

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

JUNE 4, 2018 – 9:00 AM

INDEX

PAGE

- 19,718 MINUTES OF COMMITTEE MEETING OF THE BOARD OF DIRECTORS – 05/25/18
- a. Public Input
- 19,719
- b. Consent to Assignment Summary
 - c. Water Service Agreements
 - d. Water Conveyance Permits
 - e. 2018 June Water Right Transfers
 - f. Right-of-Way Transactions
 - g. Permit to Construct Summary
- 19,720
- h. Permit to Construct Summary, continued
- 19,721
- i. Work Order/Purchase Requisition Summary
 - j. Power and Recreation Committee (5/25/18)
 - k. Drive 1 Modification, East Shore, Johnson Lake
 - l. Lease Update (Johnson Lake, Plum Creek & Lake McConaughy)
 - m. Uebele Property at Plum Creek
- 19,722
- n. Cottonwood Ranch Water Service Agreement
 - o. Agreement with Nebraska Wildlife Federation and National Wildlife Federation
 - p. Water Service Agreement for Storage Water Purchase (Net Controllable Conserved Water) with the Nebraska Community Foundation and Platte River Recovery Implementation Program
 - q. Central Platte Natural Resources District and Nebraska Public Power District Water Transfer
 - r. Water Leasing Agreement (Five Year) with the Nebraska Community Foundation and Platte River Recovery Implementation Program
 - s. Litigation – Maloley
 - t. Employee Handbook Revisions
 - u. Out of State Travel
 - v. Legislation
 - w. Board Comments
 - x. Operations Report
- 19,723
- z. Operations Report, continued
 - aa. 2017 Financial Audit Report by BKD, LLP
 - bb. Workshops, Seminars and Conferences
 - cc. Personnel
 - dd. CLOSED SESSION
- 19,724
- ee. Adjournment
- 19,725 MINUTES OF REGULAR BUSINESS MEETING OF THE BOARD OF DIRECTORS 06/04/18
- 1. Public Input
- 19,726
- 1. Consent Agenda
- 19,727
- 1. Progress Estimate No. 1, Contract No. 0-682 – NMC Exchange for Used Multi-Terrain Loader and Hammer (\$83,773.51)
 - 2. Contract No. 0-679.5, Group No. 18-5 – Platte Valley Auto
 - 3. Contract No. 0-679.6, Group No. 18-6 – Platte Valley Auto
 - 4. Mike Henry Land Trade at Diversion Dam
 - 5. Uebele Property Purchase Agreement
 - 6. Amendment No. 1 to the Contract between CNPPID and IBEW Local Union No. 2185
- 19,728
- 1. Water Service Agreement for Phelps Canal to Cottonwood Ranch with the Nebraska Community Foundation and Platte River Recovery Implementation Program
 - 2. Water Leasing Agreement with the Nebraska Community Foundation and Platte River Recovery Implementation Program

3. Water Service Agreement for Net Controllable Conserved Water with the Nebraska Community Foundation and Platte River Recovery Implementation Program
 4. Legislation
 5. Workshops, Seminars and Conferences
 6. Personnel
 7. Directors' Attendance
 8. Board Comments
 9. Operations Report
- 19,729
1. CLOSED SESSION
 2. Uebele Property Purchase Agreement
 3. Adjournment
 4. Signature Page

MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
MAY 25, 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 May 21, 2018, and by legal publication in the Kearney Hub and Holdrege Daily Citizen on May 21, 2018, and the Lexington Clipper-Herald and North Platte Telegraph on May 19, 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 May 19, 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
Martin E. Mueller, Secretary	William E. Knoerzer	Robert L. Petersen
Robert B. Dahlgren, Treasurer	David G. Nelson	Gordon N. Soneson

Also present were the following:

Don D. Kraus, General Manager	Jim Brown, Land Administrator
Rochelle A. Jurgens, Controller	Holly Rahmann, Public Relations Assistant
Eric Hixson, Engineering Services Manager	Van D. Fastenau, Customer Service Super.
Devin M. Brundage, Gothenburg Div. Mgr.	Michael C. Klein, Legal Counsel
Cory Steinke, Civil Engineer	Emily Anderson, Assistant Secretary
David R. Ford, Irrigation Division Mgr.	

