

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
March 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 March 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: Donoghue, Zach, Fleming, Cerv, Knott, Langemeier, Aerni, Heesacker, Drozd**

**Absent: Tooley**

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

**Absent: None**

**Others: Bob Beran of Dana F. Cole and Company, LLC**

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. Beran 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, Knott, Langemeier, Aerni, Heesacker, Drozd**

**Nay: None**

**Absent: Tooley**

**The motion carried.**

**The minutes of the February 22, 2022 meeting were approved.**

The following reports were presented to the Directors: the February 2022 Staff Operations Report – Exhibit 22-039; the February 2022 Bank Reconciliation Report – Exhibit 22-040; the February 2022 Vendor Payment Report – Exhibit 22-041. Additional reports presented to the Directors included various financial metrics of the District for February 2022 – Exhibit 22-042; selected financial information – Exhibit 22-043; and NPPD's Board of Directors Board Meeting Agendas for the March 10-11, 2022 NPPD Board Meeting – Exhibit 22-044.

**Finance and Budget Committee**

A letter addressing the 2021 Audit is filed as Exhibit 22-045.

Chairman of the Finance and Budget Committee, Director Fleming, stated the Finance and Budget Committee met on March 15, 2022, with the District's auditor, Dana F. Cole and Company, LLC, to review the District's 2021 audit in depth. He then turned the meeting over to Mr. Beran to inform the Board of the audit results.

The 2021 Audit report is filed as Exhibit 22-046.

Mr. Beran indicated the auditors received great cooperation from the Accounting and Finance Department and the Vice President of Accounting and Finance/CFO Walt Williams. Mr. Beran discussed the audit with the Board, and stated that it was a very good audit, noting that the audit was conducted using Government Auditing Standards. President/CEO Suess, thanked Mr. Beran and his staff and Vice President Williams and his department for all of their help in securing a good 2021 audit.

Mr. Beran exited the meeting at 9:13 A.M.

**Director Aerni made a motion to adopt the 2021 Audit as presented. Director Heesacker seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Tooley**

**The motion carried.**

### **Executive Committee**

A letter addressing District Water Issues is filed as Exhibit 22-047.

President/CEO Suess indicated that, regarding license compliance, there has been no activity during the past month. Mr. Suess stated that management submitted the Revised Loup River Bypass Reach Streambank Monitoring Plan to the Federal Energy Regulatory Commission (FERC) for approval, and filed the Canal Bank Monitoring report, Bypass Reach Streambank Monitoring report, and Invasive Species Monitoring report to FERC. 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 will submit an update to FERC Staff on where the process stands to date within the next several weeks. 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. 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 May 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 is beginning work on the final design drawings with its engineer, Olsson, Inc. President/CEO Suess indicated that the drawings should be completed in late July, and District management has set up a conference call with FERC in early August to discuss the final design. Mr. Suess added that 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 completed 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 22-048.

President/CEO Suess indicated that 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 added that Pat Pope, former President/CEO of NPPD, is leading this effort, while the District is taking the lead in contacting and talking to counties regarding the continuing activity. 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. President/CEO Suess indicated that the public entities who joined the MOU met in both January and March to keep all entities informed of ongoing activity, as each party sees the benefits of moving forward. Mr. Suess stated that South Central PPD who has partnered with Glenwood Communications, applied for a grant with the Public Service Commission (PSC) but was rejected due to other broadband companies claiming 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 that would provide connection to District facilities and improve communications throughout the four-county area. President/CEO Suess indicated that District management has asked counties to begin internal discussions regarding ARPA funding to be spent on broadband, and Mr. Pope is working to develop a funding resolution which each county could execute to commit to funding for this backbone network. Management and the Board discussed various items related to the rural broadband issue.

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

The Payroll Changes are filed as Exhibit 22-049.

#### **Support Services Committee**

A letter regarding the 2021 NPPD EnergyWise Annual Report is filed as Exhibit 22-050.

