

LOUP POWER DISTRICT

Board Meeting Summary

January 23, 2008

Canal Irrigation Rates —

A study has been done on the canal irrigation rates. The Board discussed the rationale behind why the rate charged above the Monroe Powerhouse, between the Monroe and Columbus powerhouses and below the Columbus powerhouse were the same rate. President/CEO Sues discussed why the Board had eliminated the differential between irrigator rates for different locations along the canal. President/CEO Sues informed the Board the District incurs approximately \$10,000 in revenue from irrigators as a result of the irrigation rate from the canal. The Board adopted an increase in the canal irrigator rate for 2008 to \$5.00 per acre-foot.

Municipal Discount Rider —

President/CEO Sues discussed why the Municipal Discount Rider has been part of the District's rate structure. Director Kumpf expressed his opinion that the discount should be gradually discontinued over a three-year period. Administrative Services Manager Grubaugh informed the Board that eliminating the discount rate will not change the bottom line for the District. It would only reapportion the collection of revenue from the different classes of customers. Director Kumpf then stated that all government entities should stand on their own two feet.

The Board decided the municipal discount provided to tax-supported entities should remain at 33-1/3 percent of the energy only portion of the bills and to get more information out to the public on this matter.

APPA 2006 Rate Comparisons —

The APPA 2006 Comparisons on Revenue per kilowatt-hour were discussed. President/CEO Sues informed the Board this exhibit shows the District to be extremely competitive on both a national and statewide basis on rates. The District's new rates went into effect January 1, 2008. The information will be included on bill stuffers before rate increases take effect in the future.

Legislative Bills —

Development/Marketing Manager Bell reviewed numerous bills before the legislature.

President/CEO Sues discussed the importance of LB-924 on water allocation and water rights. This bill has not been highly publicized.

Director Thieman discussed the need for the public to be educated on wholesale, retail, distribution and generation. Senator Annette Dubas is taking the lead on generation issues at the legislature.

2008 Officers —

President/CEO Sues informed the Board of the timeline at the Headworks for the different sand removal companies. The newest owner is Preferred Unlimited, LLC. This company will be operating under the name Preferred Rocks of Genoa, LLC and will be infusing another \$50 million dollars in the sand plant.

President/CEO Sues informed the Board the Headworks property on the south side of the canal is exceptional for ATV users.

Employees —

Timothy Ramaekers, Meter Relay and Equipment Technician I for the Engineering Department at the Columbus Service Center. Effective 2/1/08. Employee Transferred to the Meter Relay and Equipment Technician I Position.

Steve Ziemba, Maintenance Man for Operations – Hydraulic at the Columbus Service Center. Effective 3/1/08. Employee is being Transferred to the Hydro Canal Crew in Columbus to fill New Vacancy Created with Board Approval for Additional Personnel for the Canal Crew.

Michael Brabec, Journeyman Lineman for Operations – Retail at the Columbus Service Center. Effective 2/1/08. Employee being Transferred from Present Position as Local Superintendent at Clarkson to Fill Vacancy Created on Columbus Retail Crew with the Transfer of Tim Ramaekers to the Meter Maintenance Department.

Employee Performance Evaluation —

President/CEO Sues discussed the wage consultant stating he hoped to have information to the Board at the February Board meeting for their consideration and to be able to implement the new wage process for next year. Employee performance evaluations have not been done for several years due to flaws in the process. During the past several months, the Board has questioned management regarding the District's performance evaluation process for the District employees.

The Board directed management to put into place a performance evaluation process, which would be beneficial for both supervisors and employees. As part of getting this process started, the District contacted Dr. Lynda Lakin, an Organizational Development Consultant. Dr. Lakin has expertise in developing employee performance management processes that are beneficial to both supervisors and employees.

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Dr. Lakin provided the District with a proposal to put into place a Performance Management Systems Improvement Process. Based on Dr. Lakin's proposal, the process of implementation would begin immediately, and the complete process, including a new performance appraisal system, would be in place by June 1, 2008.

The Board hired Dr. Linda Lakin to set up an employee appraisal process.

Public Power Telecommunications Petition —

A letter discussing the Public Power Telecommunications Petition was discussed. The Loup Board generally supports APPA and NPA's positions. Currently the Loup Board is going to take no position on the Public Power Telecommunications petition.

PowerPac —

Director Thieman asked that all Board members join PowerPac. Currently Directors Thieman, Clausen and Cerv belong.

Meetings —

President/CEO Suess informed the Directors of NRECA meetings and the APPA Annual Conference in New Orleans.

President/CEO Suess and Board Chairman Merrill will be attending an NPPD presentation on Friday discussing the integrated resource plan.

APPA Policymakers Council —

Board Chairman Merrill has been nominated and will serve another one year term on the APPA Policymakers Council.

The following work orders were approved.

<u>W.O. No.</u>	<u>Description</u>
01988 Responsibility Area 926 Budget Code 4592 Item No. Contingency	This work order provides for the completion of a permanent docking station for the dredge. The existing station is constructed of wooded piling with earth fill. This station requires constant maintenance and is often too unstable to safely operate the drag line from it. The new docking station will be constructed using steel sheet piling with a steel cap. A whaler running the entire length of the station will be used to attach anchor points which will run back to dead men constructed with H-piles. Total length of the new station will be 160 feet. An independent contractor will be utilized to complete this project.
01989 Responsibility Area 923 Budget Code 1292 Item No. 8	This work order is required to install two gang operated 600 amp 15kV switches and two 40/3 poles on 10 th Ave. east of BD Medical in Columbus. One switch will be located north of the BD Medical metering structure on 10 th Ave. and the other south of the metering structure. This work will allow for easy load transferring between Ag Park Sub and Industrial Sub. This will better balance loads between substations and increase system efficiency.
PO	
39953 Responsibility Area 923 Budget Code 2292 Item No. 5	This purchase order will provide for the fiberglass utility body to go with the cab/chassis on PO 39955.
PO	
39954 Responsibility Area 923 Budget Code 2292 Item No. 4	This purchase order will provide for a light dump body to go with the cab/chassis on PO 39956.
PO	
39955 Responsibility Area 923 Budget Code 2292 Item No. 5	This purchase order will provide for one cab/chassis for the Albion Line Foreman.
PO	
39956 Responsibility Area 923 Budget Code 2292 Item No. 4	This purchase order will provide for one cab/chassis for the Canal Crew's use.
PO	
39957 Responsibility Area 926 Budget Code 2292 Item No. 3	This purchase order will provide for one pickup truck for the Service Center Shop's use.
PO	
39958 Responsibility Area 923 Budget Code 2292 Item No. 2	This purchase order will provide for one pickup truck for the Albion Superintendent.
PO	
39959 Responsibility Area 926 Budget Code 2292 Item No. 9	This purchase order will provide for one 2008 utility tractor.
PO	
39960 Responsibility Area 921 Budget Code 2292 Item No. 1	This purchase order will provide for one sedan for the Administrative Services Manager.