

BOARD OF DIRECTORS MEETING, DECEMBER 20, 2010

The regular meeting of the Board of Directors of North Central Public Power District was held at Drover's Steakhouse Meeting room, Creighton, Nebraska, on Monday, December 20, 2010, at 6:30 P.M.

Call to Order; notice of meeting and proof of mailing.

The meeting was called to order and conducted by Terry Strobe, President and Secretary, Gregory W. Walmer, recorded the minutes.

Directors in attendance were Brent M. Stagemeyer, Gordon Fulton, William L. Jedlicka Curt Zimmerer Gregory W. Walmer, Mary Ketelsen and Terry Strobe. Also attending Art Hickman, Staking Engineer / Safety Manager; Todd Zimmerer, Assistant Operations Manager, Chad Waldow, Operations Manager; Doyle Hazen, Manager of Finance and Administration; and Keith E. Harvey, General Manager. Absent was Jeffrey M. Doerr, District Attorney.

Notice of the meeting was given in advance thereof by publication in the Creighton News, Niobrara Tribune, Plainview News, Orchard News, Holt County Independent and the Verdigre Eagle as shown by the affidavit of publication attached to the minutes of the meeting. Notice of the meeting was given simultaneously to all the members and a copy of their acknowledgment and receipt of notice and agenda is attached to the minutes of the meeting. Availability of the agenda was communicated in the notice mailed to all the members of the meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Approval of the November 22, 2010 Regular Board meeting minutes.

A motion was made by Brent Stagemeyer and seconded by Mary Ketelsen to dispense with the reading of the November 22, 2010 regular board meeting minutes and approve the

minutes as mailed. By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Public Comment.

There were no public comments.

Staff Reports.

Doyle Hazen, Manager of Finance and Administration reported the District has postponed the purchase of a new server until 2011.

Chad Waldow, Operation Manager reported on the operations department's monthly operations. Two new three phase 7.5 MVA transformers have been delivered. One was installed in the 85-1 Creighton substation and the second transformer was placed on the pad in the new 85-15 Hoffman substation. Transmission line tree trimming is underway and customers have been very cooperative. Landowners along the route of the Winnetoon 69 kV transmission line project are being contacted and 50% of easements have been agreed to in principle so Waldow is pleased with how this project is proceeding. Waldow also reported on the Nebraska Rural Electric Association (NREA) meeting he attended with Bill Jedlicka. Northeast PPPD (NENPPD) located in Wayne is considering leaving the NREA statewide organization. The cost of the program including the JT&S Committee is under review by NENPPD. Waldow also reported the JT&S Committee is reviewing the program through a task force made up of Manager, Operation Managers, committee members and staff.

Loss control and safety report (November 3, 2010 – Conducted by Statewide) and (November 2, 2010 Safety Meeting).

The board of directors reviewed and discussed the November 3, 2010 and November 2, 2010 – Safety meeting minutes. On a motion by Brent Stagemeyer and seconded by Wm. L. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District accept the November 3, 2010 and November 2, 2010 Safety meeting minutes as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strope, yes. Motion carried.

Discussion and possible action on altering restriction on No Control Irrigation Rate.

General Manager, Harvey recommended that the Board of Director consider altering the restrictions on the No Control Irrigation Rate and make this rate schedule available to irrigation customers for the 2011 irrigation season as a control schedule and consider approving Policy Bulletin 3070 Irrigation Rates as presented.

On a motion by Curt Zimmerer and seconded by Gordon W. Fulton be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve altering the restriction on No Control Irrigation Rate Schedule - Policy Bulletin 3070 Irrigation Rates as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strope, yes. Motion carried.

Discussion and possible action on recommended rate adjustments effective January 1, 2011 as per Utility Financial Solutions.

General Manager, Harvey presented and reviewed with the Board of Directors the proposed 2011 rate adjustments prepared by Utility Financial Solutions.

