

**Minutes of the 213th Regular Meeting of the Board of Directors
Northeast Nebraska Public Power District**

The 213th regular meeting of the Northeast Nebraska Public Power District was called to order at 1:00p.m., on July 25th, 2015, by President Don Larsen. This meeting was held in the District’s General Office in Wayne, NE. Director 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, South Sioux City, Thurston, Waterbury, Wakefield, 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 Directors were present:

Director Larsen	Director Kneifl
Director Gustafson	Director Lebsock
Director Bodlak	Director Gansebom
Director Newton	Director Silhacek

Directors Absent: None.

Others present: Mandy Backer, Kevin Pollard, Jan Kristjanson, Matt Sorenson, Mark Shults, from NeNPPD, and Kyle C. Dahl, the District’s attorney.

1. Review and approve the minutes of the July 28, 2015 regular Board of Directors Meeting: The minutes of the June 28, 2015 regular Board of Directors Meeting were presented and reviewed by the Board. Director Gansebom made a motion to approve the minutes from the July 28, 2015 Board of Directors Meeting, with corrections. Director Gansebom’s motion was seconded by Director Bodlak. The motion carried on an 8-0 voice vote.
2. Public Comment Period: None.
3. Approve the July 2015 Expense Report: Management provided information on the July 2015 expenses which were reviewed by the board. Director Kneifl made a motion to approve the expense report, and Director Newton seconded the motion. The following roll call vote was taken on the motion:

Director Silhacek- yes	Director Kneifl- yes
Director Gustafson- yes	Director Lebsock- yes
Director Bodlak-yes	Director Gansebom- yes
Director Newton- yes	Director Larsen- yes

All Directors present voting yes, the motion carried 8-0.

4. Approve the July 2015 Financial Statements: Management provided information on the July 2015 financials which were reviewed by the board. They stated that profit was made even without billing for irrigation, which is why sales appear to be down compared to last year, otherwise everything looks good. Director Gansebom made a motion to approve the financial statements, and Director

Lebsock seconded the motion. The motion carried on an 8-0 voice vote.

5. Management Reports:

- a. Jan Kristjanson: Jan has started working on the 2016 budget. She also stated that workers' comp. experience rating is down, which is a good for the District's rates.
- b. Mandy Backer. Mandy announced a reduction in billing staff as the front office temp employee, Marvel took another position. Mandy also thanked the Directors on behalf of the office staff for the company picnic.
- c. Matt Sorenson: Matt gave reports that Newcastle sub work is nearing completion. He also stated that there were a few complaints following storms near Maskell and Jackson. Matt reported that work near Hubbard is ongoing.
- d. Kevin Pollard: Kevin reported that substations with new computer program continue to be evaluated. He also spoke about the plan to reconfigure Ponca State Park electric facilities.
- e. Mark Shults: Mark stated that he will be taking some time off in September. He reported that union negotiations will begin September 1st. He then led a brief discussion regarding advertising.

6. New Business:

- a. Resolution 2015-08-01. Resolution to modify Board Policy 11-29, Aid to Construction, to require customers to pay for electric lines on private property. Kevin Pollard and Mark Shults provided the background for the resolution, and after a brief discussion, Director Bodlack made a motion to approve resolution 2015-08-01, and Director Gansebom seconded the motion. The motion carried on an 8-0 voice vote.
- b. Resolution 2015-08-02. Resolution to change office hours for the public to 7:30 a.m. to 4:00 p.m. Mandy Backer provided the background for the resolution and then following a brief discussion, Director Newton made a motion to approve resolution 2015-08-02, and Director Gustafson seconded the motion. The motion carried on an 8-0 voice vote.
- c. Review with the Board the District's cost for making a trip (not for outage restoration) when requested by a customer including disconnections for nonpayment of electric bills. This was a discussion item only between management and the board, and no official action was taken and no votes were had.
- d. Resolution 2015-08-03. Resolution to modify policy 11-17 governing internet security and the protection of customer data. Management provided the background for the request, and following a brief discussion, Director Lebsock made a motion to approve resolution 2015-08-03, which was seconded by Director Kneifl. The motion carried on an 8-0 voice vote.
- e. A motion to accept or reject a settlement offer by one of several insurance companies involved in last year's helicopter accident causing damage to the District's power lines. The District's attorney presented some information regarding the settlement negotiations with the insurance company who had insured a helicopter that caused damage to the District's power lines in 2014. After a brief discussion, a motion was made by Director Bodlak to accept the company's settlement offer of \$72,000. The motion was seconded by Director Kneifl. The following roll call vote was taken on the motion:

Director Silhacek- yes	Director Kneifl- yes
Director Gustafson- yes	Director Lebsock- yes
Director Bodlak- yes	Director Gansebom- yes
Director Newton- yes	Director Larsen- yes

All Directors present voting yes, the motion carried 8-0.

- f. Report by Board President and Vice President on their recent attendance at NPPD’s August Board meeting and conversations had with NPPD President Mr. Patrick Pope. A discussion was had between management and the board regarding NPPD’s August Board meeting and conversations with NPPD President Mr. Patrick Pope. Then a motion was made by Director Gustafson to authorize management and the District’s attorneys to prepare and file an objection to NPPD’s proposed rate change. The motion was seconded by Director Kneifl. The motion carried on an 8-0 voice vote. A second motion was then made by Director Lebsock to reject the offer made by NPPD’s president Mr. Patrick Pope to buy out the District’s contract with BREC and to counteroffer for NNPPD to buy out NPPD from its contract or for NPPD to release NNPPD from the existing contract and to further authorize management to communicate said items to NPPD. The motion was seconded by Director Gansebom. The motion carried on an 8-0 voice vote.
 - g. Board discussion of NPPD’s proposal to assess the District with ‘catch up’ payments to fund NPPD’s health care cost for NPPD retirees. This was a discussion item only between management and the Board and no official action was taken and no votes were had.
7. Executive Session: Director Lebsock made a motion to go into executive session for the purpose of discussing current and potential litigation issues. The motion was seconded by Director Newton.

The following roll call vote was taken upon the motion:

Director Larsen – yes	Director Silhacek – yes	Director Newton –yes
Director Gansebom – yes	Director Kneifl – yes	Director Gustafson – yes
Director Bodlak – yes	Director Lebsock – yes	

All directors present voting yes, the board went into executive session at 4:59 p.m.

A motion was later made by Director Silhacek to come out of executive session, which was seconded by Director Gustafson. The motion carried on an 8-0 voice vote, and the board came out of executive session at 5:30pm.

- 8. Old business: None.
- 9. Board Member Reports: None.
- 10. Adjournment. There was a motion to adjourn the meeting made by Director Gustafson and seconded by Director Newton and was approved 8-0 on a voice vote. The meeting adjourned at 5:31 pm.

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