

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
DISTRICT HEADQUARTERS, HOLDREGE, NE
SEPTEMBER 5, 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 August 29, 2017, and by legal publication in the Lexington Clipper-Herald on August 30, 2017, and the North Platte Telegraph, Holdrege Daily Citizen and Kearney Hub on August 29, 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 August 17, 2017.

The following Directors were present:

Dudley L. Nelson, President	Geoffrey K. Bogle	K. Scott Olson
David L. Rowe, Vice President	William E. Knoerzer	Roger D. Olson
Martin E. Mueller, Secretary	David G. Nelson	Robert L. Petersen
		Gordon N. Soneson

Also present were: Robert B. Dahlgren and Ronald E. Fowler

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	Jim Brown, Land Administrator
Eric R. Hixson, Engineering Services Mgr.	Michael C. Klein, Legal Counsel
Devin M. Brundage, Gothenburg Div. Mgr.	Emily J. Anderson, Assistant Secretary
Dave R. Ford, Irrigation Division Mgr.	

Others present were:

John Thorburn, Tri-Basin NRD	Michael Snyder, Gosper Co. Highway Super.
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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: John Thorburn stated the Rainwater Basin Conservation Day for area 8th grade students will be held on September 21, 2017. He also thanked the Directors for considering the recharge agreements on the agenda. Mike Snyder, Gosper County Highway Superintendent, explained a recent meeting with the Johnson Lake Hike and Bike Trail Committee where widening the shoulder of the road over the Johnson Lake Dam for pedestrian and bike traffic was discussed. After obtaining a preliminary design and estimate from Miller & Associates, the Gosper County Board of Supervisors has decided not to pursue this option due to design constraints, liability issues and the cost. Snyder has suggested to the Trail Committee that they consider other means of connecting the trail, such as building a trail on the back side of the dam on the golf course.

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 August 7, 2017**
- **Approval of Minutes of Special Meeting of the Board of Directors held August 25, 2017**
- **Approval of Minutes of Committee Meeting of the Board of Directors held August 25, 2017**
- **Approval of the September Disbursements:**

Hydro Division:

Check # 55105-VOID; Check #s 55105 through 55304 and 8899453 through 8899469 (Accounts Payable)	\$1,154,391.03
Check #s 9913840 through 9913948 and 9945 through 9961 (Payroll)	\$352,931.62

Kingsley Division:

Check #s 2958 through 2959 (Accounts Payable)	\$54,116.52
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J-2 Regulating Reservoir Construction Fund:

Check #s 1253 through 1254 (Accounts Payable)	\$1,372.76
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Glendo Division:

Check # NONE	\$NONE
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Flex Spending Account:

Check #s 8092 through 8097	\$1,415.91
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- **Approval of Progress Estimate No. 1 (Final), Contract No. 0-674, Murphy Tractor for Motor Grader (\$274,990.00)**
- **Approval of Closure of Contract No. 0-674 – Murphy Tractor for Motor Grader (\$274,990.00)**
- **Approval of the use of Lake Improvement Funds in the amount of \$3,741.00, plus applicable taxes, shipping and handling, for the purchase of ice rescue equipment for the Elwood Volunteer Fire/Rescue Department**
- **Approval of splitting the unleased lot at 12 Northeast Cove to the adjacent lot tenants, giving them the option to acquire a portion of Lot 12 which is the location of an overhead transmission line, in an amount not-to-exceed the cost of a survey, platting and filing fees**
- **Approval of an increase in the variance application fee from \$50.00 per application to \$125.00 per application**
- **Approval of an additional 100 hours of District labor and/or construction equipment use to complete the Boat Ramp Upgrade projects at Plum Creek Lake and Jeffrey Reservoir**
- **Approval of 2018 Water Leasing Agreement with the Platte River Recovery Implementation Program**

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

WATER SERVICE AGREEMENT FOR GROUNDWATER RECHARGE ON THE PHELPS CANAL – PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Cory Steinke stated the next four agenda items are two-year temporary agreements with the various agencies on the Phelps Canal, E65 Canal and Elwood Reservoir. The terms of the agreements are through December 31, 2019. If adjustments to the maximum diversions are needed in the future, amendments will be made to the agreements.

