

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

NOVEMBER 7, 2016 – 9:00 AM

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MINUTES OF SPECIAL MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
HOLDREGE, NEBRASKA  
OCTOBER 28, 2016 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by a notice on Radio Station KUVR on October 24, 2016, 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.

Notices giving the time, date, and place of this meeting were mailed to the Directors on October 21, 2016.

The following Directors were present:

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

The following Directors were absent: Geoffrey K. Bogle and K. Scott Olson

Also present were the following:

Don D. Kraus, General Manager	Rochelle A. Jurgens, Controller
Kevin M. Boyd, Gothenburg Division Mgr.	Dave R. Ford, Irrigation Division Manager
Eric Hixson, Engineering Services Manager	Jeff J. Buettner, Public Relations Coord.
Mike A. Drain, Natural Resources Mgr.	Jim Brown, Land Administrator
Devin M. Brundage, Asst. Gothenburg Div. Mgr.	Michael C. Klein, Legal Counsel
Cory A. Steinke, Civil Engineer	Emily Anderson, Assistant Secretary

Also present were:

Dan Jensen	Sherry Tucker
Deb Jensen	

\* \* \* \* \*

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

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

PUBLIC INPUT: None.

PROGRESS ESTIMATE NO. 2 (FINAL), CONTRACT NO. 0-665 – LANDMARK IMPLEMENT, 2016 TRACTOR WITH SIDE & REAR MOWERS (\$135,301.50):

CLOSURE OF CONTRACT NO. 0-665 – LANDMARK IMPLEMENT, 2016 TRACTOR & MOWER (\$135,301.50): Don Kraus explained the purpose of having these two items on the Special Meeting agenda is due to Landmark Implement requesting payment by the end of October, 2016 in order for Central to qualify for discounts. Kraus stated the equipment has been delivered to Gothenburg, has been inspected, and payment is recommended.

It was moved by Director Rowe and seconded by Director Petersen to approve Progress Estimate No. 2 (Final) and Closure of Contract No. 0-665 with LandMark Implement for the 2016 Tractor with Side and Rear Mowers in the amount of \$135,301.50. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, Petersen, Rowe, and Soneson. Absent was: Bogle and S. Olson. None voted no and the motion was declared carried.

DIRECTORS' ATTENDANCE: It was moved by Director Fowler and seconded by Director Mueller to excuse the absences of Geoffrey K. Bogle and K. Scott Olson from the Special Meeting of the Board. Upon voting on the motion, the following Directors voted therefore Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, Petersen, Rowe, and Soneson. Absent was: Bogle and S. Olson. None voted no and the motion was declared carried.

The meeting adjourned at 9:04 A.M.

MINUTES OF COMMITTEE MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
HOLDREGE, NEBRASKA  
OCTOBER 28, 2016 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by a notice on Radio Station KUVR on October 24, 2016, 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 October 21, 2016.

The following Directors were present:

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

The following Directors were absent: Geoffrey K. Bogle and K. Scott Olson

Also present were the following:

Don D. Kraus, General Manager	Rochelle A. Jurgens, Controller
Kevin M. Boyd, Gothenburg Division Mgr.	Dave R. Ford, Irrigation Division Manager
Eric Hixson, Engineering Services Manager	Jeff J. Buettner, Public Relations Coord.
Mike A. Drain, Natural Resources Mgr.	Jim Brown, Land Administrator
Devin M. Brundage, Asst. Gothenburg Div. Mgr.	Michael C. Klein, Legal Counsel
Cory A. Steinke, Civil Engineer	Emily Anderson, Assistant Secretary

Also present were:

Dan Jensen	Sherry Tucker
Deb Jensen	Rob McCormick ( <i>*arrived at 10:47 a.m.*</i> )

\* \* \* \* \*

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

At 9:04 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

CONSENT TO ASSIGNMENT SUMMARY: There were two Consents to Assignment at Johnson Lake in October, 2016.

