

LOUP POWER DISTRICT
BOARD OF DIRECTORS
May 25, 2021

The regular meeting of the Board of Directors of the Loup River Public Power District was held at Loup Power District's Service Center, Columbus, Nebraska on May 25, 2021.

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

In the absence of Chairman Knott, First Vice Chairman Drozd presided as Chairman of the meeting and Assistant Secretary Angell Robak recorded the minutes.

Roll call showed:

Present: Tooley, Donoghue, Zach, Cerv, Drozd, Langemeier, Aerni, Heesacker

Absent: Knott, Fleming

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

Absent: Dan Hellbusch

Others: None

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

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

Aye: Tooley, Donoghue, Zach, Cerv, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Knott, Fleming

The motion carried.

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

Aye: Tooley, Donoghue, Zach, Cerv, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Knott, Fleming

The motion carried.

The minutes of the April 27, 2021 meeting were approved.

The following reports were presented to the Directors: the April 2021 Staff Operations Report – Exhibit 21-076; the April 2021 Bank Reconciliation Report – Exhibit 21-077; the April 2021 Vendor Payment Report – Exhibit 21-078. Additional reports presented to the Directors included various financial metrics of the District for April 2021 – Exhibit 21-079; selected financial

information – Exhibit 21-080; and NPPD’s Board of Directors Board Meeting Agendas for the May 12-13, 2021 NPPD Board Meeting – Exhibit 21-081.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 21-082.

President/CEO Suess indicated that there has been no activity during the last month regarding the compliance process of the District’s hydroelectric license. Mr. Suess stated that the District continues to work on its response to the October 13, 2020 United States Fish and Wildlife Service (USFWS) letter to FERC which agreed with some of the District’s proposed language changes to the USFWS Biological Opinion. Mr. Suess noted that management had a discussion with the District’s attorney regarding moving issues forward, and stated that, due to remedial measures, the District is required to set up a phone call with the Federal Energy Regulatory Commission (FERC) Division of Hydropower Administration and Compliance (DHAC). Mr. Suess stated that management plans to bring up other issues as well, and begin a dialogue. President/CEO Suess reiterated that the District filed its intervention in the revised interbasin water transfer case, along with Central Platte NRD and Lower Loup NRD, and noted that the District’s brief on the motion to dismiss was due to the Department of Natural Resources (DNR) by May 3, 2021, while the applicant’s reply brief is due by June 2, 2021. Mr. Suess stated the applicant’s motion to dismiss hearing is set for July 19, 2021. 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 July. Mr. Suess stated the District’s Water Management Plan is on file with FERC, and that management is working with FERC personnel to decide how to fill the Canal back to normal levels while meeting the terms of the License. President/CEO Suess indicated that management has submitted to FERC a plan and schedule for Canal remediation which indicates its sixty percent design drawings and calculations are expected to be completed and submitted to FERC by the end of October 2021. Mr. Suess added that FERC Chicago has indicated a license amendment may be necessary, and has suggested that management set up a call with FERC DHAC. President/CEO Suess indicated that the District is aware of a filing before the DNR made by the North Loup River Public Power and Irrigation District (North Loup) for a surface water application of 900 cubic feet per second (cfs) in the North Loup River. Mr. Suess stated that North Loup is proposing to install a small power facility that would only generate during the summer months, and added that it is yet to be determined if this will affect the District’s water right. Management and the Board discussed several items related to the District’s hydroelectric license.

President/CEO Suess and the Board held a further discussion regarding Director Subdivisions.

Mr. Suess stated that, while there is no requirement to redistrict, the District must show that the population in each of the District’s subdivisions is equal, or redistricting must occur, noting that the public can file a complaint to enforce this. President/CEO Suess added that the District may have to wait for the Legislature to complete its redistricting before Columbus and Schuyler wards can be established. Mr. Suess stated that while an increase or decrease in Board members is up to the Board, the Power Review Board (PRB) would prefer a decrease, and the District can expect to be questioned by the PRB if an increase in Board members is requested. Management and the Board discussed at length details related to Director Subdivisions.

President/CEO Suess discussed with the Board a Broadband Study in the Loup-Cornhusker Area.

Mr. Suess indicated that an initial draft of a broadband study in the Loup-Cornhusker area was completed and presented on May 18 by the National Rural Telecommunications Cooperative (NRTC), which shows that there is a possibility for a decent return on an investment in broadband; however, the investment could be substantial. Mr. Suess stated that, as there is a current limitation for public power districts (PPD's) to offer broadband, a public-private partnership would have to be considered, if it is decided to move forward. President/CEO Suess noted that specific data is still being reviewed and is considered confidential. Mr. Suess added that he believes it would be beneficial to have a joint meeting of the Executive Committees of the Cornhusker Public Power District (CPPD) Board and the Loup Power District Board. Management and the Board discussed items related to the Broadband Study in the Loup-Cornhusker area, and the Board agreed that a joint meeting with CPPD and the NRTC would be worthwhile.

Personnel, Safety, and Insurance Committee

The Payroll Changes are filed as Exhibit 21-083.

Support Services Committee

The Legislative Bill Watch letter is filed as Exhibit 21-084.

Vice President of Corporate Services Duren indicated that as of May 25, 2021, the Nebraska Unicameral was in day 84 of the 90-day session; however, the session is expected to only run through May 27, 2021, adjourning sine die early. Mr. Duren noted that it is likely the Nebraska senators will convene for a special session in August or September to work on redistricting. The main focus in the Unicameral this year is tax reform and incentives, prisons, and other budget concerns. Mr. Duren stated that the electric issues on the forefront include transmission line building, public power governance and meeting structure, net metering, and broadband. Mr. Duren reviewed several legislative bills of particular interest to the District. President/CEO Suess stated that LR136 was introduced to study the effects of the February 2021 weather event. Management and the Board discussed items related to the 2021 Nebraska Unicameral session.

A letter regarding Payments Made to Communities is filed as Exhibit 21-085.

President/CEO Suess informed the Directors that in mid-May, the District made payments to twenty-one communities under new lease agreements. Mr. Suess stated that these payments are made quarterly and are based on eleven percent of the adjusted inside revenue for each community. Mr. Suess noted that only one town has not signed a new agreement, and management is working on supplying data to that village for their analyses. Management and the Board discussed matters relating to the payments to these communities.

At this time, Vice President of Accounting and Finance/CFO Williams presented his report to the Board, which included the financial report, filed as Exhibit 21-086. A report to the Board was also presented by Vice President of Engineering Hobza. Vice President of Corporate Services Duren presented his report to the Board, which included a COVID-19 pandemic update as it relates to the District. A report was also presented by Human Resource Manager Henry.

The work order letter is filed as Exhibit 21-087.

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


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

The next regular Board meeting is set for June 29, 2021 at 9:00 A.M.

The APPA Annual Conference is set for June 20-23, 2021 in Orlando, FL, with a virtual portion scheduled for July 13-14, 2021. The conference was moved from Chicago, IL, to Orlando, FL, due to COVID-19 concerns.

Director Zach made a motion to adjourn. Director Heesacker seconded the motion. The motion carried by voice vote.

6/29/21
Date



Chairman of the Board



Assistant Secretary