

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
DISTRICT HEADQUARTERS, HOLDREGE, NE
FEBRUARY 5, 2018 – 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 January 29, 2018, and by legal publication in the Holdrege Daily Citizen and Kearney Hub on January 29, 2018, the North Platte Telegraph on January 30, 2018, and the Lexington Clipper-Herald on January 31, 2018, 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 January 18, 2018.

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
Robert B. Dahlgren, Treasurer	William E. Knoerzer	Robert L. Petersen
	David G. Nelson	Gordon N. Soneson

**arrived at 9:04 a.m.*

The following Director was absent: Martin E. Mueller

Also present were:

Don D. Kraus, General Manager	Dave R. Ford, Irrigation Division Manager
Rochelle A. Jurgens, Controller	Van D. Fastenau, Customer Service Super.
Mike A. Drain, Natural Resources Manager	Jim Brown, Land Administrator
Eric Hixson, Engineering Services Manager	Holly Rahmann, Public Relations Assistant
Devin M. Brundage, Gothenburg Div. Mgr.	Duane Cernousek, Purchasing Agent
Cory A. Steinke, Civil Engineer	Michael C. Klein, Legal Counsel
Jeff J. Buettner, Public Relations Manager	Emily Anderson, Assistant Secretary

Others present were:

John Thorburn, 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: John Thorburn thanked Jeff Buettner and Holly Rahmann for their help with the South Central Water Conference held on January 30, 2018

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 the following change to the January 2, 2018 Regular Business Meeting Minutes:**

2018 WATER LEASING PROGRAM ACRES: Dave Ford presented a summary of the 2018 water leasing program, totaling 2,055 acres from 112 accounts.

It was moved by Director R. Olson and seconded by Director Soneson to approve 2,055 acres from the accounts presented for the 2018 Water Leasing Program. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren and Knoerzer. None voted no and the motion was declared carried.

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held January 2, 2018**
- **Approval of Minutes of Special Meeting of the Board of Directors held January 26, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held January 26, 2018**
- **Approval of the February Disbursements:**

<i>Hydro Division:</i>	\$1,443,389.46
Check #s 56179 through 56394 and 8899547 through 8899563 (Accounts Payable)	\$365,883.61
Check #s 9914366 through 9914473 (Payroll)	
 <i>Kingsley Division:</i>	 \$327,148.45
Check #s 2987 through 2993 (Accounts Payable)	
 <i>J-2 Regulating Reservoir Construction Fund:</i>	 NONE
Check # NONE (Accounts Payable)	
 <i>Glendo Division:</i>	 NONE
Check # NONE	
 <i>Flex Spending Account:</i>	 \$203.00
Check # 8110	

- **Approval of Hydro Division Budget Revision #1 to the 2018 Budget as follows:**

Hydro-Electric Division Capital Budget	Current Budget	Proposed Budget	Difference
Snow Plow – Kingsley Dam	0	\$6,400	\$6,400

- **Approval of Work Order No. 107382 – Snow Plow (\$6,387.00)**
- **Approval of Work Order No. 186548 – Rubber Tire Excavator (\$138,352.42)**
- **Approval of Contract Change Order No. 2 – SEL Engineering Services, Contract No. 0-677 (\$4,760.00)**
- **Approval of Progress Estimate No. 3 (Final), Caterpillar Financial Services Corp. for Leased 2015 Caterpillar Excavator (\$134,322.74)**
- **Approval of Johnson Lake Tenant’s Application to the Hardship Relief Program (customer who applied after the December 1st deadline)**
- **Approval to Provide Matching Funds from the Lake Improvement Fund in the amount of \$2,000.00 to Support Payment of the Lakeside Golf Course’s Annual Lease Fee**
- **Approval of a Change in Meeting Location of the March 5, 2018 Regular Business Meeting at 9:00 a.m. to the Rodeway Inn, Holdrege, NE**
- **Approval of a Change in the Time of the July 2, 2018 Regular Business Meeting to 1:30 p.m.**
- **Approval of Van Diest Supply Co.’s Bid for the 2018 Chemicals in the amount of \$156,856.52**

