

LOUP POWER DISTRICT
BOARD OF DIRECTORS
November 28, 2023

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 28, 2023.

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

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

Roll call showed:

Present: Tooley, Donoghue, Zach, Fleming, Cerv, Aerni, Drozd, Heesacker

Absent: None

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

Absent: None

Others: None

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

The minutes of the October 24, 2023 meeting were approved.

The following reports were presented to the Directors: the October 2023 Staff Operations Report – Exhibit 23-165; the October 2023 Bank Reconciliation Report – Exhibit 23-166; the October 2023 Vendor Payment Report – Exhibit 23-167. Additional reports presented to the Directors included various financial metrics of the District for October 2023 – Exhibit 23-168; selected financial information for October 2023 – Exhibit 23-169; and NPPD's Board of Directors Board Meeting Agendas for the November 8-9, 2023 NPPD Board Meeting – Exhibit 23-170.

Executive Committee

A letter regarding the proposed 2024 Dates for Board Meetings is filed as Exhibit 23-171.

Director Cerv made a motion to approve the proposed 2024 dates for Board meetings. Director Drozd seconded the motion.

President/CEO Suess discussed the proposed dates for the 2024 Board meetings, indicating most meetings will be held on the fourth Tuesday of each month, with one exception: (1) the December 2024 Board meeting will be held on the third Thursday, due to the Christmas holiday.

The question was called.

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

The Slate of Officers for 2024 is filed as Exhibit 23-172.

Director Aerni made a motion to approve the 2024 slate of officers as proposed by the nominating committee. Director Fleming seconded the motion.

President/CEO Suess recommended the Board approve the 2024 slate of officers as proposed by the nominating committee. The recommended officers are (1) Chairman – Bob Cerv, (2) First Vice Chairman – Jim Donoghue, (3) Second Vice Chairman – Mike Fleming, (4) Secretary – Rich Aerni and (5) Treasurer – Dick Tooley.

The question was called.

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

A letter addressing District Water Issues is filed as Exhibit 23-173.

President/CEO Suess indicated that the District is working to finalize a non-capacity license amendment to be filed with the Federal Energy Regulatory Commission (FERC). Mr. Suess stated that the studies needed to finalize this non-capacity amendment include 1) the updated Exhibit E, dealing with effects of the flow changes to threatened and endangered species, and 2) an updated Water Quality Certification from the Nebraska Department of Environment and Energy. Mr. Suess noted that these studies are expected to be completed in early 2024 and then submitted to FERC Staff for approval, with the final application filing with the Commission expected to take place sometime in 2024.

President/CEO Suess stated that the District is working with New Century Environmental to complete the following required end-of-year reports for FERC: 1) Interior Least Tern, Piping Plover and Rufa Red Knot Management Plan Report, 2) Loup Power Canal Bank Monitoring Plan Report, 3) Loup River Bypassed Reach Streambank Monitoring Plan Report, 4) Invasive Species Monitoring Plan Report, and 5) Recreation Plan Report.

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 2023.

President/CEO Suess indicated that, after sending letters to its congressional delegates regarding collecting money from the Federal Emergency Management Agency (FEMA) related to the mid-

March 2019 storm event, Representative Mike Flood's office is taking the lead on contacting FEMA to determine where they are in the process of releasing funds to the District. Mr. Suess noted that management is working with FEMA/NEMA to ensure progress is being made.

Regarding damage and repair from the mid-March 2019 storm event, President/CEO Suess indicated that the final design drawings on the overflow structure were submitted to and approved by FERC. Mr. Suess noted that the District is waiting on FEMA/NEMA to approve this project before moving forward.

Management and the Board discussed several items related to the District's hydroelectric license and other State of Nebraska water issues.

Rates Committee

The Rates Committee set a date for Thursday, December 14, 2023 at 9:00 A.M. to meet to discuss and review the cost of service and rate design for the District's 2024 retail and wholesale rates.

