MINUTES OF DISTRICT ENERGY CORPORATION BOARD
Meeting held April 21, 2026

Minutes of the meeting of the District Energy Corporation (DEC) Board of Directors meeting held on April 21, 2026, at the Chambers Room #112 in the County City Building, 555 S. 10th Street, Lincoln, Nebraska. Notice of the meeting was published in the Lincoln Journal Star newspaper on April 14, 2026.

Board Members Present:	Sean Flowerday, Kim Morrow, Carl Eskridge, Matt Schulte, Bennie Shobe arrived at 12:25pm
Board Members Absent:	none
Others Present:	David Levy, Jason Fortik, Aaron Evans, Dianne Dobrusky, Keith Snyder, Denise Parrott, Wade Leibbrandt, Kerin Peterson, and Callen Schwank from Victaulic

Call to Order

Chair Sean Flowerday called the meeting to order at 12pm. Flowerday stated that DEC conducts its meetings in compliance with the Nebraska Open Meetings Act and that a copy of the act is posted at the back of the room.

Safety Briefing

Jason Fortik, LES Vice President of Power Supply and DEC Administrator, presented the Safety Briefing.

Public Comment

Chair Flowerday welcomed public comments. Seeing none the meeting proceeded to the next agenda item.

Approval of Minutes for 1/27/26

Chair Flowerday asked for a motion to approve the January 27th, 2026 meeting minutes. Vice Chair Eskridge made the motion and Director Morrow seconded. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge / Abstain: Schulte
Absent: Shobe

Legislative Update

Chair Flowerday announced a change in order of agenda items, and asked David Levy, DEC General Counsel, to provide the Legislative update. Levy relayed that there were no bills of significant interest to DEC to report.

New Business

Chair Flowerday called for any new business topics to be brought Forward. Seeing none, he moved to the next agenda item.

IDEA Conference

Jason Fortik presented a summary of the topics on the agenda for the IDEA Annual conference being held in June. The board was encouraged to let staff know if they are interested and available to attend.

Management Report
Operations Update

Aaron Evans, Manager – District Energy, presented the management report. The operations update included information about a brief service interruption for WHM on 1/9/26, it was resolved in a few hours. WHM and NSP plants each had minor planned outages during the period. Both LOC and CADF have planned outages scheduled for this week.

Fuel Cost Recap & Project Updates

The fuel cost recap for the period shows prices at a weighted average of $7.87/MMBtu compared to budge of $7.55/MMBtu. Increased cost is largely due to timing of scheduled purchase on Feb 1st and weather at that time. Fuel consumption is below budget for the period, largely due to increased efficiency at County-City Hall of Justice location. The capital projects reviewed include some miscellaneous upgrades at each plant, the State Plant fuel oil filter skid, the CADF multistack upgrades and geothermal loop cooler, the WHM electric boilers, and the vehicles transferred to DEC from LES.

New Customer Potential

Staff is continuing to monitor developments regarding the new convention center and a potential new customer in the south Haymarket area.

Motion to Accept Management Report

Chair Flowerday called for a motion to accept the Management Report. Motion was made by Vice Chair Eskridge and seconded by Director Schulte. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Shulte / Absent: Shobe

Burns & McDonnell Contract

Aaron Evans continued with a review of the standard service and consulting contract with Burns & McDonnell. This agreement allows DEC to enter into future tasking letters for engineering services, with board approval. Director Schulte brought up a concern about preference for local contractors, which prompted further discussion. David Levy will research specifics about DEC possibly adopting a policy, and have a report ready for the next meeting.

Motion to Approve Burns & McDonnell Contract

Chair Flowerday called for a motion to approve the Burns & McDonnell contract. Motion was made by Vice Chair Eskridge and seconded by Secretary Morrow. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Shobe / Abstain: Schulte

Financial Report

Wade Leibbrandt, LES Finance Director and DEC CFO, presented the Financial Report for the first quarter of 2026. Revenue for the quarter is close to budget. Due to weather being warmer than normal, heating units were below budget, and cooling units were above. Expenses for the quarter were 8.9% below budget due to: higher investment income (by 17%), decreased labor and legal cost, and the time of payments for service agreements.

Financial metrics continue to be strong. Targets for debt service and cash on hand were met. There is $900,000 outstanding on the JP Morgan revolving line of credit as of December 2025. Details on each capital project were shown, with cost to date and comparison to budget. Leibbrandt also gave the annual update on tax-exempt compliance. Checklists are completed annually to ensure compliance with reporting disclosures. Those checklists have been reviewed and no deficiencies were found.

Motion to Accept Financial Report

Chair Flowerday called for a motion to accept the Financial Report. Motion was made by Secretary Morrow and seconded by Vice Chair Eskridge. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Shobe, Schulte

Audit Report

Wade Leibbrandt referred to the Audit Report that was included in the board packet. DEC was issued a clean, unmodified opinion.

Motion to Accept Audit Report

Chair Flowerday called for a motion to accept the Audit Report. Motion was made by Vice Chair Eskridge and seconded by Director Schulte. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Shobe, Schulte

Next Meeting

The next regular meeting of the DEC board will be on July 21st, 2026 in the Chambers Room #112 at the County-City building.

Motion to Adjourn

Chair Flowerday called for a motion to adjourn. Motion was made by Director Schulte and seconded by Vice Chair Eskridge. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Shobe, Schulte

The board was adjourned at approximately 12:45 pm.

Sean Flowerday, Board Chair

By: Dianne Dobrusky
Dianne Dobrusky, Assistant Secretary