

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
December 21, 2021

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 December 21, 2021.

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

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

**Roll call showed:**

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

**Absent: Tooley, Langemeier**

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

**Absent: None**

**Others: None**

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

**Director Cerv made a motion to excuse the absences of Directors Tooley and Langemeier. Director Aerni seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Tooley, Langemeier**

**The motion carried.**

**The minutes of the November 23, 2021 meeting were approved.**

The following reports were presented to the Directors: the November 2021 Staff Operations Report – Exhibit 21-186; the November 2021 Bank Reconciliation Report – Exhibit 21-187; the November 2021 Vendor Payment Report – Exhibit 21-188. Additional reports presented to the Directors included various financial metrics of the District for November 2021 – Exhibit 21-189; selected financial information – Exhibit 21-190; and NPPD's Board of Directors Board Meeting Agendas for the December 8-9, 2021 NPPD Board Meeting – Exhibit 21-191.

**Executive Committee**

The Board information sheet for 2022 is filed as Exhibit 21-192.

**Director Aerni made a motion to appoint Walt Williams Deputy Treasurer and Angell**

**Robak Assistant Secretary to the Board for 2022. Director Heesacker seconded the motion and roll was called.**

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

**Director Fleming made a motion to approve the 2022 Board committees as presented. Director Zach seconded the motion and roll was called.**

President/CEO Suess reviewed the different committees with the Board, noting the chairman and members of each committee. President/CEO Suess indicated these committees were established in consultation with the incoming Board Chairman, Alan Drozd.

**The question was called.**

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

Resolution No. 2021-09 – Village of Cedar Rapids – PRO Agreement and Franchise is filed as Exhibit 21-193.

President/CEO Suess stated that management recommended the Board adopt Resolution No. 2021-09, which approves the proposed changes to the PRO Agreement and Franchise with the Village of Cedar Rapids.

**Director Donoghue made a motion to adopt Resolution No. 2021-09. Director Aerni seconded the motion.**

President/CEO Suess stated that management has worked with all the cities, towns, and villages within the District's service territory to obtain new Professional Retail Operations (PRO) Agreements and Franchises. Mr. Suess informed the Board that, at its Village Board meeting on December 1, 2021, the Village of Cedar Rapids voted unanimously to accept a new PRO Agreement and Franchise with the District with the following changes: the PRO Agreement and Franchise will be combined into one document; the PRO Agreement and Franchise will be extended through December 31, 2040, with the ability to renew; lease payments will be made to the Village of Cedar Rapids once every three months instead of every six months; and beginning January 1, 2022, the lease payments to the Village of Cedar Rapids will be increased from ten to eleven percent.

**The question was called.**

**Aye: Fleming, Donoghue, Zach, Cerv, Drozd, Aerni, Heesacker, Knott**  
**Nay: None**

**Absent: Tooley, Langemeier**  
**The motion carried.**

A letter addressing District Water Issues is filed as Exhibit 21-194.

President/CEO Suess indicated that, regarding license compliance, there has been no activity during the past month. Mr. Suess stated that management continues to wait on the Federal Energy Regulatory Commission (FERC) to provide advice on filing the license amendment as well as provide guidance regarding the Biological Opinion (BO) due to comments made by the United States Fish and Wildlife Service (USFWS) in 2020, as well as the District's comments in 2020 and 2021. President/CEO Suess indicated the District is preparing to submit the end-of-year reports, which are due in December 2021 and February 2022. Mr. Suess noted that revisions are also being made to the Streambank Monitoring Plan, which needs to be submitted to FERC by February 28, 2022. President/CEO Suess stated the District's intervention in the revised interbasin water transfer case continues to wait on the Department of Natural Resources (DNR) who is reviewing the information and hearing transcripts. Mr. Suess stated the DNR could make a ruling at any time, and once that ruling is made, further discussion will take place regarding the next steps to be taken. 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 January 2022. Mr. Suess indicated that management has submitted to FERC its sixty percent design drawings and calculations for Canal remediation associated with water flows overtopping the Canal. Mr. Suess added that, if approved by FERC, this would allow for bidding of the project in spring 2022, with completion expected in fall 2022, noting that a possible license amendment could alter this timeline. President/CEO Suess also stated that the District is preparing for additional sheet piling work near the Headworks that was damaged during the mid-March 2019 storm event, and hopes to get bids this winter for sheet piling to be placed in spring and summer 2022. Management and the Board discussed several items related to the District's hydroelectric license.

