

**Minutes of the 182nd Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 182nd regular meeting of the Northeast Nebraska Public Power District was called to order at 10:03 a.m., on January 11th, 2013, by President Don Larsen. This meeting was held in the 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 Gansebom	Director Silhacek	Director Gustafson
Director Larsen	Director Lebsock	Director Bodlak
Director Newton		

Directors Absent: **Director Kneifl**

Director Silhacek made a motion to excuse Director Kneifl's absence from the meeting, which was seconded by Director Gustafson, and approved on a 7-0 voice vote.

Others present: Mark Shults, Kyle Dahl, Mandy Backer, Jan Kristjanson, Randy Belt, Kevin Pollard, Darrin Bloomquist.

Review and approve minutes of the December 18, 2012 regular board of directors meeting: Director Gustafson made a motion to approve the minutes of the December 18, 2012 Regular Board Meeting with corrections, which was seconded by Director Lebsock and was approved 7-0 on a voice vote.

Review and approve minutes of the December 21, 2012 Safety Meeting: Director Gansebom made a motion to approve the minutes of the December 21, 2012 Safety Meeting, which was seconded by Director Gustafson and was approved 7-0 on a voice vote.

Director Silhacek then made a motion to adjourn as the 2012 Board of Directors and reconvene as the 2013 Board, which was seconded by Director Bodlak, and was approved 7-0 on a voice vote.

Administration of Oath for Directors Re-elected in 2012 and Election of Officers: The same directors listed above were present for the convening of the 2013 Board of Directors. The oath of office was administered to Directors Gustafson, Larsen, and Gansebom.

President: There was then a call by Director Larsen for nominations for the office of President of the Board. Director Silhacek nominated all the directors but himself. Director Gansebom made a motion to cease the nominations, which was seconded by Director Gustafson, and was approved on a 7-0 voice vote. The Directors then voted by secret ballot for the office of President, and Director Larsen was unanimously elected to the office of President for 2013.

Vice-President: Director Gustafson then nominated Director Bodlak for the office of Vice-President, which was followed by a motion by Director Silhacek to cease the nominations, which was seconded by Director Newton, and approved on a 7-0 voice vote. Director Bodlak was then approved for the office of Vice-President on a 7-0 voice vote.

Secretary: Director Lebsock nominated Director Gustafson to the office of Secretary, which was followed by a motion by Director Silhacek to cease the nominations, which was seconded by Director Newton, and approved on a 7-0 voice vote. Director Gansebom was then approved for the office of Secretary on a 7-0 voice vote.

Treasurer: Director Gansebom nominated Director Gustafson for the office of Treasurer, which was followed by a motion by Director Bodlak to cease the nominations, which was seconded by Director Silhacek. Director Gustafson was then approved for the office of Treasurer on a 7-0 voice vote.

G&T Representatives: Director Gustafson made a motion for Director Gansebom to continue as the District's representative to the Nebraska G&T, which was seconded by Director Bodlak. The motion was approved on a 7-0 voice vote. Director Silhacek then made a motion for Director Gustafson to serve as the District's alternate representative to the Nebraska G&T, which was seconded by Director Lebsock. The motion was approved on a 7-0 voice vote.

Audit Committee: President Larsen appointed Directors Newton, Silhacek, and Bodlak to the Audit Committee.

Public Comment Period: Adam Herink from Blue Stem Energy Solutions gave a presentation about local wind development opportunities, after which Director Bodlak made a motion for the District to continue the discussions with Blue Stem about these opportunities, which was seconded by Director Gustafson. The motion carried on a 7-0 voice vote.

Authorization of December 2012 Expenses: There was a brief discussion of various expenses, followed by a motion to approve the December 2012 expenses made by Director Gansebom and seconded by Director Silhacek. The motion carried on a 7-0 voice vote.

The following roll call vote was taken upon the motion:

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

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

Financial Statements for November 2012: Mark Shults presented the financial reports for November 2012. After a brief discussion, including a presentation by Mandy Backer on the budget variances for 2011 and 2012, a motion was made by Director Lebsock to approve the financial reports for November 2012, which was seconded by Director Bodlak. The motion carried on a 7-0 voice vote.

A break was taken at 11:50 a.m. for lunch. The Board reconvened at 12:24 p.m.

Management Reports:

1. Mandy Backer: Mandy gave a report on inventory. She reported that inventory variances were within reasonable range. For 2012 there were 350 work orders requiring \$1.2 million stock items on

construction projects. In those work order there were 900 poles; approx. 41 miles of line; 76 miles of wire overhead; 11 miles underground wired used; and 576 cross arms. Mandy announced a visit from the Auditors.

2. Randy Belt: Randy reported on various maintenance and service projects.

3. Kevin Pollard: Kevin discussed the recent hiring of Steven Lofshult in the position of auto-cad tech to start February 1. Kevin stated he was meeting with Pierce Utility's engineer today to discuss purchase of facilities to serve customers being transferred to the District.

4. Mark Shults: Mark discussed some information about irrigation services.

Old Business: None.

New Business:

1. Resolution 2013-01-01. Resolution to approve irrigation rates for 2013. Mark Shults presented some information about the 2013 irrigation rates, and after a brief discussion, Director Gansebom made a motion to approve the resolution, which was seconded by Director Bodlak. The motion passed on a 7-0 voice vote.

2. Resolution: 2013-01-02. Resolution to approve Rate Schedule AC-1, which is the net metering rate for 2013. Mark Shults presented some information about the rate schedule, and after a brief discussion, Director Lebsock made a motion to approve the resolution, which was seconded by Director Silhacek. The motion passed on a 7-0 voice vote.

3. Discussion of wholesale power contract issues and training. Mark Shults and the Board discussed

the upcoming issues regarding the District's wholesale power contract and how to address the issue of renewing the agreement and exploring other possible avenues for obtaining wholesale power. This was a discussion issue only and no official action was taken and no vote was had.

4. Resolution 2013-01-03. Resolution to to affirm board policies 11-13, 11-14 and 11-30. The Board reviewed these policies, and after a brief discussion, Director Silhacek made a motion to approve the resolution, which was seconded by Director Bodlak. The motion passed on a 7-0 voice vote.

Board Member Reports: None.

Executive Session for the purpose of discussing potential litigation, real estate and personnel issues: Director Larsen asked if there was any need for the Board to go into executive session. No motions were made for the Board to go into executive session and no session was had.

There was then a motion to adjourn the meeting made by Director Gansebom and seconded by Director Lebsock and was approved 7-0 on a voice vote. The meeting was adjourned at 3:47 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