

NORRIS PUBLIC POWER DISTRICT
Board of Directors Regular Meeting
Wednesday, January 3, 2024

I. Call To Order

The regular meeting of the Norris Public Power District Board of Directors was held at the Beatrice District Office, located at 606 Irving Street, Beatrice, Nebraska on January 3, 2024. President Hentzen called the meeting to order at 9:00 a.m. and announced that the District abides by the Nebraska Open Meetings Act and a copy of the Act is available for review by anyone present at the meeting. President Hentzen advised the Board that the Statutory Notice of the meeting had been published and that an Attendance Sign-in Sheet is available for public visitors.

II. Pledge of Allegiance

The pledge of allegiance to the United States flag was recited.

III. Roll Call

Administrative Coordinator Emily Shockley called the roll.

Board Members Present: Todd Buel, Rodney Heinrichs, Dennis Hentzen, Stewart Huneke, Mark Knobel, Kenny Myers, John Novotny, Tom Sieck, Bruce Tegtmeier, Berneal Warner

Board Members Absent: Gary Kroese

Present Employees: Bruce Vitosh, Michelle Junker, Jerry Enns, Trevor Wehrer, Emily Shockley, Deanna Slawnyk, Nate Myers

Present Attorney: Dave Jarecke

Present Guests: Chris Lindner and Colby Jensen with Forvis

IV. Approval of Previous Board Meeting Minutes

To approve the minutes of the December 6, 2023 Board Meeting. Passed with a motion by John Novotny and a second by Mark Knobel. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

V. Public Comments

Prior to adjourning the meeting, Chris Lindner, Forvis Partner introduced Colby Jensen, Forvis Director as a new member of the Norris financial audit team.

VI. General Manager and Department Reports

VI.A. General Manager Report

Trevor Wehrer provided the Safety and Training Report.

Bruce Vitosh provided the Personnel Report and highlights of the General Manager Report.

VI.B. Proprietary Customer Information

Michelle Junker reviewed the Summary of Revenues for November 2023 in comparison to November 2022.

VI.C. Financial Statements

Michelle Junker presented financial information for the month of November 2023. Operating revenues for the month ending November 2023 were \$6,684,613 in comparison to the budget of \$6,681,632. Year-to-date operating revenues were \$85,429,867 in comparison to the budget of \$83,239,574. For the month ending November 30, 2023, net margins were \$367,898 in comparison to a budget of \$256,797. Year-to-date net margins were \$7,792,227 in comparison to a budget of \$8,508,136. Total cash and investments on November 30, 2023 were \$36,514,143.

VI.D. Finance and Accounting Report

Michelle Junker provided highlights of the Finance and Accounting Report.

VI.E. Engineering Report

Jerry Enns presented highlights of the Engineering Department Report.

Jerry Enns mentioned that the District's substation transformer in the Fairbury distribution substation failed on Tuesday, January 2, 2024. The District is developing plans to install a spare 5 MVA substation transformer from inventory but will need to quickly replenish the inventory with the purchase of another 5 MVA substation transformer.

VI.F. Operations Report

Trevor Wehrer presented highlights of the Operations Department Report.

Approval of the General Manager and Department Reports including the check listing, outgoing wire transfers and credit card statement for November 2023. Passed with a motion by Bruce Tegtmeier and a second by Berneal Warner. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

VII. Approval of Purchases \$125,000-\$250,000

VII.A. None

VIII. Approval of Formal Bids

VIII.A. Bid #23-3 for Two 40' Bucket Trucks with Chassis and Service Body

Trevor Wehrer presented and discussed bids for two 40' bucket trucks with chassis and service body. Wehrer recommended approving the bid from Versalift for two ABM extended cab 40' bucket trucks with chassis and service body, in the amount of \$480,520 plus applicable sales taxes.

To approve bid #23-3 from Versalift for two ABM extended cab 40' bucket trucks with chassis and service body, in the amount of \$480,520 plus applicable sales taxes. Passed with a motion by Mark Knobel and a second by John Novotny. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

VIII.B. Bid #23-4 for One 60' Bucket Truck with Chassis and Service Body

Trevor Wehrer presented and discussed bids for one 60' bucket truck with chassis and service body. Wehrer recommended approving the bid from Versalift for one ABM custom 60' bucket truck with chassis and service body, in the amount of \$388,809 plus applicable sales taxes.

