

## **Loup Power District Board Summary February 28, 2007**

Charles McCumber was hired effective March 5, 2007 to replace Aaron Brown as Engineering Supervisor and Scott Oakley was hired as a lineman for the Fullerton Division.

Paul Essman, the wage consultant from Capital City Concepts, LLC attended the meeting. Mr. Essman informed the Directors of what was happening with the wage survey he is conducting including performing industry comparables.

The board approved the minor proposed changes being made in the By-Laws. The Directors also eliminated the per diem for the Directors traveling on District business.

The Clarkson City Council voted 4-0 to move into negotiations with the District for the District to manage and operate the City's electrical system. Letters have been mailed to the mayor, clerk, and city council with all of the agreements for their review.

NPPD may implement a Production Cost Adjustment (PCA) beginning in April due to the ice storm damage they incurred. FEMA will help NPPD recover the expenses incurred to physical property due to the storm but the lost production and expenses incurred due to generating and purchasing higher cost electricity will have to be made up by NPPD's customers. The recovery of an estimated \$18 million thru the PCA will last for 12 months.

The Board expressed their appreciation to Director Merrill for being selected to serve on the APPA Policy Makers Council and approved Director Merrill submitting his expenses going forward while on the APPA Policy Makers Council.

The Board was brought up to date on a number of legislative bills including LB444; LB564; LB566; LB579; LB648, which the NPA (Nebraska Power Association) supports; LB629, which NPA opposes, but supports the C-BED concept; and LB412 and LB581, which the NPA opposes.

The Directors discussed looking into the possibility of finding funds to dredge Lake Babcock.

The Loseke family has accepted an offer for removal of Bridge #9.

The Directors expressed their appreciation that the *Generator* newsletter is once again being published.

The following work orders were approved.

<u>W.O. NO.</u>	<u>Description</u>	<u>Amount</u>
01959	<u>Responsibility Area 923 Budget Code 1392 Item No. 5</u> This work order will purchase and install a 34.5/12.5kv, 10/14MVA transformer for the Columbus Tailrace Substation. Transformer is required because of load expansion in the area. Also, the existing transformer will become a spare for other substations, which have transformers of this type.	
01961	<u>Responsibility Area 926 Budget Code Contingency</u> This work order will provide for the removal of the Loseke Farm Bridge #9. An agreement has been reached with the Mila Loseke Family, the landowners, this bridge officially serves. This bridge is no longer usable by the landowners and the bridge inspector retained by the District ordered the bridge closed until major repair work was completed. The bridge requires constant general maintenance and is a major liability risk for the District. As per the agreement with the landowners, the District agreed to pay \$25,000 to the respective landowners in return for removing the existing bridge and forgo all rights to claim a replacement bridge across the canal on their property. This agreement is attached to the property and is in effect in perpetuity.	
Suppl. #1 01750	<u>Responsibility Area 923 Budget Code 1292 Item No. 9</u> This work was needed to replace UG vault type transformers in the Columbus area. This supplement is needed to adjust the estimated cost to reflect the actual cost of the project. Labor and transportation costs were higher than estimated because working conditions were slowed down due to established yards and fences. Loup crews reverted to boring the UG cable to help eliminate trenching through yards.	
Suppl #1 01827	<u>Responsibility Area 923 Budget Code 1292 Item No. 12</u> This work was needed to install six poles and string 9366 ft. of new conductor to tie the east and west feeder lines together in St. Ed. This supplement is needed to adjust the estimated cost to reflect actual cost. Labor and transportation costs were higher than estimated because crews were limited to the number of residential customers that could be taken out of service at one time, which resulted in slower working conditions.	
Suppl. #1 01854	<u>Responsibility Area 923 Budget Code 1292 Item No. 9</u> This work order was needed to convert the town of Belgrade from 4.16kV to 12.5kV. This supplement is needed to adjust the estimated cost to reflect the actual cost of the work order. The labor and transportation charges were under budget due to line crews replacing material as fill in work in preparation for the conversion and charging labor and transportation to Blanket 41032.	
Suppl. #1 01890	<u>Responsibility Area 923 Budget Code 1492 Item No. 3</u> This work order was needed to install 18 poles and string 14,700 feet of 4 ACSR conductor and build a transformer mounting to provide service to an 80HP well. This supplement is needed to adjust the estimated cost to reflect actual cost. Material and labor were higher than anticipated because the scope of the project was expanded to include extending the line to allow more clearance for the irrigation pivot.	
Suppl. #1 01912	<u>Responsibility Area 923 Budget Code 1292 Item No. 7</u> This work was to include installing new 15kV insulation, new cutouts, and arrestors and replacing wood pin insulators. This work was done to prepare for the 4.16/12.5kV conversion in Newman Grove. This supplement is needed to adjust the authorized amount to reflect the actual cost. The work order is under budget due to new 15kV material being installed on routine maintenance projects and material in place that was able to be reused. This is reflected in the cost of stock material and labor charges.	

- Suppl. #1  
1926      Responsibility Area 923 Budget Code 1392 Item No. 10  
This work order installed a 230kV switch and structure in the Columbus West Substation. This supplement is required as costs for project were less than estimate. Many of the costs were less because this work was done in conjunction with another NPPD project, thus reducing the project costs and making them more efficient.
- PO #39166      Responsibility Area 926 Budget Code 2292 Item No. 2  
This purchase order will provide for a 2008 pickup truck for canal maintenance.
- PO #39187      Responsibility Area 923 Budget Code 2292 Item No. 8  
This purchase order will provide for a Vermeer Brush Chipper.
- PO #39195      Responsibility Area 923 Budget Code 2292 Item No. 14  
This purchase order will provide for a Ditch Witch Trencher.
- 01960      Responsibility Area 923 Budget Code 1492 Item No. 3  
This work order will consist of installing six new poles, stringing 2700 ft. of 4 ACSR conductor and neutral, and building a 3 phase transformer mounting with CT metering. This work is needed to provide service to a new 60 HP lagoon pump on the Foltz Farms located west of Humphrey.
- Suppl. #1  
01847      Responsibility Area 923 Budget Code 1292 Item No. 5  
This work was to include the installation of 11 poles and stringing 9147 feet of .336 ACSR conductor and building an UG riser to provide a new feeder into the Thiele Addition for the new Wal-Mart Store. This supplement is needed to adjust the estimated cost to reflect the actual cost. Material costs were higher than anticipated because the scope of the project was expanded to include rebuilding a distribution tap to 14<sup>th</sup> Avenue East and building an UG service to a new building in the Sand Subdivision.
- PO #39147      Responsibility Area 926 Budget Code 2292 Item No. 13  
This purchase order will provide for a 2007 Suzuki ATV for canal maintenance.
- PO #39154      Responsibility Area 923 Budget Code 2292 Item No. 14  
This purchase order will provide for one (1) tandem axel flatbed trailer.

Contract 2007-01 for the purchase of Three, Three-Phase Transformers with LTC's from Virginia Transformer was approved.

President/CEO Sues asked the Board if they would be interested in a Board retreat sometime in the fall. The Directors thought this would be a good idea.