

March 2005 Board Summary

New Director, Donald Pearson was welcomed to the board.

Jim Scow of Scow, Rief, Kruse and Schumacher reviewed the 2004 audit stating the District had received a 'clean opinion'. The only extraordinary items in the audit were the refinancing of the hydro rehabilitation, the pension plant write-off and the risk management part as the District had begun self-insuring part of their insurance and insurance reserves have been established. No adjustments needed to be made to the work that was submitted and the review of the internal controls of the District showed no material weaknesses or non-compliance. The preparation by District employees reduces the cost of the audit.

Director Merrill was appointed to the Second Vice-Chairman position due to the death of Director Raitt.

Mrs. Raitt requested a memorial to Director Raitt for the boardroom. The Director's thought it was a nice gesture and would be pleased to have the clock hung in the boardroom.

Rate comparisons from APPA on the U.S. Department of Energy for 2003, which is the newest information was provided to the Directors.

A bill in the Legislature is creating controversy between the phone companies and the power companies regarding broadband power line carrier technology.

The District's trails were discussed. The new portion of the trails, 'Bob Lake Trail' had been built well under budget and funds are still available from the Game & Parks that possibly could be used to extend the trail to 18th Avenue from the Bob Lake Trail. If the Board would approve modifying the agreement with Game & Parks the District would petition for the completion of the trail system. The Board agreed to ask the Game & Parks to modify the original agreement to add more trail to 18th Avenue.

The interview schedule for the candidates for the President/CEO position has not changed and will take place in April.

The following work orders were approved.

<u>W.O. No.</u>	<u>Description</u>	<u>Amount</u>
01892	<u>Responsibility Area 923 Budget Code 1192 Item No. 3</u> This work order is required to relocate 575' of T.L. 3378 from the east side of 33 rd Ave. to the west side of 33 rd Ave. in Columbus. The conductor size will remain 336 ACSR with 3/8 EHS static wire. This project is being done because of the street project from 33 rd Ave. & 23 rd St to 33 rd Ave. & 27 th St. in Columbus.	
01894	<u>Responsibility Area 923 Budget Code 1392 Item No. 7</u>	

This work order will provide for the replacement of the battery bank at the Fullerton 115kV Sub. Recent load test recommended that this battery bank be replaced to ensure a reliable DC backup power supply.

01895 Responsibility Area 923 Budget Code 1392 Item No. 8
This work order will replace the battery bank at the Genoa 115kV Sub. Recent load test recommended that this battery bank be replaced to ensure a reliable DC backup power supply.

01896 Responsibility Area 923 Budget Code 1292 Item No. 9
This work order is required to build a new 3-phase 12.5kV primary circuit on the north side of 25th St. 3 blocks west to the west side of 33rd Ave. then north to 27th St. The Distribution circuit will be built below the 34.5kV transmission line. This work is being done because of the street widening project on 33rd Ave. from 23rd St. to 27th St. in Columbus.

This work order is over the budgeted amount because the original budget design was for a small distribution tie going through the Elms Trailer Court. After detailed design review, it was determined a larger conductor was required and the original route did not allow for the necessary anchoring. The new route allows for the larger conductor and the necessary anchoring. Because the new route is longer with larger conductor the cost is more.

PO 37637 Responsibility Area 926 Budget Code 2292 Item No. 12
This purchase order will authorize funds for the purchase of a used 1982 Link Belt Model LS98PL tracked dragline for use at the District's Headworks.

01893 Responsibility Area 923 Budget Code 1492 Item No. 3
This work will consist of installing three new poles, stringing 2000 ft. of 4 ACSR conductor and neutral wire, and building a 3-phase transformer mounting. This work is being done to provide service to a 75 HP irrigation well for Mike Pfeifer located East of Lindsay.

NPPD is not planning a wholesale rate increase in 2006.

The Mural Room is being returned to its original function of being used by civic organizations and meetings only. Current reservations will be honored but new reservations will only be for this purpose.

Some of the spoil at Lake Babcock is being hauled out.

The Board was brought up to date on the status of the hydro rehabilitation. Some foreign material was found in the bearing oil and some disassembly was required to clean and inspect before start-up scheduled for the week of April 11th. It is expected that start-up will take place at the Monroe plant in late May or early June. Completion of the rehabilitation is still expected to be completed on time, 12-31-06.