PERMIT TO CONSTRUCT SUMMARY: The following Permits to Construct were approved in the month of October, 2016:

Permits to Construct Approved by General Manager October 28, 2016			
<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Purpose</u>
None			

Permits to Construct Approved by Real Estate Department October 28, 2016 – Johnson Lake & Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit &amp; Purpose</u>	<u>Date Approved &amp; Fee</u>
Carl Norden Trustee	46 Bass Bay Dr 16	PGP & PTC (ECS)-Place riprap on 25' of shoreline	September 21, 2016-no application fee
Thelen, Patrick, Steven & Christopher	25 Mallard Beach DR 20	PTC-Construct a joint drainage system in conjunction with previously approved dwelling permit	September 21, 2016-no application fee
Fowler, Ron & Kathy	20 Mallard Cove Dr 19A	PTC (SWAF & ECS)-Remove existing retaining wall and construct new stone wall, construct new patio area with fire pit, construct stone wall along shoreline above riprap level	September 20, 2016-\$50.00 application fee
Danaher, Daniel & Sharon	8 North Point Dr 13	PTC-Remove existing flat roof over patio and replace with a peaked roof, extend patio and roof at least 4'	September 26, 2016-no application fee
Carlson, Lanny & Karen	16 North Cove Dr 10	PTC-Construct detached garage from existing dwelling, pour concrete driveway to the road, pour sidewalk	September 28, 2016-no application fee
Goracke, Michael	21 Northeast Cove Dr 9	PTC-Construct single family dwelling with attached garage	September 28, 2016-no application fee
Firzke, Scott & Bridget	11 S. Crappie Corner	PTC for Veg-Plant trees	September 28, 2016-no application fee
Kathol Leasing, Mike Kathol	9 Lakeview Acres Dr 14	PTC (DEF/ECS)-Excavate within lot boundary and construct concrete retaining walls	October 11, 2016-\$50.00 application fee
Anderson, Lane & Kerri	14 K-3 Rd	PGP & PTC (ECS)-Place riprap on 110' of shoreline	October 12, 2016-no application fee
Potts, Jeffrey & Stacey	73 Mallard Beach Dr 22	PTC-Construct 12'x 24' elevated deck	October 14, 2016-no application fee
Berglund, Mary	107 Mallard Beach Dr 22	PTC-Remove existing carport and construct 2 story addition with a garage and 26' x 20' concrete approach	October 18, 2016-no application fee
Group VI Water Group	Commons Area behind 16 Mallard Beach	PTC for Veg-Removing trees	October 19, 2016-no application fee
Jurgens, Gary & Rochelle	S Crappie Corner	PTC for Veg-Plant trees	October 19, 2016-no application fee
Stumpff Farms, Steven Stumpff	24 Mallard Beach Dr 20	PTC-Construct single family residence with attached garage and covered deck	October 24, 2016-no application fee

Permits to Construct Approved by Real Estate Department October 28, 2016 – Jeffrey & Midway Lakes			
<u>Name</u>	<u>Description</u>	<u>Permit &amp; Purpose</u>	<u>Date Approved &amp; Fee</u>

