

MINUTES OF REGULAR BUSINESS MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
HOLDREGE, NEBRASKA  
AUGUST 5, 2013 – 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 29, 2013, 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, 2013.

The following Directors were present:

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

The following Directors were absent: None.

Also present were the following:

Don D. Kraus, General Manager	Jeff J. Buettner, Public Relations Coord.
David R. Ford, Irrigation Division Mgr.	Rochelle A. Jurgens, Controller
Eric R. Hixson, Engineering Services Mgr.	Holly G. Hiebert, Public Relations Asst.
Michael A. Drain, Natural Resources Mgr.	Frank C. Vetter, Real Estate Administrator
Cory A. Steinke, Civil Engineer	Michael C. Klein, Legal Counsel
Kevin M. Boyd, Gothenburg Division Mgr.	Emily J. Anderson, Assistant Secretary

Others present:

Lori Potter, Kearney Hub	Ron Fowler, JLDI
Paul Peters	Joann Wieland, Pres. of JLDI
Bruce Smith	John Thorburn, Tri-Basin NRD
Jeff Carlson	Annette Renken
Dean Nelson	

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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 from Tri-Basin NRD updated the Directors with information on chemigation inspections, water quality sampling, and progress with the Integrated Management Plan.

A drawing by Bonnie Marshall depicting Johnson Lake and all of its amenities was presented to Central by Ron Fowler on behalf of the Johnson Lake Chamber of Commerce.

Dean Nelson presented a letter to the Directors explaining his opposition to the J-2 Regulating Reservoir (J-2 Project) and indicated that he does not believe staff has adequately informed the Directors about the project.

Jeff Carlson, a landowner who would be directly affected by the J-2 Project, expressed his disappointment in Central stating he felt he should have been better informed, expressed concerns about seepage and was not sure he would be able to farm next summer. Don Kraus

explained that no discussions with landowners will occur until a Notice to Proceed is received from all parties to the agreement, seepage is an issue that will be addressed in design and it seems reasonable that there would be no impacts to farming his land in 2014. Carlson also stated a small area of his land contains some of the original ruts left by the Oregon Trail.

Annette Renken who lives nearby the proposed project expressed concern about an increase in predators and mosquitos once the reservoirs are constructed. She also felt it would be a hardship for her because she regularly travels a road that would be closed. Renken inquired about compensation should her finished basement sustain damage in the future due to seepage.

**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. Director Mueller would like a correction to the minutes of the July 26, 2013 Committee of the Board Meeting and requested said item be removed from the Consent Agenda.

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held July 1, 2013**
- **Approval of the July Disbursements:**

<i>Hydro Division Vouchers:</i>	
Check # 44217	Void
Check # 44331 through 44584 (Accounts Payable)	
# 99329 through 99334	\$691,296.72
Check # 9908686 through 9908789 (Payroll)	\$318,582.87
<i>Kingsley Division Operations Disbursements:</i>	
Check # 2604 through 2610 (Accounts Payable)	\$83,712.18
<i>Glendo Division Disbursements:</i>	
Check #	\$NONE
<i>Flex Spending Account Disbursements:</i>	
Check # 6783 through 6785	\$1,178.56
- **Approval of 2013 Budget Revision in the Amount of \$5,700.00**  
Allocate funds for the purchase of a PVC pipe locator by transferring the funds saved by the purchase of an excavator which was under budget
- **Approval of Work Order No. 2107168 in the amount of \$13,980.00**  
Kingsley Hydro Control Room HVAC System
- **Approval of Moseley’s Request for Multiple Leases at Johnson Lake**  
Authorize Theresa Moseley to retain interest in more than three properties at Johnson Lake for a period of not-to-exceed 3 years
- **Authorization of Negotiation for J-2 Regulating Reservoir Engineering Services**  
Authorize Central staff to negotiate with RJH for the engineering and design services
- **Approval of J-2 Regulating Reservoir Financial Services**  
Authorize Bruning State Bank to provide financial services for the J-2 Regulating Reservoir
- **Approval of Variance Request by James & Sharon Liljehorn, 2 Lane Two Drive 28-** Request for a variance of 10’ of the 20’ setback from an access road serving the lot
- **Approval of Approval of Variance Request by James & Phyllis Byrns, 2 Kirby Point Drive 2 –** Request for a variance of 10’ of the 50’ setback from the shoreline for West side of the lot only

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

APPROVAL OF MINUTES OF COMMITTEE MEETING OF THE BOARD OF DIRECTORS HELD JULY 26, 2013:

**It was moved by Director Mueller, seconded by Director R. Olson, that the Board Comments section of the Minutes of the Committee Meeting of the Board of Directors held July 26, 2013 be amended as follows:**

BOARD COMMENTS: Director Mueller complimented the new picnic area at Lake McConaughy in recognition of the Pollack family and thanked Tim Anderson and Nate Nielsen for their assistance with the project.

**and that the Board approve the minutes with said amendment. Upon voting on the motion, the following Directors voted therefore: Garrett, Hove, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, and Dahlgren. Rowe abstained. None voted no and the motion was declared carried.**

JOHNSON LAKE HIKE/BIKE TRAIL: Bruce Smith addressed the Directors again asking them to reconsider the placement of the pedestrian bridge. He suggests creating a committee to further study the effects of the bridge for discussion at the JLDI meeting in August.

LEGISLATION: Jeff Buettner advised the Directors of a Task Force meeting later this week. He also discussed two new federal bills being sent to the President for signature relating to the development of small hydro power projects on Bureau of Reclamation projects and on irrigation district facilities.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: Director Knoerzer asked about the drainage at the Gothenburg office area due to the recent rainfall. Kevin Boyd stated he was not aware of any issues.

OPERATIONS REPORT: The following operations reports were presented:

- a. Dave Ford stated he appreciates the recent rainfall but we are still at a 7" deficit for the year. There are two runs of irrigation remaining for the season.
- b. Cory Steinke reported that Lake McConaughy is at elevation 3229.7 with 870,000 acres feet of storage. He plans to start drawing down the supply canal and lakes beginning August 12, 2013.
- c. Kevin Boyd stated the diversion dam gate repairs will continue as soon as the dredge is fixed;
- d. Rochelle Jurgens advised the Directors of the upcoming NPPD audit of the Kingsley Hydro Power Plant accounts the week of August 19, 2013;
- e. Mike Drain spoke briefly about his meeting with the U.S. Fish and Wildlife Service regarding the J-2 Project and support from the Service for increasing Johnson Lake levels during the summer after the J-2 Project is completed. The Jeffrey Lake Island grazing bids will be awarded at a Special Board Meeting on August 23, 2013, prior to the Committee meeting;
- f. Holly Hiebert attended a Water Leaders meeting in Scottsbluff last week and she has been working on the website updates.

The meeting adjourned at 10:00 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER  
AND IRRIGATION DISTRICT

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

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