

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

DECEMBER 3, 2018 – 9:00 AM

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MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
NOVEMBER 21, 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 November 16 2018, by legal publication in the Kearney Hub and Holdrege Daily Citizen on November 16, 2018, and the North Platte Telegraph and the Lexington Clipper-Herald on November 17, 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 November 12, 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	Jeff J. Buettner, Public Relations Manager
Meredith Pierce, Assistant Controller	Holly Rahmann, Public Relations Assistant
Devin M. Brundage, Gothenburg Div. Mgr.	Duane Cernousek, Purchasing Agent
Mike A. Drain, Natural Resources Manager	Jim Brown, Land Administrator
David R. Ford, Irrigation Division Mgr.	Michael C. Klein, Legal Counsel
Eric R. Hixson, Engineering Services Mgr.	Emily Anderson, Assistant Secretary
Cory A. Steinke, Civil Engineer	

Others present were:

Camilla Kerner – NRCS, Holdrege

* * * * *

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: Camilla Kerner introduced herself as the new NRCS District Conservationist who replaced Kevin Breece. The NRCS is currently working on making payments to those who participated in the Conservation Stewardship Program and they are receiving and ranking applications for the EQIP Cost Share Program.

CONSENT TO ASSIGNMENT SUMMARY: One consent at Johnson Lake and one consent at Lake McConaughy were approved during the month of November, 2018.

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

Permits to Construct Approved by General Manager November 21, 2018			
<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Purpose</u>
North Shore Area Association	Pt of N1/2 of 32-9-22; Dawson Co.	\$0.00	Resurface North Shore Cabin Area Road at Johnson Lake with asphalt overlay, starting at Drive 8 and continuing south to North Shore Lot 53

Permits to Construct Approved by Land Administration Department November 21, 2018– Johnson Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Hamik, Michael & Vergene	16 North Point Dr 13	After-the-Fact PTC-Constructed patio with pavers with a raised wall and a fire pit in the center	October 21, 2018- \$500.00 after-the-fact fee
Meierkierks, Mark & Carma	125 Lakeview Dr 14D	After-the-Fact PTC (SWAF)- Previously built access to shoreline	November 15, 2018- \$50.00 application fee PLUS \$50.00 after-the-fact fee
Pickel, Ryan & Jenna	50 Lakeview Acres Dr 14A	After-the-Fact PTC (DEF, ECS)- Excavated portion of lot, constructed retaining wall	November 16, 2018- \$100.00 after-the-fact fee

Permits to Construct Approved by Land Administration Department November 21, 2018 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Colleen Willits Trustee	15 K-3 Rd	After-the-Fact PTC (DEF)-Approval for previously placed fill dirt along south lot line and over embankment toward the lake	October 31, 2018- \$100.00 application fee

Permits to Construct Approved by Land Administration Department November 21, 2018 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
None			

Permits to Construct Approved by Land Administration Department November 21, 2018 – Plum Creek/Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Remmenga, Joseph & Andrea	3 Plum Creek Canyon Dr 12-l	PTC (SWAF)-Construct beach area	October 30, 2018-\$50.00 application fee

WATER SERVICE AGREEMENTS: None.

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

POWER AND RECREATION COMMITTEE (11/21/18): The Committee reviewed the following item at a meeting this morning:

a. Tim Dean – Flowage Easement – Midway Lake: Staff identified this land during the review of the FERC Project Boundary and determined the property located at the southernmost shoreline of Midway Lake holds a flowage easement acquired in 1943, but it does not encompass the entire area that is, or could be, impacted by project operations. Staff was directed to continue to negotiate with the adjacent landowner to acquire the necessary rights.

