

LOUP POWER DISTRICT
BOARD OF DIRECTORS
August 29, 2023

The regular meeting of the Board of Directors of the Loup River Public Power District was held at the Loup Power District Board Room, Columbus, Nebraska on August 29, 2023.

Notification of the meeting was published in the Columbus Telegram and on the Loup Power District website.

Director Heesacker presided as Chairman of the meeting and Assistant Secretary Angell Robak recorded the minutes.

Roll call showed:

Present: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Absent: Tooley

Staff Present: Neal Suess, Korey Hobza, Walt Williams, Dan Hellbusch, Todd Duren, Amanda Henry

Absent: None

Others: Chris Langemeier

Chairman Heesacker reminded everyone of the open meetings law and stipulated this meeting would be conducted according to the Nebraska open meetings law. Chairman Heesacker also stated he would be conducting the meeting based on Robert's Rules of Order.

President/CEO Suess welcomed Mr. Langemeier to the meeting.

Director Donoghue made a motion to excuse the absence of Director Tooley. Director Aerni seconded the motion and roll was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

The minutes of the July 25, 2023 meeting were approved.

The following reports were presented to the Directors: the July 2023 Staff Operations Report – Exhibit 23-112; the July 2023 Bank Reconciliation Report – Exhibit 23-113; the July 2023 Vendor Payment Report – Exhibit 23-114. Additional reports presented to the Directors included various financial metrics of the District for July 2023 – Exhibit 23-115; selected financial information for July 2023 – Exhibit 23-116; and NPPD's Board of Directors Board Meeting Agendas for the August 9-10, 2023 NPPD Board Meeting – Exhibit 23-117.

Personnel, Safety, and Insurance Committee

Resolution No. 2023-05 regarding the Resignation of Chris Langemeier from the Loup Power District Board of Directors is filed as Exhibit 23-118.

Director Aerni made a motion to adopt Resolution No. 2023-05. Director Drozd seconded the motion and roll was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

President/CEO Suess presented Director Langemeier with Resolution No. 2023-05, thanked him for his service on the Loup Power District's Board of Directors and stated that he enjoyed working with him over the past six and a half years. Mr. Suess wished Mr. Langemeier well in his new appointment by Governor Pillen to serve on NPPD's Board of Directors. Mr. Langemeier stated it had been a pleasure serving on the Loup Power District's Board of Directors, and briefly explained his role as a director for NPPD.

Resolution No. 2023-06 regarding the Retirement of Lance Ferris is filed as Exhibit 23-119.

Director Aerni made a motion to adopt Resolution No. 2023-06. Director Drozd seconded the motion and roll was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

The Payroll Changes are filed as Exhibit 23-120.

A letter regarding Health Insurance Renewal is filed as Exhibit 23-121.

President/CEO Suess indicated the National Rural Electric Cooperative Association (NRECA) provides health insurance and prescription drug coverage for all employees, pre-65 year old retirees, and Board members, while Hartford Insurance and Express Scripts provide health insurance and prescription drug coverage for post-65 year old retirees. There will be a 12.1 percent increase in the 2024 renewal premiums for health insurance from NRECA for current employees, pre-65 retirees, and the Board of Directors. The 2024 renewal premiums for health insurance provided by Hartford Insurance and Express Scripts, for post-65 retirees reflect an increase of 5.05 percent. President/CEO Suess noted that the District has used money in an unrestricted reserve account in the past to balance out increases; however, the money in the reserve account was depleted at the end of 2020. Mr. Suess stated the inability to use money from a reserve account should not largely affect the retail rates for 2024. President/CEO Suess recommended the Board adopt management's recommendation to accept the renewal of health insurance from NRECA, Hartford Insurance and Express Scripts. Management and the Board discussed various items related to the District's health insurance and renewal.

Director Aerni made a motion to accept the renewal of health insurance for 2024 with NRECA, and with Hartford Insurance and Express Scripts at the proposed levels. Director Cerv seconded the motion.

Management and the Board discussed different insurance options available for consideration.

The question was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 23-122.

President/CEO Suess indicated that District management, along with the District's attorney, completed a working draft of the non-capacity amendment to the District's license, and sent it to the United States Fish and Wildlife Service (USFWS) and the Nebraska Game and Parks Commission (NGPC) for comment. Mr. Suess stated that management received comments from the USFWS, and these comments were incorporated into the amendment, which was sent to FERC staff for their review and comment. Mr. Suess added that, after review, FERC staff stated that additional studies will need to be performed prior to submission of the final filing to FERC. Mr. Suess noted that, due to the timing of completing these studies, the filing is expected to be made sometime this fall.

President/CEO Suess reiterated that the Nebraska Supreme Court/Court of Appeals granted the Objectors' petition to bypass the Court of Appeals regarding the Interbasin Water Transfer Case between the Platte River Basin and the Republican River Basin. Mr. Suess noted that the Nebraska Supreme Court has scheduled August 29, 2023 for review of this case.

President/CEO Suess indicated the District continues to hold in abeyance the Eighth Circuit Court of Appeals filing for review of the License Order, with the next filing expected to take place in early September 2023.

Regarding damage and repair from the mid-March 2019 storm event, President/CEO Suess indicated that the final design drawings were submitted to FERC for review of the overflow structure. Mr. Suess noted that the District is waiting on the Federal Emergency Management Agency (FEMA)/Nebraska Emergency Management Agency (NEMA) to approve this project for payment, after which time the project will be bid out, with completion of the construction expected in late 2023 or early 2024.

