

LOUP POWER DISTRICT
BOARD OF DIRECTORS
September 24, 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 September 24, 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, Todd Duren, Amanda Henry

Absent: Dan Hellbusch

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.

The minutes of the August 27, 2024, meeting were approved.

The following reports were presented to the Directors: the August 2024 Staff Operations Report – Exhibit 24-141; the August 2024 Bank Reconciliation Report – Exhibit 24-142; the August 2024 Vendor Payment Report – Exhibit 24-143. Additional reports presented to the Directors included various financial metrics of the District for August 2024 – Exhibit 24-144; selected financial information for August 2024 – Exhibit 24-145; and NPPD's Board of Directors Board Meeting Agendas for the September 11-12, 2024, NPPD Board Meeting – Exhibit 24-146.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 24-147.

President/CEO Suess indicated that the non-capacity license amendment has been finalized and is being prepared for filing with the Federal Energy Regulatory Commission (FERC), which is expected to be in late September. Mr. Suess stated that, if this filing is approved by FERC, the District will develop and file a new Operations Compliance Plan.

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 October 2024.

President/CEO Suess reiterated that the District continues to work with the Nebraska federal delegation on collecting money from the Federal Emergency Management Agency (FEMA) related to the mid-March 2019 storm event. Mr. Suess stated that a meeting was held with officials from the Nebraska Emergency Management Agency (NEMA) and with new NEMA consultants. Mr. Suess noted that some movement is occurring, although progress is slow.

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 stated the bid letting for this project was held on September 18, 2024, and the work order for this project is included in this month's Board meeting packet. Mr. Suess noted that construction could start in 2024, and FEMA/NEMA have agreed to pay 90 percent of the cost.

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

A letter regarding NPPD Wholesale Power Contract Negotiations is filed as Exhibit 24-148.

President/CEO Suess indicated that NPPD is working with its wholesale customers on a new wholesale power contract (WPC) due to the ongoing growth of large loads and NPPD's need for new generation to meet these large loads.

President/CEO Suess stated that NPPD developed some guiding principles to utilize during several meetings that have been held since March 2024 between NPPD and a group of its wholesale customers, to advance the WPC conversation between the groups, and Mr. Suess discussed these with the Board.

President/CEO Suess indicated that, because of the discussions that have taken place to date, NPPD's management team recently developed concept papers related to four topics of major interest to all parties: 1) Terms and Exit Fee Provisions, 2) Customer Committee, 3) Production Cash Reserve, and 4) QLG Flexibility. Mr. Suess provided these concept papers to the Board for their review.

President/CEO Suess stated that NPPD hopes to have new contracts in place by the end of 2024, but noted that it appears unlikely that this will happen, as only one concept paper has been discussed in detail, and different concerns exist among different wholesale customers.

Management and the Board discussed at length the NPPD WPC negotiations.

Finance and Budget Committee

A letter regarding Discussion and Possible Action on Resolution No. 2024-06 related to Reimbursement for a Potential Bond Issue is filed as Exhibit 24-149.

President/CEO Suess indicated that the District expects to have large expenditures in the next several years in order to meet the District's infrastructure needs, and stated that management is considering issuing up to \$30 million in new debt sometime in 2025. Mr. Suess indicated that Resolution No. 2024-06 allows capital funds spent from the time of the Resolution's passing to

be included in the bond issue but noted that the Resolution does not mandate the issuance of bonds.

President/CEO Suess recommended that the Board accept management's recommendation to approve Resolution No. 2024-06 regarding reimbursement for a potential bond issue.

Management and the Board discussed this item further.

Director Zach made a motion to approve Resolution No. 2024-06 regarding reimbursement for a potential bond issue. 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.

Personnel, Safety, and Insurance Committee

The Payroll Change is filed as Exhibit 24-150.

President/CEO Suess recommended that the Personnel, Safety, and Insurance Committee meet on Tuesday, October 15, 2024, at 9:00 A.M. in the Board room to discuss the wage proposal for 2025.

At 10:13 A.M. Director Aerni made a motion to move into Executive Session to discuss the search for the new President/CEO and a personnel issue. Director Drozd seconded the motion and roll was called.

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

Nay: None

Absent: None

The motion carried.

At 10:44 A.M. Director Aerni made a motion to return to regular session. Director Drozd 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 Discussion and Possible Action on the Sale of the Old Service Center is filed as Exhibit 24-151.

President/CEO Suess indicated that, because of the City's decision to build a viaduct along 12th Avenue and the disruption to District operations this would cause, it was decided to move the Columbus Service Center from its 12th Avenue location to its current location at the Energy Triangle Addition.

President/CEO Suess stated that, since moving to the new Service Center, the District has been marketing to sell the old Service Center and adjacent land.

President/CEO Suess indicated that a recent offer from Ethan Bruland was made to purchase the entire property for \$575,000, with the following contingencies: 1) Inspection of roof on building, 2) Inspection and possible upgrade of electrical system internal to the building, and 3) Platting of land to exclude the communication tower from the sale. Mr. Suess stated that management has not received a bid on this property close to this offer.

Management and the Board further discussed the details related to this offer. After further discussion regarding the offer and related contingencies, Director Zach made the suggestion to accept the offer of \$575,000, and allow a plus/minus of three percent for contingencies.

Director Zach made a motion to approve the sale of the old Service Center and property along 12th Avenue to Ethan Bruland for \$575,000, plus/minus three percent. Director Fleming seconded the motion.

Discussion continued between management and the Board regarding this issue.

The question was called.

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

Nay: None

Abstain: Heesacker

Absent: None

The motion carried.

At 11:05 A.M. the Board took a brief break and returned at 11:15 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 August 2024, filed as Exhibit 24-152. Reports to the Board were also presented by Vice President of Engineering Hobza, Vice President of Corporate Services Duren, and Human Resource Manager Henry. President/CEO Suess presented the operations report in the absence of Vice President of Operations Hellbusch.

The investment letter is filed as Exhibit 24-153.

Director Fleming made a motion to approve the investment 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 work order letter is filed as Exhibit 24-154.

Director Drozd 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 Tuesday, October 22, 2024, at 9:00 A.M. at the General Office.

Taste of Columbus will be held on October 12, 2024, at the Innovation Center in Columbus.

The NPA Annual Conference is scheduled for October 29-30, 2024, in Kearney, NE.

Director Donoghue made a motion to adjourn at 11:48 P.M. Director Heesacker seconded the motion. The motion carried by voice vote.


Chairman of the Board


Assistant Secretary


Date