A letter regarding Further Discussion on Broadband in the Loup-Cornhusker Area is filed as Exhibit 21-195.

President/CEO Suess indicated that, in November, the Board approved a Memorandum of Understanding (MOU) with NPPD and other public entities, which would allow public entities to work together to explore funding options and begin discussions with private entities who could deliver end-use service. Mr. Suess added the Platte County Board of Supervisors also signed a MOU in November, and Cornhusker Public Power District, Boone County, Colfax County, and Nance County have been asked to sign the MOU as well. Mr. Suess noted that discussions are also ongoing with the Lower Loup Natural Resources District (LLNRD), as each party sees the benefits that rural broadband can bring to the Loup-Cornhusker area. Management and the Board briefly discussed various items related to the rural broadband issue.

**Rates Committee**

A letter regarding the 2020 Comparison of Revenue per Kilowatt Hour is filed as Exhibit 21-196.

President/CEO Suess provides this APPA report to the Board each year as APPA completes the compilation of this data. President/CEO Suess presented a table illustrating the 2020 comparison

of revenue per kWh for residential, commercial, industrial, and overall classes of customers, which showed the District is still one of the lower cost electric utilities in the state and the nation. President/CEO Suess and the Board discussed different aspects of the APPA report.

A letter addressing the 2022 Retail Rates is filed as Exhibit 21-197.

President/CEO Suess reviewed the retail rate proposal which was discussed in detail during the Rates Committee meeting held on December 14, 2021.

**Director Aerni made a motion to approve the recommended 2022 retail rates as proposed and developed by management and discussed with the Rates Committee, which consists of an overall retail rate increase of 0.0 percent, excluding ADM and the Economic Development Rate, effective with billing after February 1, 2022, as well as changes to the other retail rates presented by management. Director Drozd seconded the motion.**

Management and the Board discussed additional items relating to the retail rates.

**The question was called.**

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

**Nay: None**

**Absent: Tooley, Langemeier**

**The motion carried.**

A letter on the 2022 Wholesale Rates is filed as Exhibit 21-198.

**Director Donoghue made a motion to accept management's recommendation on the 2022 LWS-1 and LWD-1 wholesale rates effective February 1, 2022. Director Fleming seconded the motion.**

President/CEO Suess reviewed the wholesale rate proposal and presented a chart showing the rate schedules which were discussed during the Rates Committee meeting on December 14, 2021.

**The question was called.**

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

**Nay: None**

**Absent: Tooley, Langemeier**

**The motion carried.**

**Personnel, Safety, and Insurance Committee**

**At 10:07 A.M. Director Aerni made a motion to move into Executive Session to discuss the President/CEO wages and performance evaluation. Director Heesacker seconded the motion and roll was called.**

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

**Nay: None**  
**Absent: Tooley, Langemeier**  
**The motion carried.**

**At 10:38 A.M. Director Heesacker made a motion to return to regular session. Director Zach seconded the motion and roll was called.**

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

**Director Aerni stated that Board consensus was to offer a 5.0 percent salary increase to the District's President/CEO for 2022. Director Aerni made a motion to approve this pay increase for President/CEO Suess. Director Drozd seconded the motion and roll was called.**

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

Molly Hunter from the Columbus Telegram entered the meeting at 10:42 A.M.

At 10:43 A.M. the Board took a brief break and returned at 10:50 A.M.

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 21-199. Reports to the Board were also presented by Vice President of Engineering Hobza and Vice President of Operations Hellbusch. 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 21-200.

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

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

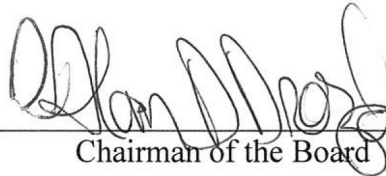
The next regular Board meeting is set for January 25, 2022, at 9:00 A.M., at the General Office.

President/CEO Suess stated the Power Review Board (PRB) hearing for the District's new Charter will be held on Monday, December 27, 2021.

President/CEO Suess stated the NPPD Board adopted a Board Policy at their December Board meeting to reach net carbon zero status by 2050.

President/CEO Suess wished everyone a Merry Christmas and Happy New Year.

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



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Chairman of the Board



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Assistant Secretary

1/25/2022

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Date