To approve bid #23-4 from Versalift for one ABM custom 60' bucket truck with chassis and service body, in the amount of \$388,809 plus applicable sales taxes. Passed with a motion by Stewart Huneke and a second by Rodney Heinrichs. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

VIII.C. Bid #23-5 for One 60' Digger Derrick with Chassis and Service Body

Trevor Wehrer presented and discussed bids for one 60' digger derrick with chassis and service body. Wehrer recommended approving the bid from Terex for one custom 60' digger derrick with chassis and service body, in the amount of \$556,188 plus applicable sales taxes.

To approve bid #23-5 from Terex for one custom 60' digger derrick with chassis and service body, in the amount of \$556,188 plus applicable sales taxes. Passed with a motion by John Novotny and a second by Bruce Tegtmeier. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

VIII.D. Bid #23-6 for One 50' Digger Derrick with Chassis and Service Body

Trevor Wehrer presented and discussed bids for one 50' digger derrick with chassis and service body. Wehrer recommended approving the bid from Altec for one custom 50' digger derrick with chassis and service body, in the amount of \$475,886 plus applicable sales taxes. After a detailed discussion regarding lead times, truck repair costs, inflation, and salvage value of the existing truck, it was suggested that the board approve the bid from Terex in the amount of \$548,958 plus applicable sales taxes.

To approve bid #23-6 from Terex for one custom 50' digger derrick with chassis and service body, in the amount of \$548,958 plus applicable sales taxes. Passed with a motion by John

Novotny and a second by Kenny Myers. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

IX. Directors' Report

IX.A. Nebraska Rural Electric Association (NREA)

Stewart Huneke reported that Perennial Public Power District appointed Brandon Lehman to serve as General Manager. Lehman served as Interim General Manager for a short time period and had previously served as Manager of Engineering.

Huneke reported that NREA Committee and Board Meetings and the evening Legislative Event are scheduled for February 6, 2024. Director training and a Managers Association Meeting are scheduled for February 7, 2024.

IX.B. Rural Electric Supply Cooperative (RESCO)

Bruce Tegtmeier provided a RESCO update. The next RESCO board meeting is scheduled for early February 2024 in Minneapolis.

IX.C. Comments

Bruce Vitosh presented the Board with a list of 2024 Director educational opportunities.

Bruce Vitosh resurrected the discussion about the Fairbury distribution substation transformer failure and the need to replenish stock as quickly as possible. Discussion was held to determine the proper approach to purchase a replacement 5 MVA substation transformer. Dave Jarecke explained the legal options and process for the purchase of a substation transformer and that a Special or Emergency Board Meeting may need to be held to authorize management to purchase the substation transformer.

X. Unfinished Business

X.A. None

XI. New Business

XI.A. Accounts Receivable Write-Offs

Michelle Junker presented the Board with a list of the proposed 2023 accounts receivable write-offs. Junker communicated the past results of collections for accounts previously written off. Junker recommended that 53 accounts be written off in the total amount of \$10,212.38.

Approval of the 2023 accounts receivable write-offs for 53 accounts in the total amount of \$10,212.38. Passed with a motion by Stewart Huneke and a second by Rodney Heinrichs. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark

Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XI.B. District Legal Services

The Board reviewed a letter received from District Attorney Dave Jarecke who communicated his appreciation and enjoyment in working with the District over the years. The 2024 monthly meeting attendance fee will increase to \$1,000 per meeting and the 2024 hourly rates for Dave Jarecke and Ellen Kreifels will be \$275 and \$250, respectively.

To retain Dave Jarecke with Blankenau Wilmoth Jarecke LLP as the District's Legal Counsel for 2024. Passed with a motion by Stewart Huneke and a second by Tom Sieck. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XI.C. Service Regulation 800 - Customer-Owned Generation

Bruce Vitosh explained proposed revisions to Service Regulation 800 - Customer-Owned Generation.

To approve proposed revisions to Service Regulation 800 - Customer-Owned Generation. Passed with a motion by John Novotny and a second by Berneal Warner. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XI.D. Service Regulation 1100 - Line Extensions

Bruce Vitosh explained proposed revisions to Service Regulation 1100 - Line Extensions.

To approve proposed revisions to Service Regulation 1100 - Line Extensions. Passed with a motion by Todd Buel and a second by Mark Knobel. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XII. Election of Officers

XII.A. President

Closed nominations were opened for President. Directors receiving nominations for President were Bruce Tegtmeier and Tom Sieck.

Closed ballot vote for President: Bruce Tegtmeier received nine votes and Tom Sieck received one vote.

Director Bruce Tegtmeier was declared President for 2024.

XII.B. Vice President

Closed nominations were opened for Vice President. Directors receiving nominations for Vice President were Tom Sieck, Stewart Huneke, and John Novotny.

Closed ballot vote for Vice President: Tom Sieck received seven votes, Stewart Huneke received three votes, and John Novotny received zero votes.

Director Tom Sieck was declared Vice President for 2024.

XII.C. Secretary

Closed nominations were opened for Secretary. Directors receiving nominations for Secretary were Rod Heinrichs, Mark Knobel, Todd Buel, Stewart Huneke, and John Novotny

Closed ballot vote for Secretary: Rod Heinrichs received one vote, Mark Knobel received one vote, Todd Buel received two votes, Stewart Huneke received five votes, and John Novotny received one vote.

Directors Todd Buel and Stewart Huneke were placed on the final ballot.

Todd Buel received three votes and Stewart Huneke received seven votes.

Director Stewart Huneke was declared Secretary for 2024.

XII.D. Treasurer

Closed nominations were opened for Treasurer. Directors receiving nominations for Treasurer were Rod Heinrichs, Todd Buel, and Mark Knobel.

Closed ballot vote for Treasurer: Rod Heinrichs received nine votes, Todd Buel received one vote, and Mark Knobel received zero votes.

Director Rod Heinrichs was declared Treasurer for 2024.

XII.E. Audit Committee At-Large Representative

To nominate Director Dennis Hentzen as Audit Committee At-Large Representative and make the nomination ballot become the official ballot and the secretary cast a unanimous vote for Dennis Hentzen, Audit Committee At-Large Representative for 2024. Passed with a motion by Rodney Heinrichs and a second by John Novotny. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XII.F. NREA Board Representative

Closed nominations were opened for NREA Board Representative. Directors receiving nominations for NREA Board Representative were Stewart Huneke, Todd Buel, Kenny Myers,

and Mark Knobel.

Closed ballot vote for NREA Board Representative: Stewart Huneke received seven votes, Todd Buel received two votes, Kenny Myers received zero votes, and Mark Knobel received one vote.

Director Stewart Huneke was declared NREA Board Representative for 2024.

XII.G. NRECA Voting Delegate

To nominate General Manager Bruce Vitosh as NRECA Voting Delegate and Director Dennis Hentzen as NRECA Voting Delegate Alternate and make the nomination ballot become the official ballot and the secretary cast a unanimous vote for Bruce Vitosh as NRECA Voting Delegate and Dennis Hentzen as NRECA Voting Delegate Alternate for 2024. Passed with a motion by Mark Knobel and a second by Rodney Heinrichs. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

XIII. Notification of Next Board Meeting

Tuesday, February 13, 2024, at 9:00 a.m., in the boardroom at the Beatrice District office.

XIV. Adjournment

To adjourn the meeting at 12:03 p.m. Passed with a motion by Stewart Huneke and a second by Tom Sieck. Roll call vote. Todd Buel: Yea, Rodney Heinrichs: Yea, Dennis Hentzen: Yea, Stewart Huneke: Yea, Mark Knobel: Yea, Kenny Myers: Yea, John Novotny: Yea, Tom Sieck: Yea, Bruce Tegtmeier: Yea, Berneal Warner: Yea

TOM L. SIECK, SECRETARY

APPROVED:

DENNIS W. HENTZEN, PRESIDENT