Others present were:

Jean Edeal	Chris Lindner, BKD
Arlin Edeal	

* * * * *

The Board President announced that information for the public concerning the Open Meetings Act was available for interested parties to view.

At 9:00 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: Arlin Edeal reported that the water levels at Johnson Lake are good and that 80,000 pounds of carp were removed from the lake recently. Jean Edeal presented the JLDI proposed budget for 2018 and stated that due to an increase in trash costs and grass dump fees, they would like additional funding from the District to help offset the increased costs. There was discussion about reducing the dates of trash service provided, minimizing trash collection points and created shared dumpsters, and educating people to mulch their yards to lessen the amount of grass clippings taken to the grass dump.

CONSENT TO ASSIGNMENT SUMMARY: One Consent to Assignment at Lake McConaughy was approved in May, 2018.

WATER SERVICE AGREEMENTS: Van Fastenau presented the following Water Service Agreement to correct a landowner name change previously approved for Darren and Marlynn Samuelson which should have been in the name of their corporation, NS Ventures, LLC:

<u>System</u>	<u>Acct. No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Contr. Acres</u>	<u>Total Acres Chg'd</u>
---------------	------------------	--------------------	------------------	---------------------	--------------------------

Water Service Agreements:

Phelps	8201704*	S1/2NE1/4 & N1/2SE1/4 17-8-20	NS Ventures, LLC	80 (1)	+8
--------	----------	-------------------------------	------------------	--------	----

**this corrects a prior WSA approved 5/7/18 which was incorrectly reported and drafted under the names of Darren & Marlynn Samuelson rather than their corporation name*

- (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.

WATER CONVEYANCE PERMITS: None.

2018 JUNE WATER RIGHT TRANSFERS: Van Fastenau presented 8 water right transfer requests totaling 318 acres in the Phelps, E65, and Supply Canal irrigation areas. The water rights from unused or cancelled acres used to cover these requests are for the following parcels:

Phelps Canal

Leland & Jerrilyn Anderson- 36 acres- NW1/4 20-6-15
 WSR LLC- 15 acres- E1/2 NE1/4 15-6-18
 Phelps County Historical Society- 118 acres- NW1/4 9-7-18
 Ritch Blythe- 4 acres- SW1/4SW1/4- 19-8-19

E-65

Doyle & Kay Lavene etal- 100 acres- E1/2SW1/4 & W1/2SE1/4 13-7-21
 Doyle & Kay Lavene- 10 acres- N1/2NE1/4 26-7-21

Supply Canal

Robert Murray- 29 acres- SW1/4 & NW1/4SE1/4 4-8-22
 Kranau Inc- 6 acres- SW1/4NE1/4 8-11-26

RIGHT-OF-WAY TRANSACATIONS: Van Fastenau presented the following right-of-way transactions:

<u>System</u>	<u>Tract No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Central Quitclaim to L.O. Acres</u>
<u>RIGHT-OF-WAY – Quitclaim Deed</u>				
Phelps	E65#359	E1/2NE1/4 of 14-7-20	KSK PROPERTIES, LLC	3.36

(Grant of Easement filed in Phelps County on July 15, 1939, was never Quitclaimed back to the Landowner. Discovered recently in file and is now being remedied.)

PERMIT TO CONSTRUCT SUMMARY: The following Permits to Construct were approved in the month of May, 2018:

