

BOARD OF DIRECTORS MEETING, JANUARY 17, 2011

The annual meeting of the Board of Directors of North Central Public Power District was held at the Drover Steakhouse Meeting room, Creighton, Nebraska, on Monday, January 17, 2011 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 Gordon W. Fulton, Brent M. Stagemeyer, William L. Jedlicka, Curt Zimmerer, Gregory W. Walmer, Mary Ketelsen and Terry Strobe. Also attending were Matt Fritz, Art Hickman, Staking Engineer / Safety Manager; Chad Waldow, Operation Manager; Doyle Hazen, Manager of Finance and Administration; Keith E. Harvey, General Manager and Jeffrey M. Doerr, District Attorney. Todd Zimmerer, Assistant Operation Manager arrived at 6:52 P.m.

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 December 20, 2010 Regular Board meeting minutes.

A motion was made by Brent Stagemeyer and seconded by Curt Zimmerer to dispense

with the reading of the December 20, 2010 regular board meeting minutes and approve the minutes as mailed. By roll call vote, each director voted, yes. Motion carried.

Administration of Oath of Office to newly elected Directors.

General Manager, Keith E. Harvey administered the signing of the oath of office and sworn in elected board of directors, Curt Zimmerer and Terry Strobe.

Election of Officers, appoint District representatives, select District Attorney.

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

RESOLVED THAT the Board of Directors of North Central Public Power District appoint Jeffrey M. Doerr, District Attorney as temporary chairman to conduct the election of board president.

By roll call vote: Fulton, yes; Jedlicka, yes; Stagemeyer, yes; Ketelsen, yes;

Zimmerer, yes; Walmer, yes; and Strobe, yes. Motion carried.

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 retain the existing officers – President, Terry Strobe; Vice President, Wm. L. Jedlicka; Treasurer, Mary Ketelsen; and Secretary, Gregory W. Walmer.

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

Temporary chairman, Jeffrey M. Doerr, returned control of the meeting to board President, Terry Strobe.

Appoint District Representatives.

Appointment of District voting delegates and alternates for G&T, NRECA, CFC, NREA, NRE Cooperative, NRTV and NRTC were assigned. G&T's voting delegate is Gordon W. Fulton with Brent Stagemeyer as alternate and Keith E. Harvey as 2nd alternate. NRECA's voting delegate is Gordon W. Fulton with Wm. Jedlicka as alternate. CFC's voting delegate is Gordon

W. Fulton with Curt Zimmerer as alternate. NREA's voting delegate is Wm Jedlicka, with Terry Strobe as alternate, and 2nd alternate, Keith E. Harvey. NRE Cooperative's voting delegate is Keith Harvey with Chad Waldow as alternate. NRTV's voting delegate is Gordon W. Fulton. NRTC's voting delegate is Gordon W. Fulton with Wm. L. Jedlicka as alternate.

Select District Attorney.

Jeffrey M. Doerr, District Attorney, temporarily left the meeting at 6:47 P.M. to allow the board to discuss the selection of District Attorney.

On a motion by Gordon W. Fulton and seconded by Mary Ketelsen be it:

RESOLVED THAT the Board of Directors of North Central Public Power District retain Jeffrey M. Doerr as District attorney.

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

Jeffrey M. Doerr, reentered the meeting at 6:50 P.M.

Public Comment.

There were no public comments.

Staff Reports.

Doyle Hazen, Manager of Finance and Administration reported that any bad debt the district writes off for accounts in the realigned towns (Bazile Mills, Brunswick, Center, Orchard, Royal, Page, and Winnetoon) is reimbursed to the District by the towns per the PRO agreements.

Chad Waldow, Operation Managers reported on the operations department's monthly operations. Waldow reported that the District experienced vandalism at the Knoxville Substation 85-5 with the intent to steal copper. Safety Manager/Staking Engineer 1, Art Hickman discussed this incident in detail with the board. Waldow also reported that a committee has been formed consisting of the Safety Manager, Assistant Operation Manager, two Foremen and two

Journeyman linemen to review the 2008 NREA safety manual. The committee will propose the necessary changes and will present these changes at the next safety meeting for review and discussion. Once the proposed changes to the safety manual are finalized this manual will be presented to the board for approval. Crews are performing tree work, including right-of-way clearing for the new transmission line. Construction work has slowed down including work on the new Hoffman Substation 85-15. Todd Zimmerer, Assistant Operation Manager updated the board on progress of new irrigation builds for the 2011 irrigation season. Waldow next discussed the current status of all the district's substations. Troubled areas that need addressed were reviewed: the Brunswick town load will be shifted to the new 85-15 Hoffman substation when it is brought on line and the 85-2 Page rural substation can be upgraded with the transformers that were removed from the 85-1 Creighton substation. Waldow also informed the board that 3500-4500 kW of new load (approximately 60 irrigation wells) would required the construction of a new substation every three years. The alternative option is to grow adjacent substation infrastructure to become more efficient with existing investment.

Loss control and safety report (No meeting in December).

There were no safety meeting minutes to review.

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:

The upcoming meetings are listed on the attached Manager's report.

New Business:

1. Present Greg Walmer with 15 year service pin
2. Present safety accreditation jackets

Old Business:

1. No old business was discussed.

Presentation of sales and revenue statistics for 2010.

Manager Harvey reviewed the sales and revenue statistics for 2010.

Approval of the following Certificate of Deposit: Community Bank of Oelwein, Oelwein, IA for \$146,000.00 at a rate of 1.30% and a term of 60 months.

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 approve the new Certificate of Deposit with Community Bank of Oelwein, Oelwein, IA for \$146,000.00 at a rate of 1.30% and a term of 60 months.

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

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

The board of directors reviewed the expenditures covering the month of December 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 expenditures for the month of December 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 annual session, January 17, 2011.

Gregory W. Walmer, Secretary

APPROVED:

Terry Strobe, President

Attachments: (To the original minutes)

- Acknowledgment of Notice
- Publishers Affidavit
- Oath of Office
- Policy Bulletin 2320: Discontinuation of Service, Notice Applicability, Appeal Procedure; and Theft of Service
- Policy Bulletin 3090: Security Lights
- Manager's Report
- December 2010 Check Register