

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
April 23, 2019

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 April 23, 2019.

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

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

**Roll call showed:**

**Present: Tooley, Donoghue, Langemeier, Fleming, Cerv, Drozd, Knott, Aerni, Heesacker, Zach**

**Absent: None**

**Staff Present: Neal Suess, David Bell, Ron Ziola, Walt Williams, Dan Hellbusch, and Amanda Henry**

**Absent: None**

**Others Present: None**

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

**The minutes of the March 26, 2019 meeting were approved.**

The following reports were presented to the Directors: the March 2019 Staff Operations Report – Exhibit 19-056; the March 2019 Bank Reconciliation Report – Exhibit 19-057; the March 2019 Vendor Payment Report – Exhibit 19-058. Additional reports presented to the Directors included various financial metrics of the District for March 2019 – Exhibit 19-059; and NPPD's Board of Directors Committee Meetings and Board Meeting Agendas for the April 10-11, 2019 NPPD Board Meeting – Exhibit 19-060.

**Executive Committee**

A letter addressing Damage from the March 12-14 Storm Event is filed as Exhibit 19-061.

President/CEO Suess indicated that work continues on the cleanup from the March 12-14 storm event. Mr. Suess stated that the three large breaches have been repaired to the extent of keeping the Loup River water in the Loup River, and not leaking into the Canal, and to prevent Canal water from leaking onto local property. Work is also being done to fix the roadway system near the Headworks, including the decking structure across the skimming weir, and closing the gap between the skimming weir and the Loup River. President/CEO Suess indicated management is working with Olsson, Inc. on the repairs and design for submittal to the Federal Energy Regulatory Commission (FERC), and noted that eighty percent of the design plans will be submitted to FERC this week. Mr. Suess stated the concrete weir structure has suffered significant erosion through the years and the north wing wall of the intake structure suffered damage from the flooding. President/CEO Suess indicated the fish stranding report has been

submitted to FERC, and as much damage repair as can be done has been done to the subtransmission line and distribution lines from the South Farm Line substation. The NPPD mobile substation continues to be used while a suitable permanent site for the St. Edward substation is being sought. Mr. Suess stated that the Nebraska Emergency Management Agency (NEMA) and the Federal Emergency Management Agency (FEMA) documentation is ongoing, and that while this funding is to be used strictly for repairs, other sources of funding may be available for facility improvements. President/CEO Suess used pictures, videos, and Google Earth to show flood damage and repair efforts along the Canal and other areas around the District. The Board and management discussed at length many issues regarding this storm event, including how it could affect the District's hydroelectric license from FERC. The Board thanked management for all of their hard work and dedication during this storm event.

A letter addressing the Hydroelectric Relicensing Update and Other Water Issues is filed as Exhibit 19-062.

President/CEO Suess indicated that on March 15, 2019, management sent a letter to FERC declaring an emergency because of the March 12-14 storm event, and requested suspension of Article 406 - limitation of flow into the Canal during the period from March 1 through June 30. On March 26, the District received a letter from FERC granting suspension of Article 406. Mr. Suess stated that on April 12, 2019, the District sent a letter to FERC declaring a suspension of Articles 405, 406, 407, 408, 410 and 413, and noted that most of these Articles are flow related and the suspensions are needed since the District has no way of knowing the flow into the Canal. Mr. Suess indicated that Article 413 deals with the Recreation Management Plan, and there is currently no way to implement this with the damage at the Headworks. President/CEO Suess stated the District continues to wait on FERC to rule on the Operation Compliance Plan. Mr. Suess indicated the District is continuing to monitor the case before the Department of Natural Resources (DNR) regarding the transfer of water from the Platte River basin to the Republican River basin. President/CEO Suess stated that there has been no further discussion of drought monitoring cases along the Platte River, and there may not be for a significant period of time, considering the ongoing water issues in eastern Nebraska. Mr. Suess indicated the District continues to hold in abeyance the Eighth Circuit Court of Appeals filing for review of the License Order, and noted an update needs to be filed by the end of April. Management and the Board discussed several issues related to the District's License.

A letter regarding the New Service Center Update is filed as Exhibit 19-063.

