

MINUTES OF REGULAR BUSINESS MEETING OF THE  
 BOARD OF DIRECTORS  
 THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
 HOLDREGE, NEBRASKA  
 AUGUST 4, 2014 – 9:00 AM

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by a notice on Radio Station KUVR on July 28, 2014, giving the time, date, and place of the meeting and the information that the Agenda was available in advance at the Office of the Assistant Secretary.

Individual cards giving the time, date, and place of this meeting were mailed to the Directors on July 18, 2014.

The following Directors were present:

|                               |                     |                    |
|-------------------------------|---------------------|--------------------|
| Dudley L. Nelson, President   | Geoffrey K. Bogle   | Martin E. Mueller  |
| David L. Rowe, Vice President | Ronald E. Fowler    | Roger D. Olson     |
| Robert B. Dahlgren, Treasurer | Robert A. Garrett   | Robert L. Petersen |
| K. Scott Olson, Secretary     | William E. Knoerzer | Gordon N. Soneson  |

Also present were the following:

|   |   |
|---|---|
| Don D. Kraus, General Manager             | Kevin M. Boyd, Gothenburg Division Mgt.   |
| Dave R. Ford, Irrigation Division Manager | Rochelle A. Jurgens, Controller           |
| Cory A. Steinke, Civil Engineer           | Holly G. Rahmann, Public Relations Asst.  |
| Mike A. Drain, Natural Resources Mgr.     | Tim W. Anderson, Public Relations Advisor |
| Jeff J. Buettner, Public Relations Coord. | Michael C. Klein, Legal Counsel           |
| Eric R. Hixson, Engineering Services Mgr. | Emily Anderson, Assistant Secretary       |

Others present:

|                              |                          |
|------------------------------|--------------------------|
| John Thorburn, Tri-Basin NRD | Charles Brewster         |
| Davie Kreutz, JLDI           | Lori Potter, Kearney Hub |

\* \* \* \* \*

The President announced that information for the public concerning the Open Meetings Act was available for interested parties to view.

At 9:00 AM, the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

**PUBLIC INPUT:** John Thorburn commented that Tri-Basin has been busy collecting water quality samples and their next board meeting will be held at the Smithfield Community Building.

**CONSENT AGENDA:** President Nelson asked the Directors if there were items they wished to be removed from the following consent agenda and discussed and voted on individually.

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held July 7, 2014**
- **Approval of Minutes of Special Meeting of the Board of Directors held July 25, 2014**
- **Approval of Minutes of Committee Meeting of the Board of Directors held July 25, 2014**
- **Approval of the August Disbursements:**

*Hydro Division:*

|  |                |
|--|----------------|
| Check #s 42617, 43652, 44287, 46812 & 46987-VOID; Check #s 47004 through 47219 and #s 8800401 through 8800407 (Accounts Payable) | \$1,841,930.78 |
| Check #s 9909923 through 9910028 (Payroll)   | \$329,709.34   |

*Kingsley Division:*

|   |             |
|---|-------------|
| Check #s 2696 through 2697 (Accounts Payable) | \$43,790.35 |
|---|-------------|

|  |              |
|--|--------------|
| <i>J-2 Regulating Reservoir Construction Fund:</i> |              |
| Check #s 1047 through 1053 (Accounts Payable)      | \$147,286.87 |
| <i>Glendo Division:</i>                            |              |
| Check #  | \$NONE       |
| <i>Flex Spending Account:</i>                      |              |
| Check #s 6870 through 6877                         | \$2,480.72   |

- **Authorize Central staff to approve amendments to agreements with adjacent landowners permitting the construction of underground lawn sprinkler systems within construction setbacks that may be included in the agreements.**
- **Authorize Central staff to make amendments to land agreements adjacent to Hike/Bike Trail and report the results at the next Board meeting**
- **Approval of Closure of Contract No. 0-654 – Crane Sales and Service – 2014 Mobile Boom Crane (\$762,089.31)** – On February 3, 2014, Contract No. 0-654 was awarded to Crane Sales & Services for a 2014 Mobile Boom Crane at a cost of \$712,233.00 plus \$49,856.31 Nebraska and Gothenburg sales tax for a total contract amount of \$762,089.31. All equipment has been delivered, inspected and found to be satisfactory. Crane Sales & Service shall receive payment in the amount of \$762,089.31 and Contract No. 0-654 will be closed.
- **Approval of Closure of Contract No. 0-643 – Survalent Technology – SCADA System Upgrade (\$67,038.23)** – On December 21, 2012, Contract No. 0-643 was awarded to Survalent Technology for the SCADA System Upgrade at a cost of \$338,506.00. Four change orders were issued for an additional \$26,285.14 for a total contract amount of \$364,791.14. Previous payments were made amounting to \$297,752.81 leaving a balance of \$67,038.23. All work has been completed, inspected and found to be satisfactory. Final payment in the amount of \$67,038.23 shall be made to Survalent Technology and Contract No. 0-643 will be closed.
- **Approval of Lake Improvement Fund Requests:**
  - \$55,000 for grading and dirt work for approximately 1.9 miles for new section of the Hike/Bike Trail at Johnson Lake
  - \$12,500 for labor and materials to repaint the Leave Only Your Footprints sign at Lake McConaughy