Permits to Construct Approved by Land Administration Department May 25, 2018– Johnson Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Howard, Randal & Sonia	46 East Shore Dr 1	PTC (SWAF)-Construct wood dock with swim platform, shore station and jet ski lifts	April 23, 2018-\$50.00 application fee
Arram, Essam & Barbara	19 Merriweather Dr 11	PTC (SWAF)-Construct dock with swim platform and shore station	April 24, 2018-\$50.00 application fee
Herrmann, Jason & Julie	52 Mallard Beach So Bay Dr 21	PTC-Place heat pump near SW corner of cabin, place storage shed on skids near center of the lot, near the back of the cabin	April 26, 2018-no application fee
Butler, William & Keely	11 Northeast Cove Dr 9	Amended PTC-Construct dwelling with driveway and sidewalk	April 27, 2018-no application fee
Peters, Monika	62 Lakeview Acres Dr 14A	PTC (SWAF)-Construct floating dock and gangway with aluminum shore station and jet ski platform	May 1, 2018-\$50.00 application fee
Lecher, Colleen	4 Mallard Cove Dr 19	PTC (SWAF)-Install dock with platform, shore station and jet ski lift	May 1, 2018-\$50.00 application fee
Herrmann, Jason & Julie	52 Mallard Beach So Bay Dr 21	PTC (SWAF)-Install shore station on existing dock	May 2, 2018-\$50.00 application fee
Beckler, William & Tressa	53 Sandy Point Dr 24A	PTC (ECS)-Protect 47' of shoreline with riprap	May 3, 2018-no application fee
Lauby, Scott	131 Mallard Beach Dr 22A	PTC (SWAF)-Install shore station on north side of existing dock	May 9, 2018-\$50.00 application fee
Miller, Neil & Denise	129 Lakeview Acres Dr 14D	PTC (SWAF)-Construct dock with shore station, jet ski lift and set of wooden stairs with metal railing	May 9, 2018-\$50.00 application fee
Breinig, Loren & JoAnne	31 Park Lane Dr 28	PTC (SWAF)-Construct dock with swim platform, two jet ski lifts, shore station, and a set of stairs	May 9, 2018-\$50.00 application fee
Jeffrey, Joe & Dianne	50 Bass Bay Dr 16	PTC-Pour 2" asphalt overlay over existing parking pad	May 14, 2018-no application fee
Larson, Doug & Cathy	112 Lakeview Acres DR 14C	PTC (SWAF)-Construct 3' wide steps from bottom of existing stairway to grade level on east side of existing deck using treated lumber	May 21, 2018-\$50.00 application fee

Permits to Construct Approved by Land Administration Department May 25, 2018 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Anderson, Lane & Kerri	14 K-3 Rd	Amended PTC (ECS)-Place 110' of riprap along shoreline	May 18, 2018-no application fee

Permits to Construct Approved by Land Administration Department May 25, 2018 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Cudzilo, Mary & Savannah	99 Pelican Dr	PTC (SWAF)-Install 48' long dock with sections running SE to NW. Also add and connect two sections running SW to NE	April 23, 2018- \$50.00 application fee
Brown, Christopher & Pamela	42 S Lakeview Rd	PTC (SWAF)-Install dock with 4 sections and an anchor pad	May 7, 2018-\$50.00 application fee
Miller, Irvin & Marietta	89 Pelican Dr	PTC (ECS)-Construct retaining wall	May 11, 2018-no application fee

Kaschke, Orville & Mary	36 S Lakeview Rd	PTC (SWAF)-Construct gangway to existing floating dock with hand railing	May 14, 2018-\$50.00 application fee
-------------------------	------------------	--	--------------------------------------

Permits to Construct Approved by Land Administration Department May 25, 2018 – Plum Creek/Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Willow Island Land & Cattle	66 Cedar Point	Amended PTC-After-the-fact construction of a series of block retaining walls, some capped with deck material	April 30, 2018-no application fee

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

POWER AND RECREATION COMMITTEE (5/25/18): Jim Brown presented an overview of the items on which the Committee recommended Board action:

a. Application for Variance – 5 Crappie Corner, Johnson Lake: A variance application was filed by the tenant to construct a livable basement below 2,618.0' msl. The Committee voted to recommend Board approval of the variance at 5 Crappie Corner, Johnson Lake conditional upon: 1) The lowest livable elevation may be constructed below elevation 2618.0' msl provided that sump pumps and drain tiles are installed and the basement will be filled in by the customer if groundwater floods the basement in the future; 2) The lowest adjacent grade shall be $\geq 2622.0'$ msl; and 3) The lowest building opening shall be $\geq 2623.5'$ msl.

b. Request for Modification of Agricultural Lease: The current lessee, Donald J. Burks, would like to modify the amount of leased land from 7.4 acres to 8.0 acres. The current lease includes a previous house site with a well and garage. Lessee would like to use a personal generator to operate the existing well to provide water to livestock and he would string electric fence around the area. The Committee voted to recommend Board approval to modify the agricultural lease from 7.4 acres to 8.0 acres.