Ackerman Cabin Trust, Rick Ackerman	50 S Lakeview Rd	PTC (DEF)-Excavate/dredge up to 3' of material from lakebed	September 21, 2016-no application fee
Deaver, Thomas & Susan	49 S. Lakeview Rd	PTC (SWAF)-Raise existing sidewalk along shoreline	September 21, 2016-no application fee
Robert McCullough Trustee	13 Lakeview Rd	PGP & PTC (ECS)-Place riprap on 46' of shoreline	September 21, 2016-no application fee
Johnson, Stephen & Rogene	102 Pelican Dr	PGP & PTC (ECS)-Place riprap on 56' of shoreline	September 21, 2016-no application fee
Cudzilo, Mary & Savannah	99 Pelican Dr	PTC (DEF)-Place clean material in accordance with USACE NWP 18 upslope of existing seawall to raise the lawn height	September 23, 2016-no application fee
Wahlgren, Floyd & Marcia	30140 E Jeffrey Dam Rd	PTC (DEF)-Excavate material from lakebed to use as fill for shoreline	September 26, 2016-no application fee
Wahlgren, Floyd & Marcia	30140 E Jeffrey Dam Rd	PGP & PTC (ECS)-Place riprap along shoreline	September 26, 2016-no application fee
Baldrige, Judson & Denise	47 S Lakeview Rd	PGP & PTC (ECS)-Place riprap along shoreline	September 26, 2016-no application fee
Rickett, Mitchell & Lorraine	21 Lakeview Rd	PTC (SWAF)-Relocate previously approved dock walkways and shore station to its original location in front of existing patio	September 27, 2016-no application fee
Linsday, Herbert & Kay	78 Pelican Dr	PGP & PTC (ECS)-Place riprap on 60' of shoreline	September 28, 2016-no application fee
Miller, Irvin & Marietta	89 Pelican Dr	PTC (SWAF)-Install 9' x 9' shore station boat lift on right hand side of dock	September 28, 2016-no application fee
Couillard, Bruce & Becky	15 Plum Creek Canyon Dr 121	PGP & PTC (ECS)-Place riprap on 195' of shoreline	September 29, 2016-no application fee
Ristine, Ross & Kressy	98 Pelican Dr	PGP & PTC (ECS)-Place riprap on 30' of shoreline	October 4, 2016-no application fee
Ackerman Cabin Trust, Rick Ackerman	50 S Lakeview Rd	PTC (SWAF)-Construct solid surface/incline to load and unload a personal watercraft, pour concrete approach connecting the incline to an existing storage building, construct concrete patio within 30' of the shoreline	October 4, 2016-no application fee
Wahlgren, Carol	96 Pelican Dr	PTC-Construct 2 car garage	October 11, 2016-\$50.00 application fee
Wahlgren, Carol	96 Pelican Dr	PTC (ECS)-Construct concrete retaining wall	October 14, 2016-no application fee
Pell, Danville & Kathy	111 S Shore Dr	PGP & PTC (ECS)-Place riprap on 96' of shoreline and construct retaining wall	October 24, 2016-no application fee
O'Hare, James & Anita	79 Pelican Dr	PTC (DEF/ECS)-Remove existing wooden retaining wall and construct a new upland retaining wall	October 24, 2016-no application fee
Couillard, Bruce & Becky	16 Plum Creek Canyon Dr 121	PTC (VCMRA)-Remove Cottonwood tree and Elderberry bush	October 24, 2016-\$200.00 application fee
Hilderbrand, Michael & Connie	70 Pelican Dr	PTC (SWAF)-Construct wooden walkway using untreated lumber	October 25, 2016-no application fee

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

RIGHT OF WAY TRANSACTIONS: Dave Ford presented an application for the removal of a timber bridge. Both parties have signed the necessary bridge waiver.

**APPLICATION FOR REMOVAL OF BRIDGE OR CROSSING**

<u>System</u>	<u>Tract No.</u>	<u>Legal Description</u>	<u>Landowners</u>
Phelps	A-P-5.0N #121.....	NE¼ of Section 17-8-20 .....	NS Ventures LLC, Darren Samuelson, Member Carlson Land LLC, K. Jeffrey Carlson, Member
(Remove timber bridge at approx. mp 5.0 on A-P-5.0N #121)			

**POWER & RECREATION COMMITTEE (10/28/16):**

a. Request for Variance – 30 Mallard Cove, Johnson Lake: Customer desires to 100% replace the pre-existing shoreline and water access facility (SWAF) wooden stairway which are located within the 10’ side lot line. The Permitting Procedures state that: No SWAF shall be located closer than 10’ to a side lot line or extension thereof, except that Central staff may permit less than 10’ if such limit would preclude the use of a at least one watercraft lift. Staff does not support this request because: i) The strict application of the LSMP and Permitting Procedures does not produce an undue hardship; ii) The hardship is not unique to the parcel of land for which the variance is sought; and iii) The granting of such a variance is not based upon reasons of demonstrable and exceptional hardship and is a variation for purpose of convenience and/or caprice. The Committee voted to recommend Board approval of a variance to allow the customer at 30 Mallard Cove, Johnson Lake to replace the pre-existing wooden stairway.

