

LOUP POWER DISTRICT
BOARD OF DIRECTORS
May 24, 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 May 24, 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: Zach, Fleming, Cerv, Langemeier, Aerni, Heesacker, Drozd

Absent: Tooley, Donoghue, Knott

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

Absent: None

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 Cerv made a motion to excuse the absences of Directors Tooley, Donoghue and Knott. Director Aerni seconded the motion and roll was called.

Aye: Zach, Fleming, Cerv, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Tooley, Donoghue, Knott

The motion carried.

The minutes of the April 26, 2022 meeting were approved.

The following reports were presented to the Directors: the April 2022 Staff Operations Report – Exhibit 22-071; the April 2022 Bank Reconciliation Report – Exhibit 22-072; the April 2022 Vendor Payment Report – Exhibit 22-073. Additional reports presented to the Directors included various financial metrics of the District for April 2022 – Exhibit 22-074; selected financial information – Exhibit 22-075; NPPD's RRC/PRAB/Customer Meeting Agenda and Presentations for the April 28, 2022 Meeting – Exhibit 22-076; and NPPD's Board of Directors Board Meeting Agendas for the May 11-12, 2022 NPPD Board Meeting – Exhibit 22-077.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 22-078.

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. Mr. Suess noted that management and the District's attorney are working on a letter to FERC regarding the District's operations compliance plan and the United States Fish and Wildlife Service (USFWS) Biological Opinion (BO), and management is hoping this letter will help move FERC forward with the approval process. President/CEO Suess indicated 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. Mr. Suess reiterated 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 2022. Mr. Suess added that management and the District's attorney are working to determine what costs and likely outcomes may be associated with moving forward with this case. Regarding damage and repair from the mid-March 2019 storm event, President/CEO Suess stated that the final design drawings on the Canal remediation 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 construction on this project are planned to take place in fall 2022, with completion expected in summer 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 22-079.

President/CEO Suess indicated that there has been little activity during the past month regarding further development of broadband in the Loup-Cornhusker area. Mr. Suess reiterated that the District is working with Pat Pope to develop a funding resolution regarding a potential backbone fiber network in the District's four-county area. Mr. Suess stated that the resolution would be executed by each public entity that has entered into the Memorandum of Understanding (MOU) and would include each entity's level of commitment in dollars. Mr. Suess noted that Cornhusker Public Power District (CPPD) has now signed the MOU. President/CEO Suess added that a Request for Proposal (RFP) from private entities would then be developed to determine what interest there may be in partnering to establish the backbone network and assist in bringing broadband to the rural four-county areas. Mr. Suess indicated that Mr. Pope has also been working with other groups outside the four-county area to determine where each group stands in the process and bring private developers to the table to discuss their interest in partnering to bring broadband to rural parts of Nebraska. Mr. Suess noted that an order was issued by the Public Service Commission (PSC) related to the application for funds which indicates that half of the funding in a public/private partnership would be required from public entities. 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 22-080.

Resolution No. 2022-04 regarding the retirement of Bob Anderson is filed as Exhibit 22-081.

Director Aerni made a motion to adopt Resolution No. 2022-04. Director Zach seconded the motion and roll was called.

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

A letter regarding Discussion and Possible Action – Utility Arborist Position is filed as Exhibit 22-082.

President/CEO Suess indicated that the District’s tree trimming costs have doubled over the past seven years because of the volume of work needed to clear trees in right-of-way areas where the District has distribution and subtransmission facilities. Mr. Suess noted that the District currently uses a Journey Line Technician or a Line Technician to assist the Arborist Lead on the tree crew, and creating a new position of Utility Arborist to assist the Arborist Lead would free up the Line Technician or Journey Line Technician to help on the construction or underground crews. President/CEO Suess and the Board discussed the Utilityman position that was used to maintain District-owned water heaters. Mr. Suess noted that this position remains unfilled since the COVID-19 pandemic when the District began allowing customers to choose their own plumbers to provide maintenance on District-owned water heaters. Mr. Suess stated that eliminating the Utilityman position and adding the Utility Arborist position would be more cost effective for the District. District management recommended the Board approve the creation of a Utility Arborist position and the elimination of the Utilityman position in the Operations Department.

Director Aerni made a motion to approve the creation of a Utility Arborist position and the elimination of the Utilityman position in the Operations Department. Director Fleming seconded the motion.

Management and the Board further discussed this issue.

The question was called.

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

Support Services Committee

A letter regarding Payments Made to Communities is filed as Exhibit 22-083.

President/CEO Suess informed the Directors that in mid-May, the District made payments to all twenty-two communities under a new Professional Retail Operations Agreement and Franchise with each community. Mr. Suess stated that these payments are made quarterly and are based on eleven percent of the adjusted inside revenue for each community. Management and the Board discussed matters relating to the payments to these communities.

A letter regarding Payments and Contributions to State and Local Government – 2020 is filed as Exhibit 22-084.

President/CEO Suess indicated the District received a report from the American Public Power Association (APPA) comparing the payments and contributions made by the public power systems to state and local governments for the year 2020. This report is provided to all APPA members and is published once every two years. Mr. Suess stated that the District's contribution of 8.5 percent of retail operating revenue is above the median contributions of other comparably-sized publicly-owned systems and investor-owned utilities. Mr. Suess also noted that the contributions of free and reduced electric service to municipalities and the use of District employees or resources were not included in the APPA calculation.

At 10:02 A.M. the Board took a brief break and returned at 10:12 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 22-085. Reports to the Board were also presented by Vice President of Engineering Hobza, Vice President of Operations Hellbusch, Vice President of Corporate Services Duren and Human Resource Manager Henry.

The investment letter is filed as Exhibit 22-086.

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

Aye: Zach, Fleming, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Abstain: Cerv

Absent: Tooley, Donoghue, Knott

The motion carried.

The work order letter is filed as Exhibit 22-087.

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

Aye: Zach, Fleming, Cerv, Langemeier, Aerni, Heesacker, Drozd

Nay: None

Absent: Tooley, Donoghue, Knott

The motion carried.

The next regular Board meeting is set for June 28, 2022, at 9:00 A.M. at the General Office.

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 July 27, 2022. Currently, NPPD has filled all available seats for this tour.

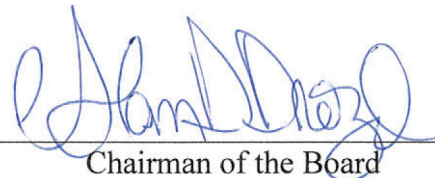
President/CEO Suess noted that several dates are being considered for the Board Retreat this summer.

President/CEO Suess discussed the primary election results and the noted following candidates for Directors seats for the 2022 general election:

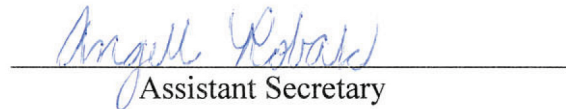
Subdivision 2 – Alan Drozd (I), Ross Knott (I)
Subdivision 3 – Jim Donoghue (I), Brian Oppliger
Subdivision 6 – Larry Zach (I), Chuck Gonka

Copies of the Employee Satisfaction Survey and Non-Supervisor Questions and Answers were given to the Board for their information and will be discussed at the June Board meeting.

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


Chairman of the Board

6/28/2022
Date


Assistant Secretary