

LOUP POWER DISTRICT
BOARD OF DIRECTORS
February 22, 2022

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 February 22, 2022.

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

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

Roll call showed:

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

Absent: Cerv (attended via phone)

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

Absent: None

Others: Andrew Kiser-Columbus Telegram

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.

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

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

Aye: Tooley, Donoghue, Zach, Fleming, Knott, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Cerv

The motion carried.

The minutes of the January 25, 2022 meeting were approved.

John Hannah (general public) entered the meeting at 9:05 a.m.

The following reports were presented to the Directors: the January 2022 Staff Operations Report – Exhibit 22-022; the January 2022 Bank Reconciliation Report – Exhibit 22-023; the January 2022 Vendor Payment Report – Exhibit 22-024. Additional reports presented to the Directors included various financial metrics of the District for January 2022 – Exhibit 22-025; selected financial information – Exhibit 22-026; NPPD's Board of Directors Board Meeting Agendas for the February 9-10, 2022 NPPD Board Meeting – Exhibit 22-027; and NPPD's

RRC/PRAB/Customer Meeting Agenda and Presentations for the February 17, 2022 Meeting – Exhibit 22-028.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 22-029.

President/CEO Suess indicated that, regarding license compliance, there has been little activity during the past month. Mr. Suess stated that management has submitted the Revised Loup River Bypass Reach Streambank Monitoring Plan to the Federal Energy Regulatory Commission (FERC) for approval, and will be filing the Canal Bank Monitoring report, Bypass Reach Streambank Monitoring report, and Invasive Species Monitoring report to FERC, which is due by February 28, 2022. Mr. Suess reiterated that management held a meeting with FERC Staff regarding the District's Operation Compliance Monitoring Plan and the United States Fish and Wildlife Service (USFWS) Biological Opinion (BO), and added that management needs to submit an update to FERC Staff on where the process stands to date. 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 March 2022. Regarding damage and repair from the mid-March 2019 storm event, Mr. Suess stated that management submitted its sixty percent drawings for the Canal remediation to FERC and, after meeting with FERC Staff to discuss these drawings and calculations, the District is beginning work on the final design drawings with its engineer, Olsson, Inc. President/CEO Suess indicated that it will take approximately four to five months to complete the drawings, and bids for this project are expected to take place in fall 2022, with construction beginning in spring 2023. Mr. Suess stated that work continues on the jetties, with the south side work on the damaged jetties complete and work on the north side expected to be completed in 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 22-030.

President/CEO Suess indicated that six different public entities: the District, NPPD, Boone County, Colfax County, Nance County, and Platte County have entered into a Memorandum of Understanding (MOU) which would allow public entities to work together to explore funding options to bring broadband service to rural areas of the District's service area and begin discussions with private entities who could deliver end-use service. Mr. Suess noted that the counties involved in this effort have American Relief Plan Act (ARPA) money that is available to use for rural broadband. Mr. Suess added that Pat Pope, former President/CEO of NPPD, who is leading this effort, has invited Cornhusker Public Power District (CPPD) to enter into this MOU, and he continues to wait on CPPD's response. President/CEO Suess reiterated that on January 20, 2022, the public entities who joined the MOU met to examine what the next potential steps might be to further this effort, as each party sees the benefits of moving forward. Mr. Suess stated that NPPD is working on a broadband study with South Central PPD who has partnered with Glenwood Communications, and is also beginning discussions with the counties

of Butler, Polk, and York, as well as other public entities. President/CEO Suess indicated that there has been a setback with the Public Service Commission (PSC), as other broadband companies have claimed that they can and have met the need of some rural communities. Mr. Suess noted that conversations continue with entities in the District service area regarding construction of a backbone network, and another meeting will be set up in early March to further discuss this issue. Management and the Board discussed various items related to the rural broadband issue.

Finance and Budget Committee

A letter regarding 2020 Utility Operating Ratios is filed as Exhibit 22-031.

President/CEO Suess indicated the American Public Power Association (APPA) recently filed a report which compares the operating ratios of various public power systems, and he reviewed this report with the Board. Mr. Suess presented tables illustrating the District is below or equal to the first quartile in most classes of customers and is below the median for all customer classes. President/CEO Suess noted that the District is near the median in labor expense per worker-hour, and expressed that this shows the District is close to where it needs to be in wages compared to other utilities. Management and the Board discussed information included in the APPA report.

President/CEO Suess and the Board set Tuesday, March 15, 2022, at 9:00 A.M. as the date for the Finance and Budget Committee to meet and review the 2021 audit.

Personnel, Safety, and Insurance Committee

The 2021 Annual Safety Report is filed as Exhibit 22-032.