Management and the Board discussed at length potential rate changes by the District.

Finance and Budget Committee

The 2024 Construction Budget letter is filed as Exhibit 23-174.

**Director Fleming made a motion to approve the 2024 Construction Budget as presented.
Director Cerv seconded the motion.**

President/CEO Suess reviewed the 2024 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 21, 2023. Mr. Suess stated the budget meets the needs of the District for 2024 without compromising its facilities.

Management and the Board further discussed the 2024 Construction Budget.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The 2024 Operations Budget letter is filed as Exhibit 23-175.

**Director Aerni made a motion to approve the 2024 Operations Budget as presented.
Director Zach seconded the motion.**

President/CEO Suess reviewed the 2024 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 21, 2023. Mr. Suess noted the 2024 Operations Budget includes a 3.0 percent overall retail base rate change effective in January 2024, including changes for ADM and BD Medical, which are associated with the change in wholesale billing rates.

Mr. Suess stated the 2024 Operations Budget will also include an approximate 2.8 percent decrease in wholesale power costs effective January 1, 2024, with no change in overall base costs, but an increase in the PCA credit. Mr. Suess added the District is still working on the cost of service and rate design study.

President/CEO Suess indicated the 2024 Budget will continue to lower cash reserves, depending on the timing associated with construction budget items. Mr. Suess noted the District is still satisfactory with regard to overall levels. Mr. Suess added that there will be many moving parts in 2024, including the hydro sales contract with NPPD and payback from FEMA related to the 2019 mid-March storm event. Mr. Suess shared and discussed with the Board NPPD's Hourly Market Price Forecasts.

The Board and management discussed at length details relating to the 2024 Operations Budget.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The 2024 Operating and Construction Budget Reports are filed as Exhibit 23-176.

Personnel, Safety, and Insurance Committee

The Payroll Changes are filed as Exhibit 23-177.

The 2024 Vice President Salary Levels letter is filed as Exhibit 23-178.

At 10:12 A.M. Director Aerni made a motion to move into Executive Session to discuss the 2024 Vice President Salary Levels. Director Donoghue seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

At 10:59 A.M. Director Aerni made a motion to return to regular session. Director Cerv seconded the motion and roll was called.

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

Director Aerni made a motion to approve the 2024 Vice President Salary Levels as discussed during the Executive Session and recommended by President/CEO Suess. Director Cerv seconded the motion and roll was called.

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

A letter discussing Property, Automobile, and Excess Liability Insurance Bids is filed as Exhibit 23-179.

President/CEO Suess requested that the Board accept management's recommendation of accepting renewal quotes, beginning December 1, 2023, received from StarrTech, Allied (CWG/Jones Group) through UNICO and Starr through UNICO for property, automobile and excess liability insurance respectively.

Director Fleming made a motion to accept the Property, Automobile, and Excess Liability insurance renewal quotes, beginning on December 1, 2023, received from StarrTech, Allied (CWG/Jones Group) through UNICO and Starr through UNICO for property, automobile and excess liability insurance, respectively. Director Zach seconded the motion.

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

The question was called.

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

At 11:10 A.M. the Board took a brief break and returned at 11:20 A.M.

At this time, Vice President of Accounting and Finance/CFO Williams presented his report to the Board, which included the financial report for October 2023, filed as Exhibit 23-180. 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 work order letter is filed as Exhibit 23-181.

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

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

Nay: None

Absent: None


The motion carried.

The next regular Board meeting is set for Thursday, December 21, 2023, at 9:00 A.M. at the General Office.

The NPPD Board Forum is set for Thursday, December 7, 2023, at 11:30 A.M. at the Kearney Holiday Inn. NPPD Board members Rusher and Schrock will be attending.

The District Christmas party will be held on Saturday, December 9, 2023, at the VFW in Columbus. Social hour begins at 6:00 P.M. with the dinner and program following at 7:00 P.M.


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



Chairman of the Board



Assistant Secretary



Date