On a motion by Gordon W. Fulton and seconded by Gregory W. Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the proposed rate adjustments effective January 1, 2011 as per Utility Financial Solutions and a copy be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Discussion and possible action on revising Policy Bulletin 3000: Single Phase Farm Residential Rates and Single Phase Farm Residential Leased Area Rates; **Policy Bulletin 3010:** Three Phase Farm Residential Rates; **Policy Bulletin 3020:** Town Residential Rates and Town Residential Leased Area Rates; **Policy Bulletin 3030:** Single Phase Commercial Rates; **Policy Bulletin 3040:** Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates; **Policy Bulletin 3050:** Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Rates; **Policy Bulletin 3050-1:** Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Partial Year Billing Procedure; **Policy Bulletin 3060:** Three Phase Farm Seasonal; **Policy Bulletin 3060-1:** Three Phase Farm Seasonal Partial Year Billing Procedure; **Policy Bulletin 3070:** Irrigation Rates; **Policy Bulletin 3080:** Large Power Rates; **Policy Bulletin 3080-1:** Large Power – Multiple Meters Rate; **Policy Bulletin 3090:** Security Lights Rates; **and Policy Bulletin 3100:** Idle Service Rates.

Keith reviewed the proposed rate revisions to the billing policies with the board of directors. On a motion by Gordon W. Fulton and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the rate revisions to Policy Bulletin 3000: Single Phase Farm Residential Rates and Single Phase Farm Residential Leased Area Rates; Policy Bulletin 3010: Three Phase Farm Residential Rates; Policy Bulletin 3020: Town Residential Rates and Town Residential Leased Area Rates; Policy Bulletin 3030: Single Phase Commercial Rates; Policy Bulletin 3040: Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates; Policy Bulletin 3050: Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Rates; Policy Bulletin 3050-1: Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Partial Year Billing Procedure;

Policy Bulletin 3060: Three Phase Farm Seasonal; Policy Bulletin 3060-1: Three Phase Farm Seasonal Partial Year Billing Procedure; Policy Bulletin 3070: Irrigation Rates; Policy Bulletin 3080: Large Power Rates; Policy Bulletin 3080-1: Large Power – Multiple Meters Rate; Policy Bulletin 3090: Security Lights Rates; and Policy Bulletin 3100: Idle Service Rates as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

2010 Operating and Non-Operating Write-Offs.

Manager of Finance and Administration, Hazen reviewed the list of 2010 Operating and Non-Operating Write-Offs with the board of directors. On a motion by Wm. L. Jedlicka and seconded by Brent Stagemeyer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the 2010 Operating and Non-Operating Write-Offs as presented and a copy is to be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Discussion and possible action on adopting amendment to the 125 Plan.

On a motion by Gregory W. Walmer and seconded by Wm. L. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District adopt amendment to the 125 Plan as presented and a copy is to be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Discussion and possible action on adopting the amendment and restatement of the 125 Plan.

On a motion by Gordon W. Fulton and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District adopt amendment the amendment and restatement of the 125 Plan as presented and a copy is to be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Manager's report including old business/new business/meetings attended and upcoming meetings.

Meetings attended: A list of the meetings attended is on the Manager's Report attached to the minutes of the meeting.

Upcoming Meetings and Events: A list of the meeting the upcoming meetings and events are on the Manager's Report attached to the minutes of the meeting.

New Business:

There was no new business to discuss.

Old Business:

There was no old business to discuss.

Approval of the following Certificates of Deposit: Onewest Bank, F.S.B. Pasadena, CA, \$100,000.00 at a rate of 1.00% and a term of 24 months; Hometown Bank, N.A. Carthage, MO for \$98,997.01 at a rate of 4.10% and a term of 24 months; Banner Bank, Harrisburg, NE for \$100,000.00 at a rate of 2.62% and a term of 36 months; GE Capital Financial Inc, for \$100,000.00 at a rate of 2.00% and a term of 60 months and GE Capital Financial Inc, for \$100,000.00 at a rate of 1.95% and a term of 60 months.