b. Request for Variance – 6 Mallard Beach, Johnson Lake: Customer desires to construct a 3-season screened-in porch which would be located under an existing second story deck and stairway and currently encroaches into the side setback. The wall of the porch would be 3’9” from the side lot boundary. Permitting Procedures state: i) For purpose of these setbacks, eaves, steps, porches, decks, and patios shall be considered a part of the building; and ii) Rear and side setbacks. All buildings shall be located on the lot no closer than 4’ horizontal from the side lot line, or 10% of the width of the lot at the point of construction, whichever is greater. Staff does not support this request because: i) The strict application of the LSMP and Permitting Procedures does not produce an undue hardship; ii) The hardship is not unique to the parcel of land for which the variance is sought; and iii) The granting of such a variance is not based upon reasons of demonstrable and exceptional hardship and is a variation for purpose of convenience and/or caprice. The Committee voted to recommend Board approval of a variance to allow the customer at 6 Mallard Beach, Johnson Lake to construct a 3-season screened-in porch under an existing second story deck and stairway, one wall of which will be 3’9” from the side lot boundary.

c. Request for Modification to Agreement – 15 Plum Creek Canyon Dr. 121, Plum Creek Lake: Customer desires to construct a retaining wall(s) on his property adjacent to District property. An agreement exists between the customer and the District which limits the construction of dwelling related structures to 50’ from the shoreline. In 2001, it is believed an error occurred when the District permitted the construction of retaining walls within the 50’ setback. Customer has since built a new house and has requested the ability to construct numerous retaining walls both on District property and on private property within the 50’ setback. Customer has been utilizing District property as landscaped lawn without a lease for an unknown number of years, at least since the 2011 permit was issued. Customer has demonstrated a need for one retaining wall on the north end of the newly constructed house in the rear 25’ of the 50’ setback. Staff recommends modifying the agreement to allow for the placement of a retaining wall on the north side of the house, in the zone measuring 26’-50’ from the shoreline. The Committee voted to recommend Board approval of a modification to the agreement with the customer at 15 Plum Creek Canyon Dr. 121, Plum Creek Lake to construct a retaining wall on the north side of the house, in the zone measuring 26’-50’ from the shoreline.

SURVALENT TECHNOLOGY CORPORATION SUPPORT AND MAINTENANCE AGREEMENT: Eric Hixson explained this is a 3-year contract renewal for maintenance and support of the SCADA system.

2016 BUDGET REVISION: Rochelle Jurgens presented Hydro Division Budget Revision #12 for the SCADA maintenance and support agreement with Survalent Technology as follows:

Control Center Allocable Expenses	Current Budget	Proposed Budget	Difference
1-31-53700-254-20	0	\$33,300	\$33,300
2-38-53700-254-20	0	\$10,700	\$10,700
2-39-53700-254-20	0	\$10,800	\$10,800
<b>Net Change</b>			<b>\$54,800</b>

2017 LIFE INSURANCE BIDS: Rochelle Jurgens presented the 2017 life insurance renewal bids and explained NPPD chose to rebid their life insurance rather than accept the renewal from Prudential, and Central was not included in their bid specs. A renewal rate from Prudential is not available to Central without NPPD as they do not insure groups of less than 100 employees. Jurgens contacted Hays who received a quote from Cigna who is Central's current long term disability carrier. Cigna had the lowest bid for Life and AD&D at \$0.23/\$1000 and \$2.00/family for dependent coverage. The annual premium will increase by \$23,181.