It was moved by Director Mueller and seconded by Director R. Olson to approve the Water Service Agreement for Groundwater Recharge on the Phelps Canal with the Platte River Recovery Implementation Program, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR GROUNDWATER RECHARGE ON ELWOOD RESERVOIR – PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM:

It was moved by Director Knoerzer and seconded by Director Petersen to approve the Water Service Agreement for Groundwater Recharge on Elwood Reservoir with the Platte River Recovery Implementation Program, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR GROUNDWATER RECHARGE ON THE PHELPS CANAL – THE NEBRASKA DEPARTMENT OF NATURAL RESOURCES:

It was moved by Director Soneson and seconded by Director Dave Nelson to approve the Water Service Agreement for Groundwater Recharge on the Phelps Canal with the Nebraska Department of Natural Resources, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR GROUNDWATER RECHARGE ON ELWOOD RESERVOIR AND THE E65 CANAL – THE NEBRASKA DEPARTMENT OF NATURAL RESOURCES AND TRI-BASIN NATURAL RESOURCES DISTRICT:

It was moved by Director Dave Nelson and seconded by Director Knoerzer to approve the Water Service Agreement for Groundwater Recharge on Elwood Reservoir and the E65 Canal with the Nebraska Department of Natural Resources and Tri-Basin Natural Resources District, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. None voted no and the motion was declared carried.

JOHNSON LAKE HIKE AND BIKE TRAIL – JOHNSON LAKE DAM: This topic was covered by Mike Snyder during the public input period. Don Kraus stated based on the information Mr. Snyder reported, further consideration of the issue is not appropriate at this time. Staff will continue to work with the Hike and Bike Trail Committee to pursue other options.

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

REAL ESTATE NEGOTIATIONS – PECK AND JARTOP/REED: This was discussed in Closed Session.

PERSONNEL: This was discussed in Closed Session.

LEGISLATION: Jeff Buettner reported on a resignation by Senator Craighead which is effective September 8, 2017. Governor Ricketts will appoint a replacement and the seat will be up for re-election in November, 2018.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

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

BOARD COMMENTS: Director Dave Nelson reported on his attendance of the Four States Irrigation Tour last week. He described one of the stops at the Loup Public Power District where he observed the massive sand pile that has accumulated from their dredging efforts.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported Lake McConaughy is at elevation 3,247.9, 1,271,500 acre feet and 72.9% capacity. Inflows to Lake McConaughy are at 1,100 cfs, with releases around 1,900 cfs. He will start dropping Jeffrey Lake and Johnson Lake elevations soon for hydro outages.
- b. Devin Brundage stated crews are preparing for the fall outages, dredging in the Supply Canal, and preparing to conduct dirt work in the channel along the south side at Jeffrey Lake.
- c. Jim Brown reported that Jeffrey Lake Development, Inc. has filed another complaint with FERC. The Plum Creek boat ramp was opened for use over Labor Day. He stated Luke Ritz is working with various agencies to obtain no-cost aerial spraying of weeds throughout the District.
- d. Jeff Buettner advised the Nebraska Water Center is tentatively planning to select the North Platte River headwaters for the 2018 summer tour.
- e. Dave Ford stated irrigation season is coming to an end. The patrolmen are working with their customers to make any final or late season deliveries. Crews will soon begin fall projects, including the E65 head gate repairs, siphon lining project and installing a pipeline. An inspection of the 2017 Water Leasing Program acres was conducted last week.
- f. Eric Hixson reported that a settlement was reached with NPPD on the Southwest Power Pool transmission revenue requirements for \$410,000 per year for the next four years.

Director Dave Nelson asked John Thorburn to report on the resolution he submitted to the Nebraska Department of Resource Districts (NARD). Thorburn stated Tri-Basin's board has not yet approved the draft resolution, but it pertains to simplifying the process of leasing surface water rights.

At 9:31 AM it was moved by Director R. Olson and seconded by Director Bogle, 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, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. None voted no and the motion was declared carried. Board President Nelson stated the following agenda items would be discussed: Lake McConaughy Lessees, Inc.; Real Estate Negotiations-Peck and Jartop/Reed; and Personnel.

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

At 10:10 AM it was moved by Director Rowe 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, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Fowler. 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.; Real Estate Negotiations-Peck and Jartop/Reed; and Personnel.

The meeting adjourned at 10:10 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President