Doyle Hazen, Manager of Finance and Administration reviewed the proposed Certificates of Deposit purchases. Hazen stated the rate for the certificate of deposit with

the Hometown Bank, N.A. Carthage, MO for \$98,997.01 is 1.10%. On a motion by Gregory W. Walmer and seconded by Curt Zimmerer be it:

RESOLVED THAT North Central Public Power District approve the purchase of four of the five presented certificates of deposits: Onewest Bank, F.S.B. Pasadena, CA, \$100,000.00 at a rate of 1.00% and a term of 24 months; Banner Bank, Harrisburg, NE for \$100,000.00 at a rate of 2.62% and a term of 36 months; GE Capital Financial Inc, for \$100,000.00 at a rate of 2.00% and a term of 60 months and GE Capital Financial Inc, for \$100,000.00 at a rate of 1.95% and a term of 60 months.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strope, yes. Motion carried.

On a motion by Gordon W. Fulton and seconded by Curt Zimmerer be it:

RESOLVED THAT North Central Public Power District approve the purchase of a certificate of deposit from Hometown Bank, N.A. Carthage, MO for \$98,997.01 at a rate of 1.10% and a term of 24 months.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strope, yes. Motion carried.

Discussion and approval of November 2010 monthly financials.

The board of directors reviewed the financial reports for November 2010. On a motion by Wm. L. Jedlicka and seconded by Mary Ketelsen be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the November 2010 financials as presented and a copy is to be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strope, yes. Motion carried.

Approval of expenditures covering all monetary encumbrances of the District for the month of November 2010.

The board of directors reviewed the expenditures covering the month of November 2010.

On a motion by Curt Zimmerer and seconded by Gordon W. Fulton be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the expenditures for the month of November 2010 as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes; Zimmerer, yes; Walmer, yes and Strobe, yes. Motion carried.

Adjournment.

I, Gregory W. Walmer, do hereby certify that I am the Secretary of North Central Public Power District and that the foregoing is a full, true and correct copy of the minutes of the Board of Directors, meeting in regular session, December 20, 2010.

Gregory W. Walmer, Secretary

APPROVED:

Brent M. Stagemeyer, President

Attachments: (To the original minutes)

- Acknowledgment of Notice
- Publishers Affidavit
- Safety meeting minutes – November 3, 2010 and November 2, 2010 Safety meeting minutes
- No Control Irrigation Rate – Policy Bulletin 3070 – Irrigation Rates
- Proposed Rate Adjustment per Utility Financial Solutions
- Policy Bulletin 3000: Single Phase Farm Residential Rates and Single Phase Farm Residential Leased Area Rates; Policy Bulletin 3010: Three Phase Farm Residential Rates; Policy Bulletin 3020: Town Residential Rates and Town Residential Leased Area Rates; Policy Bulletin 3030: Single Phase Commercial Rates; Policy Bulletin 3040:

Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates; Policy Bulletin 3050: Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Rates; Policy Bulletin 3050-1: Single Phase Non-Taxable Seasonal and Single Phase Taxable Seasonal Partial Year Billing Procedure; Policy Bulletin 3060: Three Phase Farm Seasonal; Policy Bulletin 3060-1: Three Phase Farm Seasonal Partial Year Billing Procedure; Policy Bulletin 3070: Irrigation Rates; Policy Bulletin 3080: Large Power Rates; Policy Bulletin 3080-1: Large Power – Multiple Meters Rate; Policy Bulletin 3090: Security Lights Rates; and Policy Bulletin 3100: Idle Service Rates

- 2010 Operating and Non-Operating Write-Offs
- Resolution of the Board of Directors Adopting Amendment to the 125 Plan
- Resolution of the Board of Directors Adopting the Amendment and Restatement of the 125 Plan
- Manager's Report
- November 2010 Financial Reports
- November 2010 Check Register