It was moved by Director Knoerzer and seconded by Director R. Olson to approve the Consent Agenda as presented. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Bogle and Mueller. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT: Van Fastenau presented the following Water Service Agreement for consideration:

<u>System</u>	<u>Acct. No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Contr. Acres</u>	<u>Total Acres Chg'd</u>
<u>Water Service Agreement:</u>					
Phelps	6150609	NE1/4SE1/4 6-6-15	KayMae, LLC c/o David Olsen	10 (1)(3)	-23
<i>Notes: Completed 10-year termination, requested reduction in acres from 33 to 10 acres.</i>					

- (1) IPP Amendment to Water Service Agreement for the 2018 irrigation season accompanies new WSA.
- (2) IPP Amendment to Water Service Agreement for the 2018 irrigation season to accompany existing WSA.
- (3) Water Service Agreement terminated after 2017, landowner came-back with new WSA.
- (4) Documents are currently being reviewed with landowners and/or are being signed by the landowners.

It was moved by Director S. Olson and seconded by Director Dahlgren to approve the KayMae, LLC Water Service Agreement as presented. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Bogle and Mueller. None voted no and the motion was declared carried.

AGREEMENT WITH UNITED STATES FISH AND WILDLIFE SERVICE FOR WATERFOWL PROTECTION AREAS: Don Kraus stated this agreement holds Central responsible for the design, installation, maintenance, repair, and ownership of pipelines that connect the WPAs to Central canals and requires the United States Fish and Wildlife Service to grant access to Central for said installation, repair and maintenance.

It was moved by Director Dave Nelson and seconded by Director Knoerzer to approve the Agreement with the United States Fish and Wildlife Service for the Waterfowl Protection Areas as presented. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Bogle and Mueller. None voted no and the motion was declared carried.

WORK ORDER NO. 186633 – USED 2013 CATERPILLAR BACKHOE LOADER (\$86,659.05): Dave Ford indicated after the January 26, 2018 Committee Meeting of the Board, staff investigated the option to sell the old backhoe privately rather than trade it in. Ford believes they can get a better price if it is sold through Big Iron and the work order was revised accordingly.

It was moved by Director Soneson and seconded by Director Petersen to approve Work Order No. 186633 in the amount of \$86,659.05 for a Used 2013 Caterpillar Backhoe Loader as presented. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Bogle and Mueller. None voted no and the motion was declared carried.

Director Bogle arrived at 9:04 a.m.

HARDSHIP RELIEF PROGRAM: Don Kraus is seeking approval from the Board to grant staff the authority to approve hardship applications from lake tenants that did not meet the December 1, 2017 application deadline in accordance with the Hardship Policy approved in July, 2017.

It was moved by Director Rowe and seconded by Director Petersen to grant staff

the authority to approve hardship applications received after the December 1, 2017 deadline in accordance with the Hardship Policy. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

2018 VEHICLE BIDS: Duane Cernousek presented vehicle bid groups 18-1 through 18-6 as follows:

Vehicle Bid Group 18-1: Staff is recommending the bid from Platte Valley Auto in the amount of \$18,615.00 for a 2018 Ford Fusion.

It was moved by Director Dave Nelson and seconded by Director Fowler to approve Platte Valley Auto's bid in the amount of \$18,615.00 for a 2018 Ford Fusion. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

Vehicle Bid Group 18-2: Staff is recommending the bid from Platte Valley Auto in the amount of \$23,999.00 for a 2018 Dodge Ram 1500 (½ ton regular cab and 4x4).

It was moved by Director S. Olson and seconded by Director Knoerzer to approve Platte Valley Auto's bid in the amount of \$23,999.00 for a 2018 Dodge Ram 1500. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

Vehicle Bid Group 18-3: Staff is recommending the bid from Platte Valley Auto in the amount of \$26,189.00 for a 2018 Dodge Ram 2500 (¾ ton regular cab and 4x4).

It was moved by Director Knoerzer and seconded by Director Dahlgren to approve Platte Valley Auto's bid in the amount of \$26,189.00 for a 2018 Dodge Ram 2500. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

Vehicle Bid Group 18-4: Staff is recommending the bid from Pony Express Chevrolet in the amount of \$28,499.00 for a 2018 Chevy 2500 Silverado (¾ ton extended cab and 4x4).

