

LOUP POWER DISTRICT
BOARD OF DIRECTORS
November 23, 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 November 23, 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: Tooley, Fleming, Donoghue, Zach, Cerv, Drozd, Langemeier, Aerni, Heesacker, Knott

Absent: None

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.

The minutes of the October 19, 2021 meeting were approved.

The following reports were presented to the Directors: the October 2021 Staff Operations Report – Exhibit 21-168; the October 2021 Bank Reconciliation Report – Exhibit 21-169; the October 2021 Vendor Payment Report – Exhibit 21-170. Additional reports presented to the Directors included various financial metrics of the District for October 2021 – Exhibit 21-171; selected financial information – Exhibit 21-172; NPPD's RRC/PRAB/Customer Meeting Agenda and Presentations for the October 29, 2021 Meeting – Exhibit 21-173; and NPPD's Board of Directors Board Meeting Agendas for the November 9-10, 2021 NPPD Board Meeting – Exhibit 21-174.

Executive Committee

A letter regarding the proposed 2022 Dates for Board Meetings is filed as Exhibit 21-175.

Director Aerni made a motion to approve the proposed 2022 dates for Board meetings. Director Langemeier seconded the motion.

President/CEO Suess discussed the proposed dates for the 2022 Board meetings, indicating most meetings, with one exception in December due to the Christmas holiday, will be held on the fourth Tuesday of each month.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The Slate of Officers for 2022 is filed as Exhibit 21-176.

Director Fleming made a motion to approve the 2022 slate of officers as proposed by the nominating committee. Director Zach seconded the motion.

President/CEO Suess recommended the Board approve the 2022 slate of officers as proposed by the nominating committee. The recommended officers are (1) Chairman – Alan Drozd, (2) First Vice Chairman – Steve Heesacker, (3) Second Vice Chairman – Bob Cerv, (4) Secretary – Jim Donoghue and (5) Treasurer – Dick Tooley.

The question was called.

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

Nay: None

Absent: None

The motion carried.

A letter addressing District Water Issues is filed as Exhibit 21-177.

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. Mr. Suess noted that the District's attorney will be contacting FERC officials to determine what can be done to expedite the license amendment process. President/CEO Suess indicated the District is working on the end-of-year reports, which are due in December 2021 and February 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 added

that repair work continues on the jetties in the Loup River bypass reach that were damaged during the mid-March 2019 storm event. Management and the Board discussed several items related to the District's hydroelectric license.

A letter regarding Discussion and Possible Action on Broadband in the Loup-Cornhusker Area is filed as Exhibit 21-178.

President/Suess asked that the Board approve entering into a Memorandum of Understanding (MOU) with other public entities to explore funding opportunities for rural broadband.

Director Donoghue made a motion to approve entering into a MOU with other public entities to explore funding opportunities for rural broadband. Director Aerni seconded the motion.

President/CEO Suess indicated that the District has been involved in discussions and studies related to bringing broadband to the rural areas of the District's service territory. Mr. Suess provided the Board with a white paper/status report that was prepared by Pat Pope, the former President and CEO of NPPD, which summarized these studies and discussions between the District, Cornhusker Public Power District and Platte County. Mr. Suess also shared with the Board a draft copy of a MOU between public entities regarding rural broadband that would lay out parameters for these entities to explore funding opportunities, as well as begin discussions with private entities who may be willing to become a provider of broadband services in rural areas. Mr. Suess noted that entering into a MOU would be non-binding at this time, and any financial commitment by the District would be brought back to the Board for approval. President/CEO Suess added that, with the new infrastructure package signed by President Biden, there is significant funding available for rural broadband. Management and the Board discussed at length details related to the MOU and bringing broadband to rural areas.

The question was called.

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

Nay: None

Absent: None

The motion carried.

Rates Committee

The Rates Committee set a date for Tuesday, December 14, 2021, at 9:00 A.M. to meet to discuss and review the cost-of-service and rate design for 2022 retail and wholesale rates of the District.

Finance and Budget Committee

The 2022 Construction Budget letter is filed as Exhibit 21-179.

Director Zach made a motion to approve the 2022 Construction Budget as presented. Director Heesacker seconded the motion.