c. Corrective Replat of 86 Mallard Beach, Johnson Lake: The tenant contacted staff about applying for dwelling related construction, but the project was not permissible due to the structure being located within the side lot line. In 2000-2001, District staff surveyed lots at Johnson Lake. The District provided flags and sent letters to tenants asking them to mark where they believed the lot lines should be located. In some cases, lots were surveyed with structures situated across lot lines or at eave edges. This was done under the assumption that adjacent tenants were agreeable and had jointly participated in the decision and placement of flags. Permitting Procedures state: 6.2.1. Lot Line Setbacks. All Dwellings and Related Improvements attached to or anchored to the ground, when lot lines are commonly shared by tenants or subtenants of Central, shall be located no closer to the lot boundary than four feet (4') horizontal, or ten percent (10%) of the width of the lot at the point of construction, whichever is greater, but not to exceed twenty feet (20'). The Committee voted to recommend Board approval to conduct a corrective replat of Lots 86 and 94 Mallard Beach, Johnson Lake.

DRIVE 1 MODIFICATION, EAST SHORE, JOHNSON LAKE: Jim Brown received a suggestion from a tenant along Drive 1 of the East Shore Cabin Area to re-route the turn-off location from Johnson Lake Drive onto Drive 1 to improve the safety of drivers and pedestrians using the Hike and Bike Trail. Other options such as closing the south portion of Drive 1 or creating a cul-de-sac were also discussed.

LEASE UPDATE (JOHNSON LAKE, PLUM CREEK AND LAKE MCCONAUGHY): Jim Brown reported that there are three unsigned leases at Lake McConaughy and seven unsigned leases between Johnson Lake and Plum Creek.

UEBELE PROPERTY – PLUM CREEK: This was discussed in Closed Session.

COTTONWOOD RANCH WATER SERVICE AGREEMENT: Don Kraus stated the Board previously approved this agreement but minor edits have been made to the default section since that time. The Platte Program’s Governance Committee will review the agreement at their meeting in June and Kraus expects they will approve the agreement.

AGREEMENT WITH NEBRASKA WILDLIFE FEDERATION AND NATIONAL WILDLIFE FEDERATION: This was discussed in Closed Session.

WATER SERVICE AGREEMENT FOR STORAGE WATER PURCHASE (NET CONTROLLABLE CONSERVED WATER) WITH THE NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: This was discussed in Closed Session.

CENTRAL PLATTE NATURAL RESOURCES DISTRICT AND NEBRASKA PUBLIC POWER DISTRICT WATER TRANSFER: This was discussed in Closed Session.

WATER LEASING AGREEMENT (FIVE YEAR) WITH THE NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus explained this five-year agreement is a continuation of the current Water Leasing Program that has been approved the past two years. The agreement increases the maximum acres from 2,000 to 3,000 acres and it would still require irrigators to sign-up annually for the program.

LITIGATION - MALOLEY: Mike Klein stated the Motion for a New Trial is still under advisement by Judge Doyle.

EMPLOYEE HANDBOOK REVISIONS: Don Kraus presented the proposed revisions to the Employee Handbook due to the new payroll system which alters the Recording Work Hours and Paychecks sections. A new section, Nonexempt Employee Travel Time, will be added to address travel time for hourly employees. A draft amendment to the union contract was also presented which encompasses these revisions.

OUT OF STATE TRAVEL: The following travel was approved for June, 2018:

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Don Kraus	PRRIP Governance Committee	Cheyenne, WY	June 12-13, 2018
Mike Drain	PRRIP Governance Committee	Cheyenne, WY	June 12-13, 2018
Rochelle Jurgens	RMEL Effective Teams/Myers Brigg Workshop	Denver, CO	June 13-14, 2018
Devin Brundage	HydroVision International	Charlotte, NC	June 26-28, 2018
Jeff Buettner	Nebraska Water Center/CNPPID Summer Water & Natural Resources Tour	Wyoming	June 26-29, 2018
Holly Rahmann	Nebraska Water Center/CNPPID Summer Water & Natural Resources Tour	Wyoming	June 26-29, 2018
Jim Brown	Nebraska Water Center/CNPPID Summer Water & Natural Resources Tour	Wyoming	June 26-29, 2018

LEGISLATION: Jeff Buettner was absent due to a tour so there was no legislative report.

BOARD COMMENTS: None.