President/CEO Suess indicated that, overall, 2021 was another good year for safety at the District, considering the amount of work being performed by District personnel. There were five personal injury accidents, one lost-time accident, and one vehicle accident in 2021. President/CEO Suess presented a graph illustrating the Personal Injury and Vehicle Accident Reports from 1967 to 2021, which showed a significant drop in accidents over the last forty years. Mr. Suess also presented a chart which showed the District's Personal Injury and Vehicle Accident Reports for the years 2006 through 2021. Management and the Board discussed the 2021 Safety Report.

Support Services Committee

The Legislative Bill Watch letter is filed as Exhibit 22-033.

President/CEO Suess stated the 107th Legislature of the 2022 Nebraska Unicameral officially began its short 60-day session on January 5, and this session is expected to end on April 20. The main focus in the Unicameral this year is on bills related to the American Rescue Plan Act (ARPA), which has allocated \$1 billion for the State of Nebraska. The legislative hearings began on January 17 and are expected to be completed by March 3. Mr. Suess discussed with the Board several bills dealing with public power districts and water development: LB1015-Perkins County Canal Act; LB1023-Lake Development Act and Water Recreation Enhancement Act; LB1046-Appointment of Board members and President/CEO for NPPD and OPPD; and LB1058-Changing requirements for base-load generating units. Vice President of Corporate Services Duren discussed various bills being introduced by senators as well, indicating that the priority

bill deadline is February 22. Mr. Duren stated that if a bill isn't prioritized by a senator or committee, it will not be discussed. Mr. Duren also noted that Senator Groene has resigned, and the Governor will appoint a person to fill Senator Groene's seat until his term expires in 2023. 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. Management and the Board discussed further items related to the 2022 Nebraska Unicameral session.

A letter regarding Payments Made to Communities and Community Clubs is filed as Exhibit 22-034.

President/CEO Suess indicated that checks for the eleven percent lease payments to cities and villages were delivered in February, as well as the ten percent lease payment to Cedar Rapids and payments to various community clubs and organizations. Mr. Suess noted that now all cities, towns, and villages have signed new contracts with the District, and will be paid quarterly.

At 10:13 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, filed as Exhibit 22-035. 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 investment letter is filed as Exhibit 22-036.

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

Aye: Tooley, Donoghue, Zach, Fleming, Knott, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Cerv

The motion carried.

The work order letter is filed as Exhibit 22-037.

Management and the Board briefly discussed items contained in the work order letter.

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

Aye: Tooley, Donoghue, Zach, Fleming, Knott, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Cerv

The motion carried.

A letter regarding Approval of Amendment to Contract No. 2021-02 – Settling Basin Sea Wall Design and Construction is filed as Exhibit 22-038.

President/CEO Suess indicated that, at the January 2022 Board meeting, the Board approved the bid from Midwest Infrastructure for the Settling Basin Sea Wall Design and Construction. Mr. Suess stated that Type C Riprap must be added to the contract, as the District is unable to guarantee it can provide this riprap at the time it is needed. Mr. Suess noted that an additional cost of \$17,100 will need to be added to the original contract cost of \$869,808. Management and the Board briefly discussed the amendment to the contract.

Director Knott made a motion to approve Amendment to Contract No. 2021-02 – Settling Basin Sea Wall Design and Construction. Director Zach seconded the motion and roll was called.

Aye: Tooley, Donoghue, Zach, Fleming, Knott, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Cerv

The motion carried.

The next regular Board meeting is set for March 22, 2022, at 9:00 A.M. at the General Office.

President/CEO Suess stated that management is working on setting a date for the Safety Banquet as COVID-19 numbers continue to decline in the four-county area.

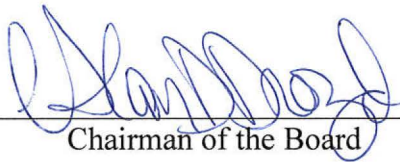
All Directors and officers of the District are required to file their NADC Form C-1 with the Nebraska Accountability and Disclosure Commission. The Directors were asked to let management know when their forms have been mailed. These forms must be received by the State no later than March 1, 2022.

The APPA Annual Conference is set for June 10-15, 2022 in Nashville, TN.

President/CEO Suess stated that incumbent Board members up for election needed to file by February 15, 2022, if they wanted to run. Non-incumbents need to file by March 1, 2022. It was noted that all incumbent Board members have filed, and as of February 22, one non-incumbent candidate who is running in Subdivision 6 has filed.

President/CEO Suess informed the Board that beginning March 7, 2022 through September 2022, the City will be performing street work on 15th Street from 23rd Avenue to 27th Avenue, which will affect employee parking and access to the general office. Mr. Suess noted that the drive-thru window will be closed during this time, and parking arrangements for employees are being determined.

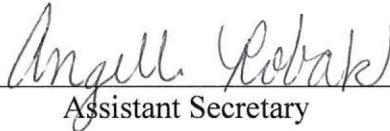
Director Fleming made a motion to adjourn. Director Langemeier seconded the motion. The motion carried by voice vote.



Chairman of the Board

3/22/2022

Date



Assistant Secretary