

BOARD OF DIRECTORS MEETING, APRIL 26, 2014

The regular meeting of the Board of Directors of North Central Public Power District was held at the District office, Creighton, Nebraska, on Monday, April 26, 2014 at 6:30 P.M.

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

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

Directors in attendance were Terry Strobe, Gordon W. Fulton, Curt Zimmerer, Wm Jedlicka, Gregory Walmer, and Mary Ketelsen. Also attending were Bruce Pontow, General Manager of Nebraska Electric G & T Coop.; Wayne Rasmuss and Jay Spearman representatives from Ameritas; Art Hickman, Staking Engineer / Safety Manager; Todd Zimmerer, Assistant Operations Manager; Chad Waldow, Operations Manager; Doyle Hazen, Manager of Finance and Administration; Keith E. Harvey, General Manager and Jeffrey M. Doerr, District Attorney. Brent Stagemeyer arrived at 6:45 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.

General Manager, Keith Harvey led the assembly in pledging their allegiance to the

flag of the United States of America.

2. Approval of Agenda.

On a motion by Wm. Jedlicka and seconded by Terry Strope be it:

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

By roll call vote, Strope, yes; Stagemeyer, absent; Fulton, yes; Zimmerer, yes;

Walmer, yes; Jedlicka, yes and Ketelsen, yes. Motion carried.

3. Approval of the March 31, 2014 Regular Board meeting minutes.

A motion was made by Gordon W. Fulton and seconded by Curt Zimmerer to dispense with the reading of the March 31, 2014 regular board meeting minutes and approve the minutes as mailed. By roll call vote, Strope, yes; Stagemeyer, absent; Fulton, yes; Zimmerer, yes; Walmer, yes; Jedlicka, yes and Ketelsen, yes. Motion carried.

4. Public Comment: Pursuant to Nebraska Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible material which will be discussed at today's meeting is located on the table at the side of the room. Also available in that same general area is a current copy of the Nebraska Open Meetings Act which is accessible to the public.

There were no public comments.

5. Discussion to refinance North Central's 2009 Bond Issue with a new 2014 Bond Issue.

Representative of Ameritas to provide information and documents for the facilitation of this transaction.

Wayne Rasmuss, Ameritas representative explained the financial advantages of refunding the 2009 Bond Issue and then reissuing a 2014 Bond Issue. He responded to

questions from the board of directors and management.

6. Discussion and possible action to approve Resolution No. 2014-01 to call the entire 2009 Bond Issue as per their option provisions.

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 Resolution 2014-01 to call the entire 2009 Bond Issue as per their options provisions.

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

7. Discussion and possible action to refund North Central's 2009 Bond Issue with a new 2014 Bond Issue. A representative of Ameritas will provide documents to refund North Central's 2009 Bond Issue.

On a motion by Wm. Jedlicka and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District refund North Central's 2009 Bond Issue with a new 2014 Bond Issue.

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

8. Presentation by Bruce Pontow of Nebraska Electric G & T with annual update

Bruce Pontow reported on the rates, the rate philosophies and rate formulas. He also reported on the contract negotiations with Nebraska Public Power District. Other topics reported on were carbon, EPA, the value of load management and that more data is needed to see how the Southern Power Pool is going to work.

9. Board will adjourn into executive session for the purposes of discussing matters related to personnel to, among other things, avoid needless injury to individuals.

On a motion by Curt Zimmerer and seconded by Gregory W. Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District enter into executive session at 7:25 p.m. to discuss matters related to personnel to, among other things, avoid needless injury to individuals.

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

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 leave executive session at 7:53 p.m.

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

10. Staff Reports.

Doyle Hazen, Manager of Finance and Administration reported the auditors from Schmidt and Company were at the office to perform the District's annual audit and it should be done and ready to review at the May board meeting.

Chad Waldow, Operations Manager reported on the operation department's monthly operations. At the last meeting it was reported that Great Plains Communication was having an issue with interference on one of their cable TV channels and they were working with North Central to try and resolve the issue. It was determined these issues were on Great Plains Communication's system. Waldow also reported that 39 new irrigation services have been built. The recent Federated Insurance annual review was discussed. The review produced very positive marks and the MOD rate was again below 1.0.

11. Safety report (March 4, 2014 Statewide conducted).

The board of directors reviewed the March 4, 2014, Statewide safety meeting

minutes. On a motion by Terry Strope and seconded by Wm. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District accept the March 4, 2014 Safety meeting minutes as presented and a copy is to be attached to the minutes of the meeting.

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

12. Selection of student(s) to attend 2014 NREA Summer Youth Camp in Halsey.

The board of directors reviewed the applications submitted to attend the 2014 NREA Summer Youth Camp in Halsey. 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 select Sarah Smith, Hannah Smith, Rachel Tauber, Cadrien Livingston, Miles Stagemeyer and Chase Ruzicka to attend the 2014 NREA Summer Youth Camp in Halsey.

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

13. Discussion and possible action to approve the revisions to Policy Bulletin 2060: Exhibit 1, Authorization (Signing District General & Operating Accounts, Trustee Special Construction Account, all Bond Reserve Funds and all Bond Payment Fund checks).

General Manager, Harvey reported that at the annual meeting in January a Brent Stagemeyer was selected as the District's new treasurer and that Policy Bulletin 2060: Exhibit 1 has been revised to reflect this change. On a motion by Gregory W. Walmer and seconded by Curt Zimmerer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the revisions to Policy Bulletin 2060: Exhibit 1, Authorization (Signing District General & Operating Accounts, Trustee Special Construction Account, all Bond Reserve Funds and all Bond Payment Fund Checks) as presented and a copy be attached to the minutes of the meeting.

