

Loup Power District Board Summary April 18, 2007

Eric Freeman, a reporter for the Columbus Telegram who will be covering District news was introduced to the members of the Board.

The Directors learned the status of the Clarkson proposal. Mr. Suess, Mr. White and Director Cerv attended a negotiations meeting with the Clarkson City Council on April 4, 2007 to answer mayoral and council questions. There will be a May 8th city council meeting.

There will be a special meeting on May 16, 2007. Jon Bermeister of PFM, the District's financial advisor, is available to attend and discuss the District's long-term financial position and the possibility of debt issuance.

NPPD is implementing a wholesale PCA (Production Cost Adjustment) factor for a 12-month time period to recoup energy cost losses from the New Year's Eve ice storm. The District will pass the PCA through to its customers.

The retail billing to ADM under the LP-2 rate was reviewed.

The bid for Directors and Officers liability insurance from The Cincinnati Insurance Company through UNICO for a three-year period for \$6,316 per year was renewed.

The C-BED (Community-Based Energy Development) legislation is coming out of committee with substantial changes made by the utility industry representatives.

The possibility of modifying the current policy of purchasing cabins on property the District leases to the owners of these cabins was discussed. No action was taken on the cabin leases. Management will come back to the Board in May with more information from the District's relicensing attorney and the District's consultant regarding their opinion on the impact the cabins could have on the District's relicensing efforts.

The temporary part-time summer help was hired with effective start dates in May, 2007.

The schedule for the presentation of Loup scholarships was gone over.

The following work orders were approved.

W.O. No.	Description	Amount
01962	<u>Responsibility Area 926 Budget Code 4592 Item No. 5</u> This work order will retire Bridge 23, (the 14 th Avenue East Bridge). Platte County is rebuilding Bridge 23. Upon completion, Platte County will own the	

new facility. Loup has an agreement with Platte County to pay 10% of the cost to upgrade this bridge before deeding the bridge to the county.

- 01963 Responsibility Area 923 Budget Code 1392 Item No. Contingency
This work order is required to expand the substation fence and ground grid to the east at the Columbus East 115kV sub east of Columbus.
- 01964 Responsibility Area 923 Budget Code 1192 Item No. 4
This work order consists of installing larger conductor on existing TL 3457 from the Tailrace Substation located east of Columbus to the ADM tap, a distance of about 2200 feet. T2-477 KCM ACSR will replace the existing 795 KCM ACSR conductor. This is required due to the increased load growth at ADM.
- 01965 Responsibility Area 923 Budget Code 1392 Item No. 4
This work order will provide for the removal of the existing fuses from the transformer and install them on the substation steel and also replace high side arresters.
- 01966 Responsibility Area 923 Budget Code 1492 Item No. 3
This work will consist of installing 64 new poles, stringing 63,000 feet of conductor and neutral wire and building four transformer mountings. This work is needed to provide service to five new irrigation wells being installed west of Cedar Rapids.
- PO #39335 Responsibility Area 923 Budget Code 2292 Item No. Contingency
This purchase order will provide for one new S-185 Bobcat skid-steer loader. This skid-steer loader will be utilized by both the retail and hydro crews for underground installations and substation construction as well as canal maintenance.

Purchase Order 39352 for the purchase of breakers for the ADM project was approved.

The proposed sale of the Reliance Building, Spec. Building and 46 acres of District owned property to an industrial prospect that will then construct two additional buildings was discussed.

Harwest hopes to be up and producing by the end of April or the first of May. They have employed 32 people to date.

The Richland zoning commission has approved the rezoning of District property near Richland to light industrial.

There will be an in-stream flow workgroup meeting April 19, 2007 that Mr. Suess, Ron Ziola, and Jim Frear will attend in Lincoln. The purpose of this meeting is to possibly set up a group to study the effects of pulse flows on the Platte River to the Pallid Sturgeon.