

LOUP POWER DISTRICT
BOARD OF DIRECTORS
November 26, 2024

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 26, 2024.

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

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

Roll call showed:

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

Absent: None

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

Absent: None

Others: Dana Schultz

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

President/CEO Suess welcomed Mr. Schultz to the meeting and congratulated him on his election win.

The minutes of the October 22, 2024, meeting were approved.

The following reports were presented to the Directors: the October 2024 Staff Operations Report – Exhibit 24-171; the October 2024 Bank Reconciliation Report – Exhibit 24-172; the October 2024 Vendor Payment Report – Exhibit 24-173. Additional reports presented to the Directors included various financial metrics of the District for October 2024 – Exhibit 24-174; selected financial information for October 2024 – Exhibit 24-175; and NPPD's Board of Directors Board Meeting Agendas for the November 13-14, 2024, NPPD Board Meeting – Exhibit 24-176.

Executive Committee

A letter regarding the proposed 2025 Dates for Board Meetings is filed as Exhibit 24-177.

President/CEO Suess discussed the proposed dates for the 2025 Board meetings, indicating that all meetings will be held on the fourth Tuesday of each month.

Director Donoghue made a motion to approve the proposed 2025 dates for Board meetings. Director Heesacker seconded the motion and roll was called.

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

The Slate of Officers for 2025 is filed as Exhibit 24-178.

President/CEO Suess recommended the Board approve the 2025 slate of officers as proposed by the nominating committee. The recommended officers are (1) Chairman – Jim Donoghue, (2) First Vice Chairman – Mike Fleming, (3) Second Vice Chairman – Rich Aerni, (4) Secretary – Larry Zach, and (5) Treasurer – Dick Tooley.

Director Zach made a motion to approve the 2025 slate of officers as proposed by the nominating committee. Director Fleming seconded the motion and roll was called.

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

A letter addressing District Water Issues is filed as Exhibit 24-179.

President/CEO Suess reiterated that the non-capacity license amendment has been filed with the Federal Energy Regulatory Commission (FERC) and, if this filing is approved by FERC, the District will develop and file a new Operations Compliance Plan. Mr. Suess added that management is working with New Century Environmental (NCE) on year-end reports.

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 December 2024.

President/CEO Suess indicated that District management met with representatives from the Nebraska Emergency Management Agency (NEMA) on October 21, 2024, regarding repairs made to the District's facilities due to the mid-March 2019 storm event, and stated that NEMA is trying to finalize the projects and get payment to the District.

President/CEO Suess stated that Midwest Infrastructure was selected to be the contractor for the Canal Overflow project, and they are preparing to begin construction in the spring of 2025, with completion planned for August 2025.

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 12, 2024, at 9:00 A.M. to meet to discuss and review the cost of service and rate design for the District's 2025 retail and wholesale rates.

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

Finance and Budget Committee

The 2025 Construction Budget letter is filed as Exhibit 24-180.

President/CEO Suess reviewed the 2025 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 19, 2024. Mr. Suess stated the budget meets the needs of the District for 2025 without compromising its facilities.

President/CEO Suess indicated that adding the proposed budgets for 2026-2030 provides a preview of future projects required to meet infrastructure growth needs in the upcoming years.

Management and the Board further discussed the 2025 Construction Budget.

Director Zach made a motion to approve the 2025 Construction Budget as presented. Director Aerni seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

The 2025 Operations Budget letter is filed as Exhibit 24-181.

Director Aerni made a motion to approve the 2025 Operations Budget as presented. Director Drozd seconded the motion.

President/CEO Suess reviewed the 2025 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 19, 2024. Mr. Suess noted the 2025 Operations Budget includes a 2.5 percent overall retail base rate change effective in January 2025, including changes for ADM and BD Medical, which are associated with the change in wholesale billing rates.

Mr. Suess stated the 2025 Operations Budget also includes an approximate 1.0 percent increase in wholesale power costs effective January 2025, with no change in overall base costs, but a decrease 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 2025 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, but a bond issue will be necessary to meet its construction needs in 2025 and 2026. Mr. Suess added that there will be many moving parts in 2025, including the hydro sales contract with NPPD and payback from FEMA related to the 2019 mid-March storm event.

The Board and management discussed at length details relating to the 2025 Operations Budget.

The question was called.

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

Nay: None

Absent: None

The motion carried.

The 2025 Operating and Construction Budget Reports are filed as Exhibit 24-182.

Personnel, Safety, and Insurance Committee

The Payroll Changes are filed as Exhibit 24-183.

Resolution No. 2024-07 regarding the retirement of Jim Bogus is filed as Exhibit 24-184.

Director Aerni made a motion to adopt Resolution No. 2024-07. Director Heesacker seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

A letter discussing Property, Automobile, and Excess Liability Insurance Bids is filed as Exhibit 24-185.

President/CEO Suess requested that the Board accept management's recommendation of accepting renewal quotes, beginning December 1, 2024, received from StarrTech, Allied (CWG/Jones Group) through UNICO and Starr through UNICO for property, automobile and excess liability insurance, respectively.

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

Director Aerni made a motion to accept the Property, Automobile, and Excess Liability insurance renewal quotes, beginning on December 1, 2024, received from StarrTech, Allied (CWG/Jones Group) through UNICO and Starr through UNICO for property, automobile and excess liability insurance, respectively. Director Fleming seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

At 9:45 A.M. Director Drozd made a motion to move into Executive Session to discuss the search for the new President/CEO. Director Donoghue seconded the motion and roll was called.

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

At 10:08 A.M. Director Drozd made a motion to return to regular session. Director Heesacker seconded the motion and roll was called.

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

Support Services Committee

A letter regarding the 2024 Election Result Overview is filed as Exhibit 24-186.

President/CEO summarized the various 2024 election results, noting the three current directors who ran unopposed for the District Board of Directors are Steve Heesacker, Subdivision 1; Bob Cerv, Subdivision 4; and Mike Fleming, Subdivision 7. Mr. Suess stated that Subdivision 5, which was vacant due to the resignation of Chris Langemeier, was filled by Dana Schultz, who ran unopposed and will serve a two-year term.

At 10:16 A.M. the Board took a brief break and returned at 10:30 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 2024, filed as Exhibit 24-187. 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 24-188.

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

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

The work order letter is filed as Exhibit 24-189.

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

Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv
Nay: None
Absent: None

The motion carried.

The next regular Board meeting is set for Thursday, December 19, 2024, at 9:00 A.M. at the General Office.

The District Christmas party will be held on Saturday, December 14, 2024, 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 Drozd made a motion to adjourn at 11:08 P.M. Director Donoghue seconded the motion. The motion carried by voice vote.

12/19/2024
Date

Jim Donoghue
Chairman of the Board

Angell Robak
Assistant Secretary