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

Discussion and possible action to approve the revisions to Policy Bulletin 3020: Single Phase Town Residential Rates and Single Phase Town Residential Leased Area Rates.

14. Discussion and possible action to approve the revisions to Policy Bulletin 3020: Single Phase Town Residential Rates and Single Phase Town Residential Leased Area Rates.

The board of directors reviewed the revisions to Policy Bulletin 3020. The new rate number added to this policy pertains to the new franchise fee for the Village of Verdigre.

On a motion by Terry Strope and seconded by Wm. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the revisions to Policy Bulletin 3020: Single Phase Town Residential Rates and Single Phase Town Residential Leased Area Rates as presented and a copy is to be attached to the minutes of the meeting.

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

15. Discussion and possible action to approve the revisions to Policy Bulletin 3030: Single Phase Commercial Rates.

General Manager, Harvey reviewed the revisions to Policy Bulletin 3030: Single Phase Commercial Rates. The revisions pertain to the new rate number for the billing of the new franchise fee for the Village of Verdigre. On a motion by Gordon W. Fulton and seconded by Terry Strope be it:

RESOLVED THAT the Board of Directors of North Central Public Power District

approve the revisions to Policy Bulletin 3030: Single Phase Commercial Rates as presented and a copy be attached to the minutes of the meeting.

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

16. Discussion and possible action to approve the revisions to Policy Bulletin 3040: Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates.

General Manager, Harvey reviewed the revisions to Policy Bulletin 3040: Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates. The changes in this policy pertains to the new rate number for the billing of the new franchise fee for the Village of Verdigre. On a motion by Gordon W. Fulton and seconded by Terry Strope be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the revisions to Policy Bulletin 3040: Three Phase Commercial Non-Residential Rates and Three Phase Commercial Non-Residential Leased Area Rates as presented and a copy be attached to the minutes of the meeting.

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

17. Discussion and possible action to approve the revisions to Policy Bulletin 3050: Single Phase Non-Taxable Seasonal Rates and Single Phase Taxable Seasonal Rates.

The revisions to Policy Bulletin 3050 pertain to the new franchise fee for the Village of Verdigre. A new rate number was added to the policy for billing purposes. On a motion by Brent Stagemeyer and seconded by Gregory W. Walmer be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the revisions to Policy Bulletin 3050: Single Phase Non-Taxable Seasonal Rates and Single Phase Taxable Seasonal Rates as presented and a copy be attached to the minutes of the meeting.

18. Discussion and possible action to approve the revisions to Policy Bulletin 3050-1:

Single Phase Non-Taxable Seasonal Rates and Single Phase Taxable Seasonal Rates.

The revisions to Policy Bulletin 3050-1 pertains to the Village of Verdigre's new franchise fee. A new rate number was added to the policy for billing purposes. On a motion by Brent Stagemeyer and seconded by Terry Strope be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the revisions to Policy Bulletin 3050-1: Single Phase Non-Taxable Seasonal Rates and Single Phase Taxable Seasonal Rates as presented and a copy be attached to the minutes of the meeting.

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

19. Discussion and possible action to approve the revisions to Policy Bulletin 3070:

Irrigation Rates.

The board of directors reviewed the revisions to Policy Bulletin 3070 which pertain to the new franchise fee for the Village of Verdigre. 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 revisions to Policy Bulletin 3070: Irrigation Rates as presented and a copy be attached to the minutes of the meeting.

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

20. Manager's report.

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. Theft of Service
2. Newsletter change
3. 2013 Load Management Graphs

Old Business:

1. None

Strategic Plan Update:

1. Current Status

21. Discussion and approval of the March 2014 financials.

The board of directors reviewed the March 2014 financials. On a motion by Wm.

Jedlicka and seconded by Terry Strobe be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the March 2014 financials as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Strobe, yes; Stagemeyer, yes; Fulton, yes; Zimmerer, yes;

Walmer, yes; Jedlicka, yes and Ketelsen, yes. Motion carried.

22. Approval of expenditures covering all monetary encumbrances of the District for the month of March, 2014.

The board of directors reviewed the expenditures covering the month of March 2014. On a motion by Curt Zimmerer and seconded by Wm. Jedlicka be it:

RESOLVED THAT the Board of Directors of North Central Public Power District approve the expenditures for the month of March 2014 as presented and a copy be attached to the minutes of the meeting.

By roll call vote, Strobe, yes; Stagemeyer, yes; Fulton, yes; Zimmerer, yes;

Walmer, yes; Jedlicka, yes and Ketelsen, yes. Motion carried.

23. Adjournment.

Board President, Ketelsen adjourned the board meeting at 9:27 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, April 16, 2014.

Gregory W. Walmer, Secretary

APPROVED:

Mary Ketelsen, President

Attachments: (To the original minutes)

- Acknowledgment of Notice
- Publishers Affidavit
- Resolution No. 2014-1
- March 4, 2014 Safety meeting minutes
- Policy Bulletin 2060: Exhibit 1, Authorization (Signing District General & Operating Accounts, Trustee Special Construction Account, all Bond Reserve Funds and all Bond Payment Fund Checks)
- Policy Bulletin 3020: Single Phase Town Residential Rates and single Phase 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 Rates and single Phase Taxable Seasonal Rates
- Policy Bulletin 3050-1: Single Phase Non-Taxable Seasonal Rates and Single Phase Taxable Seasonal Rates
- Policy Bulletin 3070: Irrigation Rates
- Manager's Report
- March 2014 Financials
- March 2014 Check Register