

BOARD OF DIRECTORS MEETING, NOVEMBER 21, 2011

The regular meeting of the Board of Directors of North Central Public Power District was held at the District office, Creighton, Nebraska, on Monday, November 21, 2011 at 6:30 P.M.

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

The meeting was called to order at 6:30 p.m. and conducted by Terry Strope, President and Secretary, Gregory W. Walmer, recorded the minutes.

Directors in attendance were Gordon W. Fulton, William L. Jedlicka, Gregory W. Walmer, Mary Ketelsen, Curt Zimmerer, Brent Stagemeyer and Terry Strope. Also attending were Utility Financial Solutions, LLC representative, Mark Beauchamp; 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 and 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 October 24, 2011 Regular Board meeting minutes.

A motion was made by Brent Stagemeyer and seconded by Curt Zimmerer to dispense with the reading of the October 24, 2011 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.

Mark Beauchamp of Utility Financial Solutions will address board regarding 2011 Cost of Service Study and potential rate design for 2012.

Mr. Beauchamp discussed the need for a 5.5% increase with a plus or minus 2.0% increase per rate class due to the NPPD wholesale rate increase and the increase in maintenance and construction.

Discussion and possible action on recommended rate adjustments for 2012.

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

RESOLVED THAT the Board of Directors of North Central Public Power District adjust rates as follows 5.5% increase with a 2.0% discretion plus or minus per rate class.

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 to approve destruction of records listed on the Records Disposition Report per Nebraska Statue.

General Manager, Harvey reviewed the list of records to be destroyed on the Records Disposition Report with the board of directors. On a motion by Wm. Jedlicka and seconded by Mary Ketelsen be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve to destroy the list of records on the Records Disposition Report 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.

Staff Reports.

Chad Waldow, Operations Manager reported on the operation department's monthly operations. Waldow reported the final payment on the new 85-15 Hoffman substation has been made to Schmader Electric Const. Co. Inc. as the project is completed. Activity on the casino project has slowed down. Progress is being made on the Winnetoon FEMA project as poles are being set along the route. Obtaining easements will be an ongoing issue in the future. The district has the right to go on public or private right-of-way with easement. Landowners usually do not understand the public ROW option. The district will make every effort to work with landowners to obtain easements.

Discussion and possible action to Amend the Supplemental Traditional 401(k) and Roth 401(k) Savings Plan(s) language in both the Full Time Employee Handbook and the Temporary and Part-Time Employee Handbook.

General Manager, Harvey reviewed the changes to the Supplemental Traditional 401(k) and Roth 401(k) Savings Plan(s) language. On a motion by Gordon W. Fulton and seconded by Gregory Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District amend the Supplemental Traditional 401(k) and Roth 401(k) Savings Plan(s) language as presented in both the Full Time and Temporary and Part Time Employee Handbook 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 to eliminate the Unused Sick Leave Reimbursement in both the Full Time Employee Handbook and the Temporary and Part-Time Employee Handbook effective January 1, 2012.

General Manager, Harvey recommend eliminating the Unused Sick Leave Reimbursement section in both the Full Time and Temporary and Part-Time Employee handbooks. On a motion by Brent Stagemeyer and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District eliminate the Unused Sick Leave Reimbursement section in both the Full Time and Temporary and Part-Time Employee Handbook.

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 amending Policy Bulletin 2020: Board of Directors

Compensation Resolution for 2012.

General Manager, Harvey reviewed the language changes to Exhibit 1 of Policy Bulletin 2020: Board of Directors Compensation. On a motion by Mary Ketelsen and seconded by Gregory Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District amend the language in Exhibit 1 of Policy Bulletin 2020: Board of Directors Compensation 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.

Discussion and possible action to Amend the North Central Public Power District

Employee Benefit Package in both the Full-Time Employee Handbook and the Temporary and Part-Time Employee Handbook.

The board of directors reviewed the changes to the employee benefits package in both the Full Time and Temporary and Part-Time Employee Handbook. On a motion by Mary Ketelsen and seconded by Wm. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District amend the North Central Public Power District Employee Benefit Package as presented in the Full Time and Temporary and Part-Time Employee Handbook 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 to Amend the Receipt of the Manual of Recommended Safe Work Practices in both the Full-Time Employee Handbook and the Temporary and Part-Time Employee Handbook.

On a motion by Wm. Jedlicka and seconded by Brent Stagemeyer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve amending the Receipt of the Manual of Recommended Safe Work Practices in both the Full Time Employee Handbook and the Temporary and Part-Time Employee Handbook 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.

Safety report (October 26, 2011 In-House conducted).

The board of directors reviewed the October 26, 2011, In-House safety meeting minutes.

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 accept the October 26, 2011 Safety meeting minutes 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/ meetings attended and up 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:

Old Business:

Discussion and approval of the October 2011 financials.

The board of director reviewed the October 2011 financials. On a motion by Mary Ketelsen and seconded by Gregory Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the October 2011 financials 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 approval of the purchase of one Certificate of Deposit with the Brunswick State Bank, Brunswick, NE in the amount of \$100,000.00 at .900% for 16 months and one Certificate of Deposit with the Brunswick State Bank, Brunswick, NE in the amount of \$100,000.00 at .900% for 18 months.

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 purchase of one Certificate of Deposit with the Brunswick State Bank, Brunswick, NE in the amount of \$100,000.00 at .900% for 16 months and one Certificate of Deposit with the Brunswick State Bank, Brunswick, NE in the amount of \$100,000.00 at .900% for 18 months.

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 October, 2011.

The board of directors reviewed the expenditures covering the month of July 2011. On a motion by Curt Zimmerer 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 October 2011 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.

On a motion by Curt Zimmerer and seconded by Brent Stagemeyer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District enter into executive session at 8:32 p.m. to discuss personnel issues to among other thing prevent needless injury to individuals.

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 Mary Ketelsen and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District leave executive session at 8:46 p.m.

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

Adjournment.

Board President, Strobe adjourned the board meeting at 8:47 p.m.

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, November 21, 2011.

Gregory W. Walmer, Secretary

APPROVED:

Terry Strope, President

Attachments: (To the original minutes)

- Acknowledgment of Notice
- Publishers Affidavit
- Records Disposition Report
- Supplemental Traditional 401(k) and Roth 401(k) Savings Plan(s)
- Unused Sick Leave Reimbursement
- Exhibit 1 of Policy Bulletin 2020: Board of Directors Compensation
- North Central PPD Employee Benefits Package
- Receipt of the Manual of Recommended Safe Work Practices
- October 26, 2011 Safety meeting minutes
- Manager's Report
- October 2011 Financials
- October 2011 Check Register