2017 BUDGET: Rochelle Jurgens stated a few changes to the 2017 budget have been made since her last presentation at the September Committee Meeting of the Board. Each department supervisor presented their budgets by discussing major expenditures and capital purchases. Jurgens stated she will present the budget again at the November 28, 2016 Committee Meeting of the Board.

Director Dahlgren exited the meeting at 9:20 a.m.

A break was taken at 10:04 a.m. The meeting resumed at 10:27 a.m.

SALE OF PORTION OF E65 PIPELINE (E65-23.7-4.9-0.7, FROM 0.7 TO 0.9N): Dave Ford presented aerial photos of the area in the NW1/4 of 22-8-20 owned by Dahlgren Cattle Co. Inc. The District would sell 1,350 feet of 10" and 12" PVC underground pipe to Dahlgren Cattle Co. Inc. for their personal use to comingle groundwater and surface water to multiple pivots in the area.

PROPOSED PIPELINE FROM PHELPS CANAL TO COTTONWOOD RANCH: Don Kraus briefly described the concept of this proposal. A draft of an agreement with the Platte River Recovery Implementation Program and a map of the area was presented. More discussions were held in Closed Session.

LAND AND SHORELINE PERMITTING PROCEDURES: Mike Drain gave an overview of the potential changes to the permitting procedures which are outlined in a memo to the Board dated October 24, 2016, and stated staff is seeking approval of the revisions by the end of this year.

Rob McCormick entered the meeting at 10:47 a.m.

LMLI LEASE MEETING: This was discussed in Closed Session.

AMENDMENT TO WATER SERVICE AGREEMENT (J-2 REGULATING RESERVOIR) – PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM AND NEBRASKA COMMUNITY FOUNDATION: Don Kraus stated he will seek Board approval of this agreement on November 7, 2016.

FACILITIES IMPROVEMENTS: Don Kraus explained the consultant, Odee Ingersoll, was unable to attend the meeting and was not able to send a video of his presentation. Mr. Ingersoll will be present at the November Committee Meeting of the Board.

LITIGATION - MALOLEY: Mike Klein stated Motions for Summary Judgment have been filed by both parties and the Judge will review the briefs. Klein expects a decision in the next two to three months.

JOHNSON LAKE LEASES: This was discussed in Closed Session.



JOHNSON LAKE INLET HYDRO: There was nothing new to report.

REPUBLICAN BASIN DIVERSION PROJECT: This was discussed in Closed Session.

PERSONNEL: There were no discussions.

OUT OF STATE TRAVEL: The following Out of State Travel was approved for November, 2016:

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Eric Hixson	MRO Fall 2016 Reliability Conference	St. Paul, MN	November 2, 2016
Mike Drain	Platte River Recovery Implementation Program	Denver, CO	November 1-2, 2016
Don Kraus	Platte River Recovery Implementation Program	Denver, CO	November 1-2, 2016
Don Kraus	NWRA	San Diego, CA	November 14-16, 2016

LEGISLATION: Jeff Buettner stated there are less than two weeks to the election. He continues to watch for potential legislation relevant to Central's interests.

BOARD COMMENTS: President Nelson welcomed back Director Garrett.

OPERATIONS REPORT:

