

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
DISTRICT HEADQUARTERS, HOLDREGE, NE
AUGUST 7, 2017 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by notices on KRVN (Lexington) and KUVR (Holdrege) radio stations on July 31, 2017, and by legal publication in the Lexington Clipper-Herald on July 26, 2017, the North Platte Telegraph on July 25, 2017, the Holdrege Daily Citizen and Kearney Hub on July 31, 2017, 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 20, 2017.

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	William E. Knoerzer	Robert L. Petersen
	David G. Nelson	Gordon N. Soneson

Also present were: David L. Rowe

Don D. Kraus, General Manager	Jeff J. Buettner, Public Relations Coord.
Rochelle A. Jurgens, Controller	Holly Rahmann, Public Relations Assistant
Cory A. Steinke, Civil Engineer	McKinley Harm, Civil Engineer Summer Intern
Eric R. Hixson, Engineering Services Mgr.	Kylie Baker, Gothenburg Office Secretary
Mike A. Drain, Natural Resources Mgr.	Marcia Trompke, Conservation Director
Devin M. Brundage, Gothenburg Div. Mgr.	Michael C. Klein, Legal Counsel
Dave R. Ford, Irrigation Division Mgr.	Emily J. Anderson, Assistant Secretary

Others present were:

Nolan Little, Tri-Basin NRD	Lori Potter, Kearney Hub
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The Board 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:

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 July 5, 2017**
- **Approval of Minutes of Special Meeting of the Board of Directors held July 28, 2017**
- **Approval of Minutes of Committee Meeting of the Board of Directors held July 28, 2017**

➤ **Approval of the August Disbursements:**

Hydro Division:

Check #s 49029, 51084, 52125, 54621, and 54744-VOID; Check #s 54853 through 55104 and 8899432 through 8899452 (Accounts Payable) \$1,860,306.55
 Check #s 9913729 through 9913839 (Payroll) \$365,419.99

Kingsley Division:

Check #s 2952 through 2957 (Accounts Payable) \$46,052.78

J-2 Regulating Reservoir Construction Fund:

Check # NONE (Accounts Payable) NONE

Glendo Division:

Check # 1109 \$6,669.00

Flex Spending Account:

Check #s 8090 through 8091 \$232.80

- **Approval of Work Order No. 107378 – Video Surveillance at Johnson 1 and Jeffrey (\$75,149.05)**
- **Approval of Work Order No. 2107174 – Video Surveillance at Kingsley Hydro (\$23,834.09)**
- **Approval of Progress Estimate No. 1 (Final), Contract No. 0-675 – Road Builders for 2017 Komatsu Crawler Dozer (\$297,433.25)**
- **Approval of Closure of Contract No. 0-675 – Road Builders for 2017 Komatsu Crawler Dozer (\$297,433.25)**
- **Approval of a corrective replat to the Perch Bay Addition Lots 1, 2, 3, 4, 5, and 6 and North Shore Lot 53, Johnson Lake**
- **Approval of staff working cooperatively with Midway Wildlife and Recreation Club to perform a corrective replat of the entire cedar point area at Midway Lake, pending legal counsel review and approval**
- **Approval of a replat of lot 94 Mallard Beach to remove the portion necessary to operate and maintain the area water system, conditional upon receipt of written acknowledgment and consent from the current lessee of 94 Mallard Beach**
- **Approval of Hydro Division Budget Revision #7 as follows:**

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
Phelps Weed & Pest Control/Chemicals	\$130,000	\$170,000	\$40,000

- **Approval of Annual Hospital Medical Trust Report**
 The report provides the required accruals for 2017 to the Hospital /Medical Trust Fund and the activity in the fund for 2016 as required by Nebraska State Statute 13-1620
- **Approval of Retiree Group Prescription Drug Plan Renewal for 2017/2018**

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

GROUNDWATER LEVELS – NOLAN LITTLE, TRI-BASIN NRD: Nolan Little, Tri-Basin’s Water Resources Manager, gave a presentation on the static water and groundwater measurement wells. Groundwater levels declined an average of 1.12” from 2016 to 2017 throughout the District. The levels declined an average of 4.06” from the spring of 2012 to the spring of 2017.

LAKE MCCONAUGHY LESSEES, INC.: This was discussed in Closed Session.

WATER SERVICE AGREEMENT – PLATTE TO REPUBLICAN HIGH FLOW DIVERSION PROJECT: Don Kraus discussed the revisions to the agreement which were made to ensure consistency with other agreements where Central does not provide the recharge on Central lands.