President/CEO Suess indicated construction of the District's new Service Center located in the Energy Triangle Addition is ongoing, and stated most of the outside work is complete, the entire building is enclosed, and completion of work on the interior walls and features is the current focus of project. Mr. Suess stated the District is working with the City on platting for the entire Energy Triangle Addition, including the roadway location leading into the Energy Triangle Addition from Lost Creek Parkway, as well as the road to the new Service Center. President/CEO Suess indicated preliminary approval was received in April from the Planning Commission and City Council, and final approval is expected in May. The District is also working with its attorney on an easement/subdivision agreement for the entry road into the Energy Triangle Addition. President/CEO Suess noted the District has submitted its finalized wetlands mitigation plan to the Army Corps of Engineers for final approval. Mr. Suess indicated District management continues to meet with C. S. Nelson Company real estate firm regarding the sale of the property in the Energy Triangle Addition as well as the sale of the existing Service

Center building. Management and the Board discussed items related to the new Service Center and the Energy Triangle Addition. The planned tour of the facilities by the Board was postponed due to muddy conditions.

#### **Personnel, Safety, and Insurance Committee**

The Payroll Changes are filed as Exhibit 19-064.

A letter regarding Organizational Changes is filed as Exhibit 19-065.

President/CEO Suess indicated District management has been reviewing upcoming retirements at the Executive Team level, which has allowed management to review the entire organizational structure of the District. President/CEO Suess noted that, although there have been no announced retirement dates on the Executive Team, some initial thoughts on the proposed interim and proposed final organizational charts have been discussed. Mr. Suess provided these proposed organizational charts to the Board and indicated that he is working with the Manager of Human Resources on potential salary structures. Management and the Board discussed the proposed organizational changes, recognizing that nothing is definite and no approval or final vote would be taken at this time.

#### **Support Services Committee**

A letter regarding the Legislative Bill Watch is filed as Exhibit 19-066.

President/CEO Suess stated the 2019 Nebraska Unicameral is expected to end its long 90-day session on June 6. The main focus in the Unicameral this year is tax reform, budget concerns, and school funding. Several bills are being closely watched by organizations of which the District is a member, including the Nebraska Power Association (NPA) and the Columbus and State of Nebraska Chambers of Commerce. President/CEO Suess noted that the Nebraska League of Conservation Voters (NCLV) has been focused on getting individuals with a conservation/clean energy perspective elected to utility Boards, and have made strides at NPPD, OPPD, and LES. Management and the Board discussed various bills that may bear further watching and action, as well as a proposal included in President Trump's budget proposal for 2020, which calls for the selling of Power Marketing Administrations, such as the Western Area Power Administration.

A listing of the 2019-2020 Loup Scholarships is filed as Exhibit 19-067.

President/CEO Suess indicated management would like a Board member to present the Loup scholarships on the various schools' awards nights, if possible. Director Fleming will present the scholarships at Columbus High School; Director Donoghue will present the scholarship at Lakeview High School; Director Knott will present the scholarship at Boone Central High School; and Director Drozd will make the presentations at St. Edward High School and Twin River High School. The scholarship for Howells-Dodge High School will be presented by faculty at its graduation ceremony.

At this time, Vice President of Administrative Services Williams presented the financial report for March 2019 filed as Exhibit 19-068.

The investment letter is filed as Exhibit 19-069.

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

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

The work order letter is filed as Exhibit 19-070.

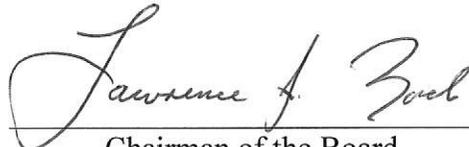
**Director Donoghue made a motion to approve the work order letter as presented. Director Cerv seconded the motion and roll was called.**

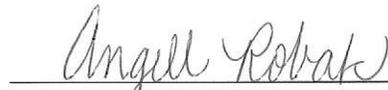
**Aye: Tooley, Donoghue, Langemeier, Fleming, Cerv, Drozd, Knott, Aerni, Heesacker, Zach**  
**Nay: None**  
**Absent: None**  
**The motion carried.**

The next Board meeting will be held on Tuesday, May 28, 2019, at 9:00 A.M. in Columbus.

The APPA Annual Conference is set for June 7-12, 2019 in Austin, TX.

**Director Tooley made a motion to adjourn. Director Fleming seconded the motion. Motion carried by voice vote.**

  
Chairman of the Board

  
Assistant Secretary

5/28/19  
Date