- a. Cory Steinke reported that Lake McConaughy is at elevation 3,258.0, 1,531,500 acre feet and 87.9% capacity. Lake McConaughy inflows have decreased to 1,258 cfs, with outflows at 1,786 cfs. Recharge inflows to Elwood Reservoir will commence after November 15, 2016.
- b. Jim Brown showed photos of the Jeffrey Lake shoreline cleanup, and aerial drone and ortho-photos showing the results of dredging and the depth of Jeffrey Lake. He discussed the recent stakeholder meeting at Lake McConaughy, a NGPC concession inspection at Lake McConaughy, and reported many of the trailer houses at Medo's Resort at Johnson Lake have been removed or are in the process of being removed.
- c. Devin Brundage reported the Kingsley hydro is back online after being in an outage during October. He displayed photos of the new relay panels in the control room and stated the disconnect switches and breaker at Jeffrey were replaced.
- d. Eric Hixson spent the past month at Kingsley and continues to work on the NERC compliance filing.
- e. Jeff Buettner conducted a tour with 25 ag economists of the E67 and E65 systems with the help of Marcia Trompke and Dave Ford. He has upcoming tours scheduled for the legal counsel from the Natural Resources Committee and Farm Bureau representatives. He stated Mike Drain and Don Kraus recently presented at the Nebraska Water Center Symposium and Mike Klein presented at the Water Law Seminar.
- f. Dave Ford stated irrigation billing payments are coming in. Crews have been busy working on road crossings, a lining project and preparing for recharge.
- g. Rochelle Jurgens made the water leasing payments which totaled \$228,000. The employee and spouse health screenings were well attended this year and she is preparing for open enrollment for the employee benefits.
- h. Kevin Boyd displayed photos of the repairs to the Morning Glory and a pipe south of Cozad showing considerable rust damage that may need repaired.

- i. Don Kraus reported on his recent attendance at a Southwest Power Pool meeting where the increase in wind energy was discussed.

Director Dahlgren entered the meeting at 11:25 a.m.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

A break for lunch was taken at 11:36 a.m. The meeting resumed at 12:11 p.m.

**At 12:12 PM it was moved by Director R. Olson and seconded by Director Soneson, that the Board enter into Closed Session to protect the public interest, to receive legal advice, and to discuss contract negotiations. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, Petersen, Rowe, and Soneson. Absent was: Bogle and S. Olson. None voted no and the motion was declared carried. Board President Nelson stated that the items to be discussed in closed session were the following agenda items: Proposed Pipeline from Phelps Canal to Cottonwood Ranch; LMLI Lease Meeting; Johnson Lake Leases; and Platte to Republican High Flow Diversion Project.**

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

**At 1:44 PM it was moved by Director Petersen and seconded by Director Knoerzer, that the Board exit Closed Session and reconvene in Regular Session. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, Petersen, Rowe, and Soneson. Absent was: Bogle and S. Olson. None voted no and the motion was declared carried. President Nelson stated that the items discussed in Closed Session were of a legal nature relating to the following agenda items: Proposed Pipeline from Phelps Canal to Cottonwood Ranch; LMLI Lease Meeting; Johnson Lake Leases; and Platte to Republican High Flow Diversion Project.**

The meeting adjourned at 1:44 PM.

MINUTES OF REGULAR BUSINESS MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
HOLDREGE, NEBRASKA  
NOVEMBER 7, 2016 – 9:00 A.M.

This meeting was publicly advertised on October 31, 2016, 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 October 21, 2016.

The following Directors were present:

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

The following Director was absent: David L. Rowe

Also present were the following:

Don D. Kraus, General Manager	Devin M. Brundage, Asst. Gothenburg Div. Mgr.
Rochelle A. Jurgens, Controller	Dave R. Ford, Irrigation Division Mgr.
Cory A. Steinke, Civil Engineer	Jeff J. Buettner, Public Relations Coord.
Eric R. Hixson, Engineering Services Mgr.	Jim Brown, Sr. Land Administrator
Mike A. Drain, Natural Resources Mgr.	Michael C. Klein, Legal Counsel
Kevin M. Boyd, Gothenburg Division Mgr.	Emily Anderson, Assistant Secretary

Others present:

John Thorburn, Tri-Basin NRD ( <i>arrived at 9:03 a.m.</i> )	Lori Potter, Kearney Hub
Dick Helvey	Rob Lane
Steve Kemper	Rod Schmidt
John J. Kirby	

\* \* \* \* \*

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 J. Kirby presented a copy of a letter written by Chuck and Georgie Evans regarding the lease fees at Johnson Lake.