**It was moved by Director S. Olson, seconded by Director Petersen, that the Board approve the Consent Agenda as presented. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.**

2014 BUDGET REVISION: Rochelle Jurgens and Kevin Boyd presented a revision to the budget to allow for the construction of a restroom at the Kingsley Dam warehouse. This will require an increase to the Hydro Electrical Capital budget of \$12,000 by reallocating \$5,000 from the Ogallala Maintenance of Structures budget and \$7,000 from the Gothenburg Roads, Bridges & Crossings budget.

**It was moved by Director Soneson, seconded by Director Rowe, that the Board approve the 2014 Budget Revision for the construction of the Kingsley Dam Warehouse as presented. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, and Bogle. None voted no and the motion was declared carried.**

SOUTHWEST POWER POOL MEMBERSHIP: This was discussed in Closed Session.

J-2 REGULATING RESERVOIR: This was discussed in Closed Session.

PERSONNEL: There were no personnel matters discussed.

LEGISLATION: Jeff Buettner had nothing new to report.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: Director Mueller commented the water on the west end of Lake McConaughy is very clear. Director Nelson thanked Dave Ford for organizing the District's annual golf tournament this past weekend.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported that Lake McConaughy is at elevation 3,238.6, 1,056,000 acre feet and 61% capacity. Inflows are at 666 cfs with outflows below 3,000 cfs. South Platte flows continue to be good and finally reached Roscoe.
- b. Kevin Boyd reported the concrete work on gate #4 on the Diversion Dam was completed last week. The next step will be to sandblast and paint the gate. Work will begin on gate #5 soon. The FERC inspectors will be on site August 20, 2014 and September 2, 2014.
- c. Rochelle Jurgens stated there is an Investment Committee meeting following the Board meeting. She is also conducting meetings with representatives from supplemental insurance companies other than AFLAC pursuant to the Union's request.
- d. Dave Ford stated the fifth of six irrigation runs will begin today, with five weeks remaining this season. He plans to schedule an Irrigation Committee meeting on August 20, 2014 at 11:30 a.m. to discuss the 2015 irrigation season. He will also invite 50-60 irrigation customers to attend a meeting that same day at 1:00 p.m. for their input on the 2015 season.
- e. Tim Anderson informed everyone that Bob Dahlgren will be celebrating 50 years in the banking industry and there will be an open house/BBQ at First State Bank of Bertrand on August 6, 2014 from 11:00 a.m. to 1:00 p.m. in his honor.
- f. Mike Klein thanked everyone for their well wishes following his recent surgery.

**At 9:18 AM it was moved by Director R. Olson, seconded by Director Garrett, that the Board go into Closed Session to discuss legal matters. Upon voting on the motion, the following Directors voted therefore: Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, and Dahlgren. None voted no and the motion was declared carried. President Nelson stated the items to be discussed in Closed Session were: Southwest Power Pool Membership and J-2 Regulating Reservoir.**

**C L O S E D S E S S I O N**

**At 9:40 AM it was moved by Director S. Olson, seconded by Director Garrett, that the Board exit Closed Session and reconvene in Regular Session. Upon voting on the motion, the following Directors voted therefore: Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, and Dahlgren. None voted no and the motion was declared carried. President Nelson stated the items discussed in Closed Session were: Southwest Power Pool Membership and J-2 Regulating Reservoir.**

The meeting adjourned at 9:40 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER  
AND IRRIGATION DISTRICT

\_\_\_\_\_  
K. Scott Olson, Secretary

By \_\_\_\_\_  
Dudley L. Nelson, President