The Power and Recreation Committee reviewed the following items at a meeting held on November 5, 2018:

a. Johnson Lake Services Agreement: The Committee voted unanimously to recommend Board approval to providing funding of \$54,897.00 to Johnson Lake Development, Inc. as they requested, for the 2019 Services Agreement.

b. Zimbelman – Ag Lease – Midway Lake: An adjacent landowner near East Midway Lake asked to lease land for grazing. The Committee unanimously voted to recommend Board approval to enter into an agricultural lease with the adjacent landowner for the parcel of land, pending FERC approval and legal review.

c. Bureau of Education Lands – Jeffrey Lake: The new owner of adjacent land located in Section 16, Township 11 North, Range 27 West, near Jeffrey Lake in Lincoln County would like to construct a fence across lands which the District holds rights to exclusive use. Staff was directed to investigate options which might remove the need for District controlled parcels to be included in the FERC Project Boundary. The Committee unanimously voted to recommend Board approval of acquiring the necessary flowage rights in exchange for relinquishing right of exclusive use, subject to FERC approval or to take steps to modify the land so it is no longer needed within the Project Boundary.

d. Hilltop Residence Lease Termination – Lake McConaughy: The Hilltop residential lease will expire on January 31, 2019. The owners have requested the following options be discussed with management and the Board: 1) Current owners would lease land from the District for 30 years; 2) Residence would be purchased from the District; and 3) Residence would be removed as required by the lease. No action was taken by the Committee.

e. Phillips Canyon Boat Ramp – NGPC Grant – Phillips Canyon Lake: Discussion was held regarding the condition of the NGPC managed boat launching area in the Phillips Canyon WMA and the access road. NGPC has potential grant funds available which could be used to improve or relocate the boat ramp. Staff was directed to consider the options and return with information.

IRRIGATION COMMITTEE (11/15/18): Director Knoerzer gave an overview of the November 15, 2018 Irrigation Committee meeting where the effect of low commodity prices on irrigators, options to decrease irrigation expenses, revenues from groundwater recharge, and rate comparisons to other irrigation districts were discussed. The Committee members voted unanimously to recommend Board approval of no increase over the 2018 rates for the 2019 Irrigation Rates as follows:

Incremental Pricing Program, 9" base fee	\$34.61 per acre
IPP Acre-inch fee from 9" to 18" of use	\$1.21 per inch
Non IPP rate 12" contracts	\$38.24 per acre
Non IPP rate 18" contracts	\$45.50 per acre
Use over 18" rate	\$45.50 per acre-foot

CONTRACT NOS. 0-685 AND 0-688, DIAMOND PLASTICS FOR PVC PIPE: The following progress payments totaling \$236,940.98 and a closure of contract letter were presented:

- a. Progress Payment Estimate No. 2, Contract No. 0-685 (\$180,169.08)
- b. Progress Payment Estimate No. 3, Contract No. 0-685 (\$51,782.91)
- c. Progress Payment Estimate No. 4 Final, Contract No. 0-688 (\$4,988.99)
- d. Closure of Contract No. 0-688

Duane Cernousek verified that the PVC pipe for the Cottonwood Ranch Project under Contract No. 0-688 has been delivered and staff recommends final payment and closure of the contract.

BID TAB – ANNUAL INSURANCE COVERAGE, EFFECTIVE JANUARY 1, 2019: Duane Cernousek stated he sent out Requests for Proposals from four insurance carrier, and received bids from three. He presented a history of the rates from 2013 through 2018 and a summary of the bids received from FM Global in an amount of \$430,281, Harry A. Koch Co. in an amount of \$418,406 and Marsh/Wortham in an amount of \$438,257. Cernousek advised that staff will recommend accepting the low bid by Harry A. Koch Co.

2019 NORTH PLATTE RIVER CHANNEL CAPACITY TEST: Mike Drain gave background information about the Platte Program’s desire for Central to obtain a temporary waiver of environmental account flood stage release restrictions so they, under supervision and monitoring by the National Weather Service, can perform a target stage and flow study on the North Platte River. The purpose is to achieve a safe-conveyance capacity at North Platte of at least 3,000 cfs, while the current designated flood stage is 1,926 cfs. The Platte Program has undertaken reconstruction of a flood control berm and drainage improvements to further their objective that they believe would pass flows at or near a stage of 6.6 feet, or an estimated 2,950 cfs, without causing flooding. Drain presented a draft letter to FERC requesting the waiver and a draft of an agreement between Central, the Nebraska Community Foundation and the Platte River Recovery Implementation Program.

