

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
JULY 5, 2016 – 9:00 A.M.

This meeting was publicly advertised on June 27, 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 June 17, 2016.

The following Directors were present:

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

Also present were the following:

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

Others present:

Lori Potter, Kearney Hub	John Thorburn, Tri-Basin NRD
Dave Kreutz, on behalf of JLDI	Linda Aust
Dick Helvey	Allan McClure
Rod Schmidt	Dale Romatzke
Jim Byrns	Phyllis Byrns

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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: Allan McClure presented a letter formally requesting financial records relating to the income and expenses at Johnson Lake. Linda Aust presented a letter which outlines demographic information of Sandy Point residents and the costs residents have spent to maintain their land and shorelines. Phyllis Byrns and Rod Schmidt both addressed the Board about increasing property values, taxes and expenses related to the upkeep of their properties. John Thorburn stated Tri-Basin NRD staff is busy with chemigation inspections and water quality samplings. They have hired Olsson Associates to conduct a feasibility study of the proposed Platte to Republican High Flow Diversion Project.

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 June 6, 2016**
- **Approval of Minutes of Committee Meeting of the Board of Directors held June 24, 2016**
- **Approval of the July Disbursements:**

<i>Hydro Division:</i>	\$946,644.98
Check #s 52005 through 52212 and 8899211 through 8899226	
Check #s 9912342 through 9912448 (Payroll)	\$346,286.62
<i>Kingsley Division:</i>	\$54,306.75
Check #s 2858 through 2862 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$84,939.99
Check #s 1213 through 1220 (Accounts Payable)	
<i>Glendo Division:</i>	\$NONE
Check #NONE	
<i>Flex Spending Account:</i>	\$2,220.44
Check #s 6989 and 8017 through 8024	

- **Approval of Right of Way Transactions:**

APPLICATION FOR REMOVAL OF BRIDGE OR CROSSING

<u>System</u>	<u>Tract No.</u>	<u>Legal Description</u>	<u>Landowner</u>
Phelps	A24.4N#24	Government Lot 2 of 31-T7N-R17W (Removal of Culvert at approximate milepost p-0.2)	Erick R & Gwendolyn Erickson

- **Approval of Work Order No. 107356 – 20’ Work Boat for Gothenburg (\$25,951.00)**
- **Approval of Variance Request at 123 Mallard Beach, Johnson Lake to place a dock, boat lift, personal watercraft lift, and an 8’ by 8’ swim dock outside of the water access facility placement zone, on the condition that the dock system’s shore anchor point is located south of the proposed location, the angle of the dock matches that of the dock to the south, and that they receive written approval from the neighbor to the north**
- **Approval of Variance Request at 4A East Shore, Johnson Lake to enclose the existing covered patio which extends approximately 4’ into the 50’ shoreline building setback, on the condition that they receive their neighbors’ signatures of approval**
- **Approval of Variance at 36 North Shore, Johnson Lake to construct a paved patio within the side setbacks of the lot**
- **Approval of Application for Work – Nebraska Department of Roads (to use Central’s equipment and labor to clean approximately one mile of road ditch on Highway 30 between Gothenburg and Cozad)**
- **Approval of the 2016/2017 Board Meeting Schedule**

Committee and Board meeting dates for 2017 and modifications to the 2016 schedule which were previously approved are as follows. All meetings will be held in the Board Room of the Holdrege Office (unless changes are made and notices sent at a later date), with Regular Committee meetings and Regular Board Business meetings scheduled to begin at 9:00 AM, except as otherwise noted below:

<u>Regular Committee Meeting Date</u>	<u>Regular Business Meeting Date</u>
Friday, July 22, 2016 *	Monday, August 1, 2016
Friday, August 26, 2016	Tuesday, September 6, 2016
Friday, September 23, 2016	Tuesday, October 4, 2016
Friday, October 28, 2016	Monday, November 7, 2016
Monday, November 28, 2016	Monday, December 5, 2016
Thursday, December 22, 2016	Thursday, January 5, 2017
Friday, January 27, 2017	Monday, February 6, 2017
Friday, February 24, 2017	Monday, March 6, 2017
Friday, March 24, 2017	Monday, April 3, 2017
Friday, April 21, 2017	Monday, May 1, 2017
Friday, May 26, 2017	Monday, June 5, 2017
Friday, June 23, 2017	Monday, July 3, 2017
Friday, July 28, 2017	Monday, August 7, 2017

Friday, August 25, 2017
 Friday, September 22, 2017
 Friday, October 27, 2017
 Monday, November 27, 2017
 Thursday, December 21, 2017

Tuesday, September 5, 2017
 Monday, October 2, 2017
 Monday, November 6, 2017
 Monday, December 4, 2017
 Tuesday, January 2, 2018

**meeting will be held at the Lake McConaughy Visitors Center, Ogallala, NE at 1:00 p.m. (MDT)*

Observance of holidays by the District will be as follows:

2016 Labor Day, Monday, September 5, 2016
 Thanksgiving Day, Thursday, November 24, 2016
 Christmas Day (observed), Monday, December 26, 2016

2017 New Year’s Day (observed), Monday, January 2, 2017
 Good Friday, April 14, 2017
 Memorial Day, Monday, May 29, 2017
 Independence Day, Tuesday, July 4, 2017
 Labor Day, Monday, September 4, 2017
 Thanksgiving Day, Thursday, November 23, 2017
 Christmas Day, Monday, December 25, 2017

2 Floating Holidays (Employee’s Choice)

It was moved by Director Petersen and seconded by Director S. Olson 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, Rowe, and Soneson. None voted no and the motion was declared carried.

