of the storm and that a portion of that amount would have been spent on operations regardless of the exigent circumstances created by the ice storm. Not all of the final expenses are in, so he did not know the full extent of the impact.

4. Review and approval of retail rate design and suggested price increase for 2010: Not all of the information was available at the time of the meeting, so this item was tabled until a future meeting.
5. Resolution 2010-02-03: Approval of construction plan to serve new irrigation pivots for spring of 2010. After a brief discussion, a motion was made by Director Bodlak and seconded by Director Lebsock. The motion carried on an 8-0 voice vote.
6. Discussion by management regarding an Operation Roundup Program to assist with hardship cases: Mark Shults provided information to the board about a voluntary program whereby customers can donate money to charity through their bill. If customers choose this option, their bill would be rounded up to the next dollar and the difference would be collected over time and then delivered to a local charity to assist people in need.

Board Member Reports:

1. G & T: None.
2. NREA: Update from NRECA meeting and update from a wind power meeting held in Carroll, NE.

Executive Session: The President 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.

There was then a motion to adjourn the meeting made by Director Gustafson and seconded by Director Kneifl and was approved 8-0 on a voice vote. The meeting was adjourned at 2:25 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