WAGE SCALE ADJUSTMENT FOR HOURLY EMPLOYEES REPRESENTED BY IBEW 2185: Don Kraus stated that pursuant to the Union agreement, the wage increase for 2019 will be 2.0% which is the required minimum.

WAGE SCALE ADJUSTMENT FOR SALARIED PERSONNEL AND CONFIDENTIAL EMPLOYEES: Don Kraus stated that pursuant to the Union agreement, the wage increase for 2019 will be 2.0% which is the required minimum.

2019 KINGSLEY HYDRO BUDGET: Eric Hixson presented a copy of the letter from NPPD dated November 14, 2018 regarding the 2019 Kingsley Budget Review. Hixson will continue to negotiate with NPPD regarding legal costs, FERC safety costs and insurance costs.

LEGAL SERVICES AGREEMENT – ANDERSON, KLEIN, BREWSTER & BRANDT: Don Kraus stated Mike Klein is working on drafting an agreement for 2019.

LEGAL SERVICES AGREEMENT – ROBERT J. MCCORMICK: This was discussed in Closed Session.

HYDRO POWER PURCHASE AGREEMENT – KANSAS CITY POWER & LIGHT COMPANY: This was discussed in Closed Session.

BOARD RETREAT – MARCH 19-20, 2019 AT 8:30 A.M. AT THE CORNHUSKER HOTEL, LINCOLN, NE: Don Kraus will seek approval of the 2019 Board Retreat dates at the December 3, 2018 Regular Business Meeting of the Board.

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

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Emily Anderson	WordCamp US (WordPress Website Training)	Nashville, TN	December 6-9, 2018
Holly Rahmann	WordCamp US (WordPress Website Training)	Nashville, TN	December 6-9, 2018
Devin Brundage	PRRIP-Governance Comm	Denver, CO	December 10-11, 2018
Mike Drain	PRRIP-Governance Comm	Denver, CO	December 10-11, 2018
Don Kraus	PRRIP-Governance Comm	Denver, CO	December 10-11, 2018

LEGISLATION: Jeff Buettner reported on the results of the General Election and stated there are eleven new State Senators. The Governor will appoint two seats vacated by current State Senators elected to other offices. There has been discussion about combining the

Agriculture Committee with the Natural Resources Committee.

BOARD COMMENTS: Director Petersen complimented the new design of the website.

A break was taken at 9:58 a.m. The meeting resumed at 10:12 a.m.

OPERATIONS REPORT:

- a. Dave Ford reported that recharge on the Phelps Canal started on Monday and the water is now headed towards the Funk Lagoon. He expects a maximum of 2,000 af into the Funk Lagoon. Since this is a new process, some of the timing and potential impact to the canals is unknown. DNR has yet to approve the water right for recharge on the E65 Canal, but the work to the head gate is complete and the canal system is ready to go upon approval. Ford stated that Dusty Way started taking applications for the 2019 Water Leasing Program yesterday and he already signed-up 1,200 acres of the 3,000 maximum.
- b. Cory Steinke reported that Lake McConaughy is at elevation 3,252.9, 80.2% capacity, and 1,398,300 acre feet. Inflows and outflows are nearly equal, and the environmental account releases have ceased. He is waiting for DNR to approve the water right for the E65 Canal recharge. Progress on the Cottonwood Ranch Pipeline Project is slow due to the contractor being short staffed.
- c. Devin Brundage said the dredging at North Platte is complete and dredging at Jeffrey Lake will continue as long as the ice on the lake is not solid. He has been busy with Emergency Action Plan work and year-end projects.
- d. Mike Drain continues to negotiate with NPPD regarding the terms for a water exchange credit for non-irrigated acres added to the environmental account. He will present more information to the Board at the December committee meeting.
- e. Jim Brown reported the Johnson Lake airport lease was renewed. He has been working with Dickinson Land Surveyors to delineate boundaries on the west side of Lake McConaughy and the Bayside Golf Course. He displayed the website and the section where tenants, adjacent landowners and others can submit comments regarding the Project Boundary review. He stated that over 2,000 post cards were mailed to tenants and adjacent landowners regarding the public comment process for the Project Boundary review. He has been working to improve the permitting process and the GIS database, and obtaining a permit from the Corps of Engineers for dredging at the Diversion Dam.
- f. Jeff Buettner completed his reconnaissance tour of Wyoming and Montana for 2019 Summer Tour locations and he will meet again soon with UNL Water Center employees to formalize plans. At the NWRA Board meeting earlier this week, he was elected to represent surface water interests. He discussed the fund drive launched for the Tim Anderson Memorial Water Learning Project which was announced at the NSIA/NWRA Joint Convention earlier this week in Kearney.
- g. Eric Hixson attended the Kansas City Power & Light Company's annual customer meeting last week. There are two positions available at Central due to an employee moving out of state and an upcoming retirement. The Administrative Assistant and Drafting Technician positions will be advertised in the Kearney Hub and Holdrege Daily Citizen and online at Indeed.
- h. Meredith Pierce reported that around half of the irrigation payments have been received.
- i. Holly Rahmann has been busy making edits to the website, writing the fall edition of The Communicator and submitting Logan Ricley's application to the Water Leaders Academy.

- j. Duane Cernousek stated Central's insurance maximums are \$173,000,000 on property and \$20,000,000 for excess liability.
- k. Don Kraus will attend a meeting with Nebraska Game and Parks Commission on November 28, 2018 concerning the prevention of invasive species in our system. The Platte to Republican Diversion Project is in the stage where agencies and individuals can file comments and objections to the project. He and Devin Brundage will attend an NPA meeting on December 6, 2018. He is starting to think about dates for a retirement party.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

At 11:23 AM it was moved by Director R. Olson and seconded by Director Petersen, that the Board enter into Closed 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, 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: Legal Services Agreement – Robert J. McCormick; Hydro Power Purchase Agreement – Kansas City Power & Light Company; and Personnel. The purpose of Closed Session was to protect the public interest, for discussion of contract negotiations, for discussion of personnel matters, and to receive legal advice.

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

A break was taken at 11:35 a.m. for lunch. The meeting resumed in Closed Session at 12:30 p.m.

At 1:24 PM it was moved by Director R. Olson 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, 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. Board President Nelson stated that the items discussed in Closed Session were of a legal nature relating to the following agenda items: Legal Services Agreement – Robert J. McCormick; Hydro Power Purchase Agreement – Kansas City Power & Light Company; and Personnel.

The meeting adjourned at 1:24 p.m.

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
DECEMBER 3, 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 November 26, 2018, by legal publication in the Kearney Hub and the Holdrege Daily Citizen on October 29, 2018, the North Platte Telegraph on November 27, 2018, and the Lexington Clipper-Herald on November 28, 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 November 12, 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

**arrived at 9:03 a.m.*

Also present were:

Don D. Kraus, General Manager	Marcia Trompke, Conservation Director
Devin M. Brundage, Gothenburg Division Mgr.	Jeff J. Buettner, Public Relations Manager
Rochelle A. Jurgens, Controller	Holly G. Rahmann, Public Relations Assistant
Eric R. Hixson, Engineering Services Mgr.	Jim C. Brown, Land Administrator
Mike A. Drain, Natural Resources Manager	Michael C. Klein, Legal Counsel
Dave R. Ford, Irrigation Division Manager	Emily Anderson, Assistant Secretary
Tyler A. Thulin, Civil Engineer	

Others present were:

John Thorburn, Tri-Basin NRD	Curtis Scheele, NRCS
Ed Schrock	

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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 the Central staff for their cooperation with filling the Funk Lagoon for recharge. Ed