OPERATIONS REPORT:

- a. Cory Steinke reported that Lake McConaughy is at elevation 3,256.4, 85.6% capacity, and 1,500,800 acre feet. Inflows are 1,500 cfs and outflows are 1,980 cfs, with NPPD taking 950 cfs.

- b. Devin Brundage stated the Supply Canal operations are going well. Crews hauled 10,500 tons of riprap from Roscoe to Kingsley, North Platte, and Jeffrey Lake. Dredging is ongoing in the Supply Canal and Jeffrey Lake.
- c. Van Fastenau said crews have been filling the side laterals and pipelines and making repairs as needed. They have been spraying weeds and removing corn stalks using various methods.
- d. Rochelle Jurgens advised that she and Don Kraus met with representatives from First National Bank yesterday.
- e. Eric Hixson is working on the low impact hydro recertification. He attended an RMEL conference recently. He is beginning preparations for the fall outages at J-1 and Jeffrey.
- f. Holly Rahmann announced there are just eight seats remaining on the bus for the summer tour.
- g. Jim Brown reported on the past five years of District contributions to JLDI for mowing, communications, etc. A payment of \$51,000 will be made to JLDI upon receipt of the signed Services Agreement.
- h. Don Kraus reported on behalf of Mike Drain that he has ceased discussions with NPPD regarding the Annual Operation Plan. The NGPC is considering listing the Western Silvery Minnow as endangered and the Plains Minnow as threatened under the Nongame and Endangered Species Conservation Act. FERC is taking comments on a proposal to eliminate required filing of Form 80 by licensees.

A break was taken at 10:12 a.m. The meeting resumed at 10:27 a.m.

2017 FINANCIAL AUDIT REPORT – BKD, LLP: Chris Lindner of BKD was present to review the Audit Report and Financial Statements and Disclosures for the year ending December 31, 2017.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

At 11:00 AM it was moved by Director Mueller and seconded by Director Knoerzer, that the Board enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated the items to be discussed in closed session were the following agenda items: Uebele Property at Plum Creek; Agreement with Nebraska Wildlife Federation and National Wildlife Federation; Water Service Agreement for Storage Water Purchase (Net Controllable Conserved Water) with the Nebraska Community Foundation and the Platte River Recovery Implementation Program; and the Central Platte Natural Resources District and Nebraska Public Power District Water Transfer to protect the public interest, for discussion of contract and real estate negotiations and to receive legal advice.

A break for lunch was taken at 11:28 a.m. The meeting reconvened in Closed Session at 12:07 p.m.

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

At 1:17 PM it was moved by Director S. Olson 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, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the items discussed in Closed Session were of a legal nature relating to the following agenda items: Uebele Property at Plum Creek; Agreement with Nebraska Wildlife Federation and National Wildlife Federation; Water Service Agreement for Storage Water Purchase (Net Controllable Conserved Water) with the Nebraska Community

Foundation and the Platte River Recovery Implementation Program; and the Central Platte Natural Resources District and Nebraska Public Power District Water Transfer.

The meeting adjourned at 1:17 p.m.

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
JUNE 4, 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 May 29, 2018, and by legal publication in the Holdrege Daily Citizen and Kearney Hub on May 29, 2018, the North Platte Telegraph on May 29, 2018, and the Lexington Clipper-Herald on May 30, 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 May 17, 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
Martin E. Mueller, Secretary	William E. Knoerzer	Robert L. Petersen
Robert B. Dahlgren, Treasurer	David G. Nelson	Gordon N. Soneson

Also present were:

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

Others present were:

John Thorburn, Tri-Basin NRD	Lori Potter, Kearney Hub
Kent Schroeder	Deb Jensen, on behalf of JLDI

* * * * *

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 he has been preparing for upcoming Integrated Management Plans meetings for both the Republican and Platte Basins. Kent Schroeder of 2A East Shore requested notification the next time Johnson Lake levels are lowered so he can perform some shoreline maintenance to repair erosion issues. He also asked if the common use area across from 1A and 2A East Shore will be mowed in the near future as it has been mowed periodically in the past. He will send an e-mail with a picture of the overgrown grass to the Directors.

