

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
NOVEMBER 4, 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 October 28, 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 October 18, 2013.

The following Directors were present:

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| 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 |

Also present were the following:

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| Don D. Kraus, General Manager | Greg Ham, Purchasing Agent |
| David R. Ford, Irrigation Division Mgr. | Rochelle A. Jurgens, Controller |
| Eric R. Hixson, Engineering Services Mgr. | Holly G. Hiebert, Public Relations Asst. |
| Jeff J. Buettner, Public Relations Coord. | Tim W. Anderson, Public Relations Advisor |
| Cory A. Steinke, Civil Engineer | Michael C. Klein, Legal Counsel |
| Kevin M. Boyd, Gothenburg Division Mgr. | Emily J. Anderson, Assistant Secretary |

Others present:

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| Lorri Potter, Kearney Hub | John Thorburn, Tri-Basin NRD |
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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 thanked the District for their cooperation with the recent diversion of water due to the flooding in Colorado. He met recently with Republican River Basin NRDs who will also benefit from the flooding.

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 October 7, 2013**
- **Approval of Minutes of Special Meeting of the Board of Directors held October 25, 2013**
- **Approval of Minutes of Committee Meeting of the Board of Directors held October 25, 2013**
- **Approval of the October Disbursements:**

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|--|----------------|
| <i>Hydro Division Vouchers:</i> | |
| Check #s 44818, 44857 and 44879 | \$VOID |
| Check #45013 through 45222(Accounts Payable) | \$1,100,262.30 |
| #99347 through 99353 | |
| Check #9908995 through 9909094 and 9690 through 9797 (Payroll) | \$396,664.25 |
| <i>Kingsley Division Operations Disbursements:</i> | |
| Check #2626 through 2642 (Accounts Payable) | \$258,238.39 |

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|--|-------------|
| <i>J-2 Regulating Reservoir Construction Fund Disbursements:</i> | |
| Check #1001 through 1002 (Accounts Payable) | \$10,056.26 |
| <i>Glendo Division Disbursements:</i> | |
| Check # | \$NONE |
| <i>Flex Spending Account Disbursements:</i> | |
| Check #6794 through 6797 | \$2,816.78 |

➤ **Approval to Amend Committee Meeting Minutes of September 27, 2013 by making the following change on page 18,968:**

“Management/Union Negotiations – Staff reviewed the terms of the agreement reached with the representatives of IBEW Local #2185 for salary and benefit changes effective on September 24, 2013 through December 23, 2016. Management has been informed that the union membership has approved the agreement. The Committee recommends board approval of the revisions to wages and benefits.”

➤ **Approval of Contract Change Order No. 7 – Wayne Dowhower Construction, Inc. – Install metal cap for block wall and relocate drain for clearance at electrical panel (\$606.00)**

➤ **Approval to reduce the amount Central retains from Wayne Dowhower Construction, Inc. from 10% to 5% as they are nearly finished with the project and the work remaining is reduced**

➤ **Contract Change Order No. 2 – Allen Blasting and Coating, Inc. – Daily charge of \$4,060.00 per day from September 23, 2013 to October 20, 2013 (\$113,680.00)**

➤ **Closure of Contract No. 0-644 – Laron, Inc.**

On October 1, 2012, Contract No. 0-644 was awarded to Laron, Inc., for Howell-Bunger Valve Repairs at a cost of \$211,704.31. One change order was issued for an additional \$40,915.70 for a total contract amount of \$252,620.01. Prior payments were made totaling \$126,310.01 leaving a balance of \$126,310.00. All work has been completed, inspected and found to be satisfactory. Payment in the amount of \$126,310.00 will be made to Laron, Inc. and Contract No. 0-644 will be closed.

➤ **Personnel Action to Change Title and/or Control Point:**

| <u>Title</u> | <u>Current Control Point</u> | <u>New Title</u> | <u>New Control Point</u> |
|--|------------------------------|--|--------------------------|
| Electromechanical Maintenance - B | 14(5) | Electrical/Mechanical Technician I | 15(5) |
| Licensed Electromechanical Maint. - B | 15(5) | Electrical/Mechanical Technician II | 16(5) |
| Engineering Technician | 12(5) | Engineering Technician | 13(5) |
| General Maintenance & Light Equipment Operator | 5(5) | General Maintenance | 6(5) |
| Hydro Mechanical/Electrical Specialist | 15(5) | Hydro Mechanical/Electrical Specialist | 16(5) |
| Electronic Maintenance – B | 15(5) | Communications Technician I | 15(5) |
| Microwave Communications Specialist | 18(5) | Communications Technician II | 19(5) |
| Drafting Supervisor | 14(5) | Drafting/GIS Analyst | 14(5) |
| GIS Analyst | 14(5) | Drafting/GIS Analyst | 14(5) |
| Medium Equipment Operator | 8(5) | Equipment Operator I | 8(5) |
| Heavy Equipment Operator | 9(5) | Equipment Operator II | 9(5) |
| Irrigation Service Specialist-B | 8(5) | Irrigation Service Specialist | 8(5) |
| Irrigation Service Specialist-C | 9(5) | Main Canal Patrolman I | 9(5) |
| Irrigation Service Specialist-D | 10(5) | Main Canal Patrolman II | 10(5) |

