



MINUTES OF DISTRICT ENERGY CORPORATION BOARD

Meeting held July 21, 2026

Minutes of the meeting of the District Energy Corporation (DEC) Board of Directors meeting held on July 21, 2026, at the Chambers Room #113 in the County City Building, 555 S. 10th Street, Lincoln, Nebraska. Notice of the meeting was published in the Lincoln Journal Star newspaper on July 14, 2026. The meeting was moved from room #112 to room #113, as the commission meeting ran overtime in room #112. The start of this DEC meeting was delayed due to same.

Board Members Present: Sean Flowerday, Kim Morrow, Carl Eskridge, Matt Schulte, Bennie Shobe arrived at 12:26pm
Board Members Absent: none
Others Present: David Levy, Jason Fortik, Aaron Evans, Dianne Dobrusky, Keith Snyder, Denise Parrott, Wade Leibbrandt, Kerin Peterson, Larry Balm, Logan Krejdl, Sydnee Schneinost

Vice Chair Carl Eskridge called the meeting to order at 12:18pm. Eskridge 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.

Call to Order

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

Safety Briefing

Vice Chair Eskridge welcomed public comments. Seeing none, the meeting proceeded to the next agenda item.

Public Comment

Vice Chair Eskridge asked for a motion to approve the April 21st, 2026, meeting minutes. Director Morrow made the motion and Director Schulte seconded. The vote to approve was:
Aye: Flowerday, Morrow, Eskridge, Schulte
Absent: Shobe

Approval of Minutes for 4/21/26

Aaron Evans, Manager – District Energy, presented the management report. He first gave a recap of the IDEA annual conference that he attended in June. That was followed by the operations and fuels update. Details were given on two planned outages (at CADF and LOC), and an unplanned outage at NSP that lasted about 3 hours. During the period the DEC plants also had underground storage tank testing.

Management Report IDEA Conference & Operations & Fuels Update

The fuel cost recap for the period shows prices at a weighted average of \$7.16/MMBtu compared to budget of \$7.55/MMBtu. Fuel usage was slightly below budget for the period. The capital projects reviewed included:

Fuel Cost Recap & Project Updates

- Fire suppression upgrades, which are pending at multiple facilities

- Continued scoping for pedestrian gate work at LOC
- Fuel oil filter skid at SBP-August delivery expected
- CADF multistack upgrade project-replacement controllers received and bids for reversing valve upgrades being evaluated
- CADF geothermal loop cooler-contractor work was completed, and controls termination work is being finalized before commissioning later this year
- WHM electric boilers-mechanical work is in progress, controls work pending completion
- DEC vehicles-completed transfers of 3 vehicles from LES to DEC, completed purchase of new Maverick

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

New Customer Potential

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

Motion to Accept Management Report

Aaron Evans presented information about the iPads that the board has been using – as they are no longer supported. The options going forward would be to: buy new iPads, bring your own devices and access info via the website, or have paper copies provided. After discussion among the board, it was decided that they will use their own devices to access the board packet.

Board Meeting Technology

Wade Leibbrandt, LES Finance Director and DEC CFO, presented the Financial Report for the second quarter of 2026. Revenue for the quarter is very close to budget, with heating units being below budget and cooling units above budget. Expenses for the quarter were also very close to budget (1.5% below). And investment income was 25% higher than budget.

Financial Report

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 June 30, 2026. Details on each capital project were shown, with costs for the life of the project, as some were carried forward from prior year. Leibbrandt also gave an update on the work and timeline for the 2027 budget process – which will seek board approval at the October meeting.

Wade Leibbrandt also gave the Semi-Annual Investment Report presentation. DEC has a \$11.3 million (as of 6/30/26) investment portfolio that is managed by LES staff – a breakdown of those investments was shared. Leibbrandt gave details about yields for 2026 and how DEC's investment

Semi-Annual Investment Report

performance compares to benchmarks from Bank of America. Yields on DEC's Operating Funds were slightly below benchmarks (3.58% vs. 3.75%), while yields on Core Funds were above the benchmarks (4.21% vs. 3.89%). DEC continues to meet the objectives of their investment policy, which are safety, liquidity and return on investment.

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

**Motion to Accept
Financial Reports**

David Levy, DEC General Counsel, reported on the work that was done to explore the issue of adopting a local hiring policy – as the board asked for at the April meeting. In that research, it was found that this is not a common policy with similar companies, as only one other example was found. Discussions were also held with the Procurement staff at LES and some complexities involved with adopting such a policy were identified. The board discussed the issues and it was decided not to proceed with an official policy at this time.

**Local Hiring
Preference Update**

David Levy stated that there was nothing to report on regarding legislative issues and there were no new business topics brought forward.

**Legislative Update and
New Business**

The next regular meeting of the DEC board will be on Oct 20th, 2026 at 12pm in the Chambers Room #112 at the County-City building.

Next Meeting

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

Motion to Adjourn

The board was adjourned at approximately 12:50 pm.

Sean Flowerday, Board Chair

By: *Dianne Dobrusky*
Dianne Dobrusky, Assistant Secretary