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 May 7, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held May 25, 2018**
- **Approval of the June Disbursements:**

<i>Hydro Division:</i>	\$874,767.82
Check #s 57016 and 57026-VOID; 57050 through 57257 and 8899622 through 8899639 (Accounts Payable)	
Payroll	\$537,959.02
<i>Kingsley Division:</i>	\$46,860.59
Check #s 3013 through 3019 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$500.00
Check #1260 (Accounts Payable)	
<i>Glendo Division:</i>	NONE
Check # NONE	
<i>Flex Spending Account:</i>	NONE
Check # NONE	

- **Approval of the following Water Service Agreements:**

<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 Agreements:</u>					
Phelps	8201704*	S1/2NE1/4 & N1/2SE1/4 17-8-20	NS Ventures, LLC	80 (1)	+8
		<i>*this corrects a prior WSA approved 5/7/18 which was incorrectly reported and drafted under the names of Darren & Marlynn Samuelson rather than their corporation name</i>			
		(1) IPP Amendment to Water Service Agreement for the 2018 irrigation season accompanies new WSA.			

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

System	Tract No.	Legal Desc.	Landowner	Central Quitclaim to L.O. Acres
<i>RIGHT-OF-WAY – Quitclaim Deed</i>				
Phelps	E65#359	E1/2NE1/4 of 14-7-20	KSK PROPERTIES, LLC	3.36
		<i>(Grant of Easement filed in Phelps County on July 15, 1939, was never Quitclaimed back to the Landowner. Discovered recently in file and is now being remedied.)</i>		

- **Approval of a Variance at 5 Crappie Corner, Johnson Lake conditional upon: 1) The lowest livable elevation may be constructed below elevation 2618.0' msl provided that sump pumps and drain tiles are installed and the basement will be filled in by the customer if groundwater floods the basement in the future; 2) The lowest adjacent grade shall be ≥2622.0' msl; and 3) The lowest building opening shall be ≥2623.5' msl.**
- **Approval of the Modification to Agricultural Lease of Donald J. Burks to increase the acres from 7.4 to 8.0 acres**
- **Approval for staff to conduct a Corrective Replat of Lots 86 and 94 Mallard Beach, Johnson Lake**
- **Approval of Employment Agreement with Jim Lauer**

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

PROGRESS ESTIMATE NO. 1, CONTRACT NO. 0-682 – NMC EXCHANGE FOR USED MULTI-TERRAIN LOADER AND HAMMER (\$83,773.51): Don Kraus stated this is for partial payment on the multi-terrain loader.

It was moved by Director Mueller and seconded by Director Dahlgren to approve Progress Estimate No. 1 for Contract No. 0-682 with NMC Exchange in the amount of \$83,773.51. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

CONTRACT NO. 0-679.5, GROUP NO. 18-5 – PLATTE VALLEY AUTO: Don Kraus presented Contract Change Order No. 1 in the amount of \$750.00 for the installation of keyless entry systems on two vehicles, Progress Estimate No. 1 (Final) in the amount of \$51,548.00, and the Closure of Contract. Kraus stated the vehicles have been received and inspected. Staff recommends final payment and closure of the contract.

It was moved by Director Rowe and seconded by Director Knoerzer to approve the Contract Change Order No. 1 in the amount of \$750.00, Progress Estimate No. 1 (Final) in the amount of \$51,548.00 and the Closure of Contract No. 0-679.5. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

CONTRACT NO. 0-679.6, GROUP NO. 18-6 – PLATTE VALLEY AUTO: Don Kraus presented Contract Change Order No. 1 in the amount of \$350.00 for the installation of a keyless entry system on one vehicle, Progress Estimate No. 1 (Final) in the amount of \$25,749.00, and the Closure of Contract. Kraus stated the vehicle has been received and inspected. Staff recommends final payment and closure of the contract.

It was moved by Director S. Olson and seconded by Director Petersen to approve the Contract Change Order No. 1 in the amount of \$350.00, Progress Estimate No. 1 (Final) in the amount of \$25,749.00 and the Closure of Contract No. 0-679.6. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

MIKE HENRY LAND TRADE AT DIVERSION DAM: Don Kraus displayed a map of the property adjacent to land the District purchased from the North Platte Opportunity Center (Peck) last year. Devin Brundage explained this trade will satisfy requirements of the FERC operating license with regard to project boundaries.

It was moved by Director Dahlgren and seconded by Director R. Olson to approve all real estate documents relating to the Mike Henry land trade. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

UEBELE PROPERTY PURCHASE AGREEMENT: This was discussed in Closed Session.