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|------------------------------------|--------------|----------------------------------|-------|
| General & Heavy Equipment Mechanic | 8(5) & 11(5) | Mechanic | 11(5) |
| Assistant System Control Operator | 12(5) | System Control Operator I | 12(5) |
| System Control Operator | 15(5) | System Control Operator II | 15(5) |
| Compliance Coordinator | 12(5) | Administrative Assistant | 12(5) |
| Project Support Specialist | 9(5) | Administrative Assistant | 12(5) |
| Legal Secretary | 9(5) | Administrative Assistant | 12(5) |
| Secretary to the General Manager | 9(5) | Secretary to the General Manager | 12(5) |

It was moved by Director Knoerzer, 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, Garrett, Hove, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

VARIANCE REQUEST – MICHAEL & CAROLYN MILLER: The Power and Recreation Committee met earlier to review a request for a variance of 2.5’ onto the “A” Lot at 128 Lakeview Acres Dr 14D, Johnson Lake for the construction of a glass enclosed sunroom. There currently exists a grandfathered deck which also encroaches onto the “A” Lot 2.5’. Staff recommended denial of the variance request. The neighbors adjacent to the property did not object to the addition.

It was moved by Director Petersen, seconded by Director Bogle, that the Board approve the Variance Request from Michael and Carolyn Miller for the property located at 128 Lakeview Acres Dr 14D, Johnson Lake, for the reason that the sunroom is being built on the footprint of the existing deck. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Barrett, Hove, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, and Bogle. None voted no and the motion was declared carried.

JOHNSON LAKE SID NO. 1: This was discussed in Closed Session.

RECOMMENDATION FROM AD HOC COMMITTEE FOR CANDIDATES FOR GOSPER COUNTY DIRECTOR: The Ad Hoc Committee recommends considering all three of the following candidates: Dennis Gengenbach, Ron Fowler and Larry Reynolds.

ELECTION OF GOSPER COUNTY DIRECTOR: Mike Klein advised the Directors of the election by ballot process. In the event all three candidates receive at least one vote a second ballot will be cast using the top two candidates. In the event only two candidates receive votes after casting the first ballot then the candidate with the most votes wins.

Mike Klein tallied the votes as follows: 8-Ron Fowler, 4-Larry Reynolds, 0-Dennis Gengenbach. The new Gosper County Director was declared to be Ron Fowler.

J-2 REGULATING RESERVOIR – AGREEMENT WITH APPRAISER: Don Kraus explained that staff have met with appraisers and are recommending acceptance of agreements with Dave Malone from Investment Property Exchange Inc. for the appraisal and Thomas Luhrs from Luhrs Real Estate and Appraisals for the review appraisal.

It was moved by Director Soneson, seconded by Director S. Olson, that the Board approve the agreement for appraisal services with Dave Malone of Investment Property Exchange Inc. Upon voting on the motion, the following Directors voted therefore: Hove, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, and Garrett. Bogle and Dahlgren voted no. Motion was declared carried.

J-2 REGULATING RESERVOIR – AGREEMENT WITH REVIEW APPRAISER:

It was moved by Director Mueller, seconded by Director Garrett, that the Board approve the agreement for review appraisal services with Thomas M. Luhrs of Luhrs Real Estate and Appraisals. Upon voting on the motion, the following Directors voted therefore: Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Garrett, and Hove. Bogle and Dahlgren voted no. Motion was declared carried.

LEGISLATION: Jeff Buettner spoke about the recent LB517 Taskforce meeting in Kearney where potential funding sources were discussed.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: Director Petersen thanked Director Hove for his service on the Board and wished him well.

OPERATIONS REPORT: The following operations reports were presented:

- a. Dave Ford would like the Irrigation Committee to meet to discuss 2014 irrigation rates and repairs to collapsed wells. The Irrigation Committee decided to schedule a meeting on November 11, 2013 at 9:00 a.m. Allen Blasting and Coating will start work on the siphon today.
- b. Kevin Boyd updated the Directors on the installation of the last two gates at the diversion dam. He applied for the permit to make repairs to the banks and shorelines. He plans to meet with the Glendo irrigators in the near future. There is a meeting with NPPD on December 5, 2013 to work on the joint emergency action plan which is a FERC requirement.
- c. Cory Steinke stated that Lewellen's inflows are down. The diversion dam is down to 900 cfs and Lake McConaughy releases will be zero until mid-November, at which time he will start to release water into NPPD's canals.
- d. Jeff Buettner has been reviewing a newsletter published by Kansas City Power and Light regarding hydro. Nebraska Rural Living is writing a series of articles for their website regarding Central's system. The NSIA/NWRA conference is November 25-26 in Kearney. Buettner reminded everyone of the upcoming Christmas parties.
- e. Holly Hiebert will be attending her final meeting with the Water Leaders Academy.
- f. Rochelle Jurgens informed Directors of the upcoming interim audit to be conducted by the new auditing firm.
- g. Eric Hixson is working to implement the new SCADA system.

At 9:35 AM it was moved by Director Knoerzer, seconded by Director Rowe, that the Board go into Closed Session to discuss legal matters. Upon voting on the motion, the following Directors voted therefore: Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Garrett, Hove, and Knoerzer. None voted no and the motion was declared carried. President Nelson stated that the only item to be discussed in closed session is Johnson Lake SID No. 1

At 9:52 AM it was moved by Director Garrett, seconded by Director R. Olson, that the Board exit Closed Session and reconvene in Regular Session. Upon voting on the motion, the following Directors voted therefore: Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Garrett, Hove, Knoerzer, and Mueller. None voted no and the motion was declared carried. President Nelson stated the only item discussed in closed session was Johnson Lake SID No. 1.

The meeting adjourned at 9:52 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

K. Scott Olson, Secretary

By _____
Dudley L. Nelson, President