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

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held October 4, 2016**
- **Approval of Minutes of Special Meeting of the Board of Directors held October 28, 2016**

- **Approval of Minutes of Committee Meeting of the Board of Directors held October 28, 2016**

- **Approval of the November Disbursements:**

*Hydro Division:*

Check # 52538, 52707 & 52715-VOID; Check #s 52840 through 53116 and 8899280 through 8899294 (Accounts Payable) \$1,965,340.84

Check #s 9912769 through 9912872; and 9908 (Payroll) \$339,822.02

*Kingsley Division:*

Check #s 2879 through 2895 (Accounts Payable) \$104,245.72

*J-2 Regulating Reservoir Construction Fund:*

Check #s 1232 through 1235 (Accounts Payable) \$15,824.74

*Glendo Division:*

Check #NONE \$NONE

*Flex Spending Account:*

Check #s 8041 through 8048 \$2,516.15

- **Approval of the following Right of Way Transaction**

APPLICATION FOR REMOVAL OF BRIDGE OR CROSSING

<u>System</u>	<u>Tract No.</u>	<u>Legal Description</u>	<u>Landowners</u>
Phelps	A-P-5.0N #121	NE¼ of Section 17-8-20	NS Ventures LLC, Darren Samuelson, Member Carlson Land LLC, K. Jeffrey Carlson, Member

(Remove timber bridge at approx. mp 5.0 on A-P-5.0N #121)

- **Approval of a Variance to permit the customer at 30 Mallard Cove, Johnson Lake to replace the pre-existing wooden stairway**
- **Approval of a Variance to permit the customer at 6 Mallard Beach, Johnson Lake to construct a 3-season screened-in porch under an existing second story deck and stairway, one wall of which will be 3'9" from the side lot boundary**
- **Approval of a modification to the agreement with the customer at 15 Plum Creek Canyon Dr. 121, Plum Creek Lake to construct a retaining wall on the north side of the house, in the zone measuring 26'-50' from the shoreline**
- **Approval of the Survalent Technology Corporation Support and Maintenance Agreement in the amount of \$52,026.75 for a three- year term**
- **Approval of Hydro Division Budget Revision #12 as follows:**

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
Control Center Allocable Expenses			
1-31-53700-254-20	0	\$33,300	\$33,300
2-38-53700-254-20	0	\$10,700	\$10,700
2-39-53700-254-20	0	\$10,800	\$10,800
<b>Net Change</b>			<b>\$54,800</b>

- **Approval of the 2017 Life Insurance Bids (Cigna's bid for Life and AD&D at \$0.23/\$1000 and \$2.00/family for dependent coverage)**
- **Approval to sell 1,350 feet of the E65 Pipeline to Dahlgren Cattle Co. Inc. (E65-23.7-4.9-0.7, from 0.7 to .09N) at a price of \$1.00/foot for a total purchase price of \$1,350.00**
- **Approval of the Amendment to Water Service Agreement (J-2 Regulating Reservoir) – Platte River Recovery Implementation Program and Nebraska Community Foundation**

**It was moved by Director Fowler and seconded by Director Petersen to 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, and Soneson. Absent: Rowe. None voted no and the motion was declared carried.**

LAND & SHORELINE MANAGEMENT PERMITTING PROCEDURES: Mike Drain stated a Director raised a concern over whether or not the revised Permitting Procedures contain language about variances. Drain stated Section 3.6 of the Permitting Procedures addresses variances only in a generalized manner, but the Land and Shoreline Management Plan is the governing document approved by FERC and fully addresses the variance process.

**It was moved by Director S. Olson and seconded by Director Mueller to approve the Land and Shoreline Permitting Procedures as presented with an effective date of January 1, 2017. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent: Rowe. None voted no and the motion was declared carried.**

E65-0.0 BOX CULVERT (GOSPER COUNTY): Dave Ford stated delays have occurred during this project to replace the bridge on Johnson Lake Drive over the E65 Canal just south of the head gate. The contractor is replacing the bridge with a 14-foot box culvert and the project was to be completed by November 15, 2016. The project is approximately two weeks behind schedule which will likely delay Central's plans to divert flows for groundwater recharge in the E65 Canal.