AMENDMENT NO. 1 TO THE CONTRACT BETWEEN THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL UNION NO. 2185: Don Kraus presented the amendment to the Union contract which encompasses the changes to the Employee Handbook relating to Recording Work Hours, Paychecks

and Nonexempt Employee Travel Time.

It was moved by Director Soneson and seconded by Director Mueller to approve Amendment No. 1 to the Contract between The Central Nebraska Public Power and Irrigation District and the International Brotherhood of Electrical Workers Local Union No. 2185. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR PHELPS CANAL TO COTTONWOOD RANCH WITH THE NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus presented the revised draft of the Water Service Agreement which incorporates a copy of the water right approval notice into Exhibit E. Kraus expects the Platte Program to consider approval of the agreement at the upcoming Governance Committee meeting. The 20-year term of the contract was questioned and discussed. Cory Steinke explained the Platte Program requested the extended term due to the cost of the project being over \$1,000,000 and the investment in recharge facilities on Cottonwood Ranch.

It was moved by Director S. Olson and seconded by Director R. Olson to approve the Water Service Agreement for Phelps Canal to Cottonwood Ranch with the Nebraska Community Foundation and the Platte River Recovery Implementation Program. Upon voting on the motion, the following Directors voted therefore: Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Bogle voted no. The motion was declared carried.

WATER LEASING AGREEMENT WITH THE NEBRASKA COMMUNITY FOUNDATION AND THE PLATT RIVER RECOVERY IMPLEMENTATION PROGRAM: This was discussed in Closed Session.

WATER SERVICE AGREEMENT FOR NET CONTROLLABLE CONSERVED WATER WITH THE NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: This was discussed in Closed Session.

LEGISLATION: Jeff Buettner gave an overview of the May 8, 2018 primary election results.

WORKSHOPS, SEMINARS AND CONFERENCES: Jeff Buettner stated there are currently seven open seats on the Summer Water Tour.

PERSONNEL: None.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: None.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported Lake McConaughy is at elevation 3,257.0, 1,509,100 acre feet, and 86.6% capacity. Inflows to Lake McConaughy are 1,150 cfs and outflows are around 1,000 cfs. Steinke received notice that Central will need to follow the Flow Attenuation Plan which will require him to maintain Johnson Lake at a lower level through the summer.
- b. Devin Brundage stated Supply Canal operations are normal for this time of year. Gothenburg is hosting the Nebraska Economic Development Association workshop later this week and Central will be conducting tours.
- c. Jeff Buettner has been very busy with tours. Upcoming tours include the Nebraska Economic Development Association and JLDI.

- d. Dave Ford reported that the first scheduled irrigation run will be June 11, 2018. Some deliveries to center pivots have already occurred.
- e. Holly Rahmann has been receiving summer tour registrations and making final preparations.

At 9:34 AM it was moved by Director Knoerzer and seconded by Director Mueller, that the Board enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated the items to be discussed in closed session were the following agenda items: Uebele Property Purchase Agreement at Plum Creek; Water Service Agreement-Net Controllable Conserved Water with the Nebraska Community Foundation and the Platte River Recovery Implementation Program; and the Water Leasing Agreement with the Nebraska Community Foundation and the Platte River Recovery Implementation Program to protect the public interest, for discussion of contract and real estate negotiations and to receive legal advice.

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

At 9:47 AM it was moved by Director Knoerzer and seconded by Director Soneson 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, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the items discussed in Closed Session were of a legal nature relating to the following agenda items: Uebele Property Purchase Agreement at Plum Creek; Water Service Agreement-Net Controllable Conserved Water with the Nebraska Community Foundation and the Platte River Recovery Implementation Program; and the Water Leasing Agreement with the Nebraska Community Foundation and the Platte River Recovery Implementation Program.

UEBELE PROPERTY PURCHASE AGREEMENT: It was moved by Director Dave Nelson and seconded by Director Knoerzer to approve the Uebele Property Purchase Agreement, 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, Rowe, and Soneson. None voted no and the motion was declared carried.

The meeting adjourned at 9:50 AM.

ATTEST:	THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
_____ Martin E. Mueller, Secretary	By _____ Dudley L. Nelson, President