President/CEO Suess reviewed the 2022 Construction Budget that was discussed in detail with the Board and Staff at the special meeting of the Finance and Budget Committee held on November 16, 2021.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The 2022 Operations Budget letter is filed as Exhibit 21-180.

Director Aerni made a motion to approve the 2022 Operations Budget as presented. Director Donoghue seconded the motion.

President/CEO Suess reviewed the 2022 Operations Budget that was discussed in detail with the Board and Staff at the special meeting of the Finance and Budget Committee held on November 16, 2021. Mr. Suess presented a chart detailing the Annual Operations Cost Comparison-Total Operations and Maintenance Costs and Total Retail Energy Sales. President/CEO Suess noted the 2022 Operations Budget includes no overall wholesale cost change or retail rate change effective in February 2022, with the exception of small changes for ADM associated with the NPPD wholesale rate change. Mr. Suess stated the 2022 Budget will lower cash reserves, but the District's overall levels are still good. Mr. Suess added that there will be many moving parts in 2022, including the new hydro sales contract with NPPD.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The 2022 Operating and Construction Budget Reports are filed as Exhibit 21-181.

Personnel, Safety, and Insurance Committee

The 2022 Vice President Salary Levels letter is filed as Exhibit 21-182.

At 9:50 A.M. Director Fleming made a motion to move into Executive Session to discuss the 2022 Vice President Salary Levels. Director Aerni seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

At 10:45 A.M. the Board took a brief break and returned at 10:50 A.M.

At 10:50 A.M. Director Aerni made a motion to return to regular session. Director Heesacker seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

Director Cerv made a motion to approve the 2022 Vice President Salary Levels as discussed during the Executive Session and recommended by President/CEO Suess. Director Aerni seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

A letter discussing Property, Automobile, and Excess Liability Insurance Bids is filed as Exhibit 21-183.

President/CEO Suess requested that the Board accept management's recommendation of accepting renewal quotes, beginning December 1, 2021, received from StarrTech, Allied through UNICO and Starr through UNICO for property, automobile and excess liability insurance respectively.

Director Zach made a motion to accept the Property, Automobile, and Excess Liability insurance renewal quotes, beginning on December 1, 2021 received from StarrTech, Allied through UNICO and Starr through UNICO for property, automobile and excess liability insurance, respectively. Director Drozd seconded the motion.

President/CEO Suess and the Board discussed different aspects of the District's insurance coverage.

The question was called.

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

Nay: None

Absent: None

The motion carried.

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 21-184. 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 21-185.

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

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

Nay: None

Absent: None

The motion carried.

The next regular Board meeting is set for December 21, 2021 at 9:00 A.M., at the General Office.

The District Christmas party will be held on Saturday, December 11, 2021, at the VFW in Columbus. Social hour begins at 6:00 P.M. with the dinner and program following at 7:00 P.M.

Management continues to work with NPPD on possible outcomes due to FERC Order No. 2222, which deals with the potential aggregation of resources on the distribution system. Because of its size, the District is currently automatically opted-out, but NPPD is looking at numerous possibilities. Continued discussions will occur at future Board meetings.

President/CEO Suess stated the new subdivision map and Charter Amendment has been filed with the Power Review Board (PRB) and is expected to be approved at one of the December PRB meetings.

President/CEO Suess indicated that management has been working on the filing regarding the Humphrey annexation, and stated the filing will be submitted by mid-December.

President/CEO Suess stated that management will meet with the Village of Cedar Rapids on Monday, November 29, 2021, regarding a new Lease and Franchise Agreement with the Village.

Management will attend a Drought Management meeting being held by the Lower Loup NRD on Tuesday, November 30, 2021, in Ord, NE.

NPPD's RRC/PRAB/Wholesale Customer meeting is set for Thursday, December 16, 2021, in Grand Island, NE.

President/CEO Suess wished everyone a Happy Thanksgiving.

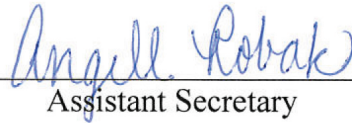
Director Drozd made a motion to adjourn. Director Langemeier seconded the motion. The motion carried by voice vote.



Chairman of the Board

12/21/2021

Date



Assistant Secretary