It was moved by Director Rowe and seconded by Director Petersen to approve Pony Express Chevrolet's bid in the amount of \$28,499.00 for a 2018 Chevy 2500 Silverado. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

Vehicle Bid Group 18-5: Staff is recommending the bid from Platte Valley Auto in the amount of \$50,798.00 for two 2018 Dodge Ram 1500s (½ ton quad cabs and 4x4).

It was moved by Director Fowler and seconded by Director Soneson to approve Platte Valley Auto's bid in the amount of \$50,709.00 for two 2018 Dodge Ram 1500s. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

Vehicle Bid Group 18-6: Staff is recommending the bid from Platte Valley Auto in the amount of \$25,399.00 for a 2018 Dodge Ram 1500 (1/2 ton extended cab and 4x4).

It was moved by Director S. Olson and seconded by Director Dahlgren to approve

Platte Valley Auto's bid in the amount of \$25,399.00 for a 2018 Dodge Ram 1500. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

AGREEMENT FOR PROFESSIONAL SERVICES – OAK CREEK ENGINEERING, LLC: Devin Brundage presented the agreement for Lance Harter at Oak Creek Engineering, LLC to design a concrete and steel bridge to replace the Henry Bridge over the Supply Canal at MP 1.9 in Lincoln County. Central crews will construct the bridge with input and oversight from Oak Creek Engineering, LLC.

It was moved by Director Petersen and seconded by Director Fowler to approve the Agreement for Professional Services with Oak Creek Engineering, LLC for the Henry Bridge in Lincoln County. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

ELWOOD DAM SAFETY REPORT: Dave Ford reported that a safety inspection by engineers with Mead & Hunt revealed the dam is in good condition, with no evidence of sloughing, settling or uncontrolled seepage. The soil cement on the face of the dam shows some signs of erosion and weathering, but nothing unordinary and it will continue to be monitored. A few areas on the dam's protective face will be repaired in the near future. The report identified a concern about water levels in a neighboring pond that is preventing accurate measurement at the downstream weir.

UEHRAN V. CNPPID: There was nothing new to report.

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 Rowe and seconded by Director R. Olson to excuse the absences of Martin E. Mueller from the meeting. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.**

BOARD COMMENTS: Director Dahlgren inquired about the end of year financials and when they would be made available on the Board website. Rochelle Jurgens stated the end of year financial report is not available until BKD has completed the audit.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported Lake McConaughy is at elevation 3,255.3, 1.46 million acre feet, and 83.9% capacity. Inflows to Lake McConaughy are ranging between 1,200 cfs and 1,500 cfs depending on the weather and ice conditions in the North Platte River. Snowpack in the upper basin is 86% of average, 80% in the lower basin, and 88% in the South Platte.
- b. Devin Brundage reported that Central crews are dealing with fluctuating amounts of ice in the river and the canals. He stated that January was a good month for generation.
- c. Mike Drain described the clean-up efforts at the Rittgarn property that the District acquired in preparation for the J-2 Regulating Reservoir project which never materialized.
- d. Jeff Buettner stated hotel and meal arrangements for the Board Retreat have been confirmed. He will present a travel itinerary at the February 23, 2018 Committee Meeting of the Board.

- e. Dave Ford stated water scheduling begins today and recharge will continue through mid-February.
- f. Rochelle Jurgens reported that BKD will be in the office this week for the annual audit.
- g. Don Kraus will be on vacation from February 8-15, 2018.

At 9:35 AM it was moved by Director R. Olson and seconded by Director Dave Nelson that the Board enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried. Board President Nelson stated the item to be discussed in closed session was the following agenda item: Personnel.

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

At 10:15 AM it was moved by Director Petersen and seconded by Director S. Olson, 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, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried. Board President Nelson stated the item discussed in closed session was the following agenda item: Personnel.

PERSONNEL: It was moved by Director Petersen and seconded by Director Fowler to approve the personnel action for Dustin Ehlers which includes a change of title from General Maintenance to Land Administrator. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Mueller. None voted no and the motion was declared carried.

The meeting adjourned at 10:18 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President