It was moved by Director R. Olson and seconded by Director Mueller to approve the Water Service Agreement for the Platte to Republican High Flow Diversion Project, subject to legal review. Discussion included: Director Bogle questioned why the agreement is being approved prior to obtaining easements and a water right. Don Kraus explained the agreement allows the PRD Project to provide payment to Central for work associated with applying for the water right. Upon approval of the agreement, Central will begin the process to apply for the water right while Tri-Basin and the Lower Republican NRDs continue to work on obtaining the necessary easements from landowners. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Soneson. Bogle voted no. Absent: Rowe. The motion was declared carried.

WATER SERVICE AGREEMENT – COTTONWOOD RANCH DIVERSION PROJECT: This was discussed in Closed Session.

REAL ESTATE NEGOTIATIONS - PECK: This was discussed in Closed Session.

PERSONNEL: This was discussed in Closed Session.

LEGISLATION: Jeff Buettner had nothing new to report.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

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

BOARD COMMENTS: Director Fowler reported the hydrothol granular product to control the sago pond weed at Johnson Lake has been effective. He stated the Mallard Cove area association has used just one application so far this summer.

OPERATIONS REPORT: The following operations reports were presented:

- a. Dave Ford stated there are just three scheduled runs left this irrigation season. The rainfall events that began in mid-July have slowed irrigation demands.
- b. Cory Steinke reported Lake McConaughy is at elevation 3,249.9, 1,321,100 acre feet and 75.8% capacity. Inflows to Lake McConaughy have increased to 1,260 cfs, with releases around 3,000 cfs.
- c. Rochelle Jurgens reminded the Directors of the Investment Committee meeting following this meeting.
- d. Jeff Buettner advised that Central's nominee, George E. Johnson, was not selected to be inducted into the Nebraska Hall of Fame. The Hall of Fame selection committee chose Thomas Kimball, an architect. Buettner plans to nominate Mr. Johnson again in five years.
- e. Devin Brundage stated the bridge at the Canaday Steam Plant was identified as needing repair following a recent inspection. Crews are preparing for the fall switch yard work at Jeffrey Hydro and will draw down the lake between September 11 and October 30. During the draw down, crews will also conduct shoreline maintenance and clean-up. The dredging at Jeffrey Lake will be completed this week and then the dredge will be moved to the Supply

Canal. Brundage introduced McKinley Harm, a Civil Engineer Intern, and Kylie Baker, the Gothenburg Office Secretary. McKinley Harm gave a brief presentation about her favorite projects she participated in during her internship at Central this summer.

- f. Don Kraus advised he is attempting to schedule a conference call with Joe Jeffrey and his attorney, John Schroeder, regarding the Robb Ranch erosion issue.

A break was taken at 9:55 a.m. The meeting resumed at 10:14 a.m.

At 10:15 AM it was moved by Director Soneson and seconded by Director Dave Nelson, that the Board enter into Closed Session to protect the public interest, to receive legal advice regarding real estate and contract negotiations, and for personnel matters. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent: Rowe. None voted no and the motion was declared carried. Board President Nelson stated the following agenda items would be discussed: Lake McConaughy Lessees, Inc.; Water Service Agreement-Cottonwood Ranch Diversion Project; Real Estate Negotiations-Peck; and Personnel.

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

At 11:08 AM it was moved by Director Fowler 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: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent: Rowe. 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: Lake McConaughy Lessees, Inc.; Water Service Agreement-Cottonwood Ranch Diversion Project; Real Estate Negotiations-Peck; and Personnel.

WATER SERVICE AGREEMENT – COTTONWOOD RANCH DIVERSION PROJECT: It was moved by Director R. Olson and seconded by Director Petersen to approve the Water Service Agreement for the Cottonwood Ranch Diversion Project with the Nebraska Community Foundation and the Platte River Recovery Implementation Program, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Soneson. Absent: Rowe. None voted no and the motion was declared carried.

Don Kraus discussed a letter he received from Director Robert B. Dahlgren concerning his questions about closed session and whether Robert’s Rules of Order apply to voting during closed session. Mike Klein stated the only vote that can be taken in closed session is a vote to exit closed session and reconvene in regular session. Klein also confirmed that the taking of minutes during closed session is not required, but the reasons why the board is entering into closed session must be reflected in the minutes. Klein stated the reasons for closed session are very clear in the statutes and the Board President must be specific about the reason why closed session is being used for particular agenda items.

The meeting adjourned at 11:21 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President