JOHNSON LAKE LEASES: This was discussed in Closed Session.

PERSONNEL: None.

LEGISLATION: Jeff Buettner conducted a tour of the Gothenburg Control Center with the Natural Resources Committee legal counsel and Jay Rempe.

WORKSHOPS, SEMINARS AND CONFERENCES: Don Kraus mentioned the 2016 NSIA/NWRA Joint Convention in Kearney on November 20-22, 2016 and stated anyone interested in attending should contact Emily Anderson.

DIRECTORS' ATTENDANCE: **It was moved by Director Bogle and seconded by Director Petersen to excuse the absence of David L. Rowe from this Regular Business Meeting of the Board. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent: Rowe. None voted no and the motion was declared carried.**

BOARD COMMENTS: None.

OPERATIONS REPORT: The following operations reports were presented:

- a. Dave Ford reported crews are working on road crossings and staff has been preparing to take applications for the 2017 Water Leasing Program which begins November 15, 2016. An Irrigation Committee meeting has been scheduled for November 18, 2016 at 10:00 a.m.
- b. Jeff Buettner stated there will be a Central District Water Users meeting on November 9, 2016 which will serve as a 2016 irrigation season recap.
- c. Kevin Boyd met with a consultant about repairing a tube with a rusted out bottom on the Supply Canal. He plans to follow their recommendation to place wire mesh over the bottom of the tube and pump concrete over it to seal the deteriorated pipe. Crews started on a project to replace the decking and some stringers and remove the small pedestrian walkway on the outlet bridge at Johnson Lake. The project is progressing and employees are working overtime, but it may take six to eight weeks to complete. The detour was originally to route traffic west around the lake, but the delay on the box culvert installation

on the E65 Canal has caused the detour to use the Supply Canal access road near the outlet bridge.

- d. Mike Drain reported he and Don Kraus attended a Governance Committee meeting last week regarding the possible extension of the Platte Program for another 13-year term.
- e. Jim Brown met recently with the consultants conducting the feasibility study of the development of Bossung Lake/Bullhead Point. A draft of the study will be available in December for the Board to review.
- f. Cory Steinke reported that Lake McConaughy's elevation is at 3,257.8 and 1,528,700 acre feet which is 87.5% of capacity. Inflows are around 1,400 cfs and outflows are 1,550 cfs.
- g. Devin Brundage stated crews continue to work to rehabilitate the Supply Canal gate operators.
- h. Rochelle Jurgens held an open enrollment meeting last week for employee benefits and the retiree drug plan meeting was very well attended. An Administration Committee meeting was scheduled for November 28, 2016 following the Committee Meeting of the Board.
- i. Don Kraus will be out of the office on vacation and attending the NWRA Annual Conference from November 10-16, 2016.

**At 9:33 AM it was moved by Director Mueller and seconded by Director S. Olson, that the Board enter into Closed Session to protect the public interest and to receive legal advice. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent was: Rowe. None voted no and the motion was declared carried. Board President Nelson stated that the item to be discussed in closed session was the following agenda item: Johnson Lake Leases.**

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

**At 9:43 AM it was moved by Director Fowler and seconded by Director Petersen, that the Board exit Closed Session and reconvene in Regular Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent was: Rowe. None voted no and the motion was declared carried. President Nelson stated that the item discussed in Closed Session was of a legal nature relating to the following agenda item: Johnson Lake Leases.**

John Thorburn reported the Tri-Basin NRD board approved the recharge contract with Central and the Platte Program at their recent meeting and the feasibility study for the Platte to Republican High Flow Diversion Project is nearing completion.

The meeting adjourned at 9:44 AM.

ATTEST: THE CENTRAL NEBRASKA PUBLIC POWER  
AND IRRIGATION DISTRICT

\_\_\_\_\_  
Martin E. Mueller, Secretary

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