Vice President of Corporate Services Duren indicated that NPPD has provided a copy of the 2021 EnergyWise Annual Report which contains information regarding energy efficiency programs supported by NPPD and its wholesale customers. The EnergyWise program has greatly benefited NPPD and its wholesale customers, as well as the retail customers of the District who have chosen to take advantage of the programs offered by the District. Mr. Duren noted the District is one of the largest users of dollars in the EnergyWise program and is providing the most savings of all wholesale customers. Management and the Board discussed various aspects of the EnergyWise program.

The Legislative Bill Watch letter is filed as Exhibit 22-051.

President/CEO Suess stated the 107<sup>th</sup> 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) and allocation of revenue surplus. Mr. Suess discussed with the Board several bills

dealing with public power districts and water development: LB1015-Perkins County Canal Act; LB1023-STARWARS lake development; LB1045-Change qualification of PPD Board members; LB1046-Appointment of Board members and President/CEO for NPPD and OPPD; LB1047-Filing requirements at the Power Review Board (PRB); and LB1058-Change requirements for base-load generating units. President/CEO Suess indicated that the Natural Resources Committee advanced LB1045 and amended LB1047 and LB1058 into LB1045. Mr. Suess stated that public power has major concerns with the advancement of LB1045 and will be making senators aware of its opposition. Mr. Suess added that the ongoing debate over the budget and money spending may limit the number of bills that will be debated on the floor, as there is little agreement between various groups within the Legislature. Management and the Board discussed further items related to the 2022 Nebraska Unicameral session.

A letter regarding an Executive Session to Discuss and Take Possible Action on a Land Sale in the East Industrial Tract is filed as Exhibit 22-052.

**At 10:10 A.M. Director Zach made a motion to move into Executive Session to discuss and take possible action on a land sale in the East Industrial Tract. Director Aerni seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Tooley**

**The motion carried.**

**At 10:37 A.M. Director Knott made a motion to return to regular session. Director Langemeier seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Tooley**

**The motion carried.**

**Director Fleming made a motion to allow management to enter into an Option Agreement with Project Hexagon for the potential sale of land in the East Industrial Tract as discussed in Executive Session. Director Zach seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Tooley**

**The motion carried.**

At 10:38 A.M. the Board took a brief break and returned at 10:46 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 22-053. 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 22-054.

**Director Donoghue made a motion to approve the investment letter as presented. Director Cerv seconded the motion.**

Management and the Board briefly discussed the investment letter.

**The question was called.**

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

The work order letter is filed as Exhibit 22-055.

**Director Knott made a motion to approve the work order letter as presented. Director Aerni seconded the motion.**

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

**The question was called.**

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

The next regular Board meeting is set for April 26, 2022, at 9:00 A.M. at the General Office.

President/CEO Suess stated that the Safety Banquet will take place on May 13, 2022.

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

The Nebraska Power Association (NPA) is planning on having a conference this year to discuss utilities issues on August 30-31, 2022 in Kearney, NE.

NPPD is having a tour of Cooper Nuclear Station on May 18, 2022.

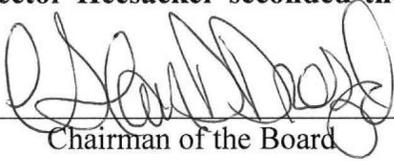
President/CEO Suess noted the following filings for Directors seats for the 2022 election:

Subdivision 2 – Alan Drozd (I), Ross Knott (I)  
Subdivision 3 – Jim Donoghue (I), John Hannah, Brian Oppliger  
Subdivision 6 – Larry Zach (I), Chuck Gonka

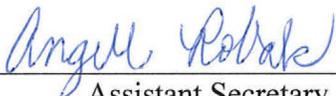
President/CEO Suess briefly discussed the 2022 primary and general elections.

President/CEO Suess noted that April 18, 2022, is Lineworker Appreciation Day.

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

  
\_\_\_\_\_  
Chairman of the Board

4/26/22  
Date

  
\_\_\_\_\_  
Assistant Secretary