2016 BUDGET AMENDMENTS: Rochelle Jurgens presented four revisions to the Hydro Division Budget (Revision #8) as follows:

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Hydro-Electric Division Capital Budget</u>			
8372 Relaying/Breaker/Disconnect Replacement	\$130,000	\$160,000	\$30,000
Jon Boat for Weed Spraying	\$0	\$28,000	\$28,000
<u>Johnson Lake Area Leases</u>			
Bossung Lake Study	\$95,000	\$145,000	\$50,000
<u>Public Relations Expense</u>			
75 th Anniversary Expenses	\$110,000	\$125,000	\$15,000
Net Change			\$123,000

Jim Brown explained the budget amendment for the Bossung Lake Study is needed because he intends to present a contract with JEO Consulting next month for the feasibility study.

It was moved by Director Mueller and seconded by Director Soneson to approve the Hydro Division Budget Revision #8 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.

CONTRACT FOR FERC PART 12 CONSULTANT: Mike Drain explained he sought bids for the Part 12D dam safety inspections of the Kingsley Dam and the Supply Canal facilities (including an inspection of Elwood Reservoir) from three consultants, but Mead & Hunt was the only consultant to submit a proposal in an amount of \$82,900. The final report must be provided no later than November 25, 2017.

It was moved by Director S. Olson and seconded by Director Petersen to approve Mead & Hunt’s proposal in the amount of \$82,900 for the FERC Part 12 Safety Inspection. 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.

SRS CRISAFULLI INVOICE FOR DREDGE (\$43,135.00): Kevin Boyd presented recent photos of the sediment as a result of dredging. He recommends renting the dredge an additional month until August 10, 2016 to test the dredge in the Supply Canal and Diversion Dam. The fee to rent the dredge an additional month is \$43,135.00.

It was moved by Director Soneson and seconded by Director Garrett to approve payment to SRS Crisafulli in the amount of \$43,135.00. 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.

WATER SUSTAINABILITY FUND APPLICATION: Don Kraus requested Board approval to allow Central staff to prepare an application to use Water Sustainability Funds for the J-2 Regulating Reservoir Project (Project). The funding would supplement Central's contribution for the Project which has been reduced due to a smaller benefit to Central. After preparation of the application, he would present the application to the Board for consideration at a Special Meeting on July 22, 2016 to submit the application by the July 31, 2016 deadline.

It was moved by Director S. Olson and seconded by Director Fowler to authorize staff to prepare an application to the Water Sustainability Fund for the J-2 Regulating Reservoir Project (Project). Director Bogle expressed concerns about staff time to prepare the application and the use of taxpayer dollars for the Project. Upon voting on the motion, the following Directors voted therefore: Fowler, Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Bogle and Dahlgren voted no. The motion was declared carried.

J-2 REGULATING RESERVOIR: There was nothing new to report.

PERSONNEL: There were no personnel actions to report.

LEGISLATION: Jeff Buettner had nothing new to report.

DIRECTORS' ATTENDANCE: All Directors were in attendance.

BOARD COMMENTS: Director Dahlgren stated he is against using taxpayer funds through the Water Sustainability Fund for the J-2 Regulating Reservoir.

OPERATIONS REPORT: The following operations reports were presented:

- a. Jeff Buettner is attending an NSIA meeting next week, conducting tours this week and continues to make plans for the 75th Anniversary of Kingsley Dam.
- b. Rochelle Jurgens reported that all irrigation accounts have been paid. She sent delinquent notices on 13 accounts at Johnson Lake and 5 at Lake McConaughy.
- c. Cory Steinke reported that Lake McConaughy's elevation is at 3,263.9, 98.1% of capacity and 1,706,500 acre feet. Inflows are around 3,500 cfs and outflows are 2,800 cfs. There is 1,084 cfs in the North Platte at Lewellen and 485 cfs in the South Platte at Roscoe. He is operating at full power generation and irrigation mode.
- d. Dave Ford stated the third irrigation run began yesterday. The Phelps Canal is running at 600 cfs and the E65 Canal is at 260 cfs. He reported Don Kraus will meet soon with Jerry Kenny to discuss whether the Platte Program is interested in continuing with the Water Leasing Program.
- e. Don Kraus stated Emily Anderson will contact Administration Committee and Power and Recreation Committee members to arrange meetings this month.

The meeting adjourned at 9:42 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President