President/CEO Suess indicated that, after sending letters to its congressional delegates, the District was contacted by Congressman Mike Flood regarding the delay in payments from FEMA related to the mid-March 2019 storm event. Management is compiling additional

information to send to Congressman Flood's office in the hope of getting the payment process moving forward.

President/CEO Suess discussed with the Board two hot weather events that occurred during the weeks of July 24, 2023, and August 21, 2023, which necessitated the District to operate in run-of-canal mode. Mr. Suess explained to the Board that FERC was informed of details related to these two hot weather events, including fish kills in the Loup Power Canal, Loup River, and Platte River, as well as concerns the District has regarding conflicting compliance directives from FERC and the Southwest Power Pool (SPP).

Management and the Board discussed several items related to the District's hydroelectric license and other State of Nebraska water issues.

A letter regarding the Broadband Update is filed as Exhibit 23-123.

President/CEO Suess indicated that the District and Platte County moved forward with the proposal from Stealth Broadband (Stealth) to bring high-speed broadband to rural areas of Platte County.

President/CEO Suess indicated that Stealth was awarded \$7,509,440 from the Nebraska Capital Projects Fund (CPF) program, and along with the \$1,000,000 from Platte County, as well as Stealth investing \$1,192,465, the total cost of the project was \$9,701,905. Mr. Suess stated that 656 households in Platte County will be able to be served by Stealth, and Stealth will be able to add 294 miles of broadband to their network.

President/CEO Suess reiterated that management worked with the National Rural Telecommunications Cooperative (NRTC) to perform a Smart Grid Technology Planning Study which was presented to the Board at the Board retreat in July. Mr. Suess stated that management will develop a team internally to determine its next steps in implementing the recommendations included in this study.

Management and the Board discussed various items related to the rural broadband issue.

The resignation letter of Subdivision 5 Director Chris Langemeier is filed as Exhibit 23-124.

A letter regarding an Executive Session relating to Discussion and Possible Action on the Subdivision 5 Vacancy is filed as Exhibit 23-125.

At 9:46 A.M. Director Aerni made a motion to move into Executive Session to discuss and possibly act on the Subdivision 5 vacancy. Director Drozd seconded the motion and roll was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

At 10:03 A.M. Director Aerni made a motion to return to regular session. Director Zach seconded the motion and roll was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

Finance and Budget Committee

A letter regarding the 2024 Budget Preparation Schedule is filed as Exhibit 23-126.

The 2024 Budget Preparation Schedule is filed as Exhibit 23-127.

Director Zach made a motion to approve the 2024 Budget Preparation Schedule as presented. Director Aerni seconded the motion.

President/CEO Suess pointed out key dates in the 2024 Budget Preparation Schedule, and stated there will be a meeting of the Finance and Budget Committee on November 21, 2023 to discuss the 2024 Construction and Operations Budgets. The entire Board is invited to attend this meeting.

The question was called.

Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Nay: None

Absent: Tooley

The motion carried.

Support Services Committee

A letter regarding Payments Made to Communities is filed as Exhibit 23-128.

President/CEO Suess informed the Directors that in mid-August, the District made payments totaling \$1,318,269.86 to all twenty-two communities under a new Professional Retail Operations Agreement and Franchise with each community. Mr. Suess stated that these payments are made quarterly and are based on eleven percent of the adjusted inside revenue for each community.

Management and the Board discussed matters relating to the payments to these communities.

At 10:15 A.M. the Board took a brief break and returned at 10:25 A.M.

At this time, Vice President of Accounting and Finance/CFO Williams presented his report to the Board, which included the financial report for June, filed as Exhibit 23-129. Reports to the Board were also presented by Vice President of Engineering Hobza, Vice President of Operations Hellbusch, Vice President of Corporate Services Duren and Human Resource Manager Henry.

The investment letter is filed as Exhibit 23-130.

Director Cerv made a motion to approve the investment letter as presented. Director Donoghue seconded the motion and roll was called.

**Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker
Nay: None
Absent: Tooley
The motion carried.**

The work order letter is filed as Exhibit 23-131.

Director Donoghue made a motion to approve the work order letter as presented. Director Aerni seconded the motion and roll was called.

**Aye: Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker
Nay: None
Absent: Tooley
The motion carried.**

The next regular Board meeting is set for September 26, 2023, at 9:00 A.M. at the General Office.

President/CEO Suess stated the District will hold a public hearing regarding PURPA Standards on September 26, 2023, at 10:00 A.M., during its regular Board meeting in the Loup Power District Board Room.

NPPD's Board Forum is Tuesday, September 19, 2023 at Chances "R" Restaurant in York beginning at 11:30AM. Directors Harding, Williams and Mogul from NPPD will be there.

Taste of Columbus is set for Sunday, October 8, 2023 at the Ramada Inn in Columbus.

Management and the Board discussed the recent drowning at the Tailrace area.

Management and the Board briefly discussed details related to the purchase of a transformer from Southern Public Power District.

Director Donoghue made a motion to adjourn. Director Drozd seconded the motion. The motion carried by voice vote.

15226
August 29, 2023

Steve Hession

Chairman of the Board

9/26/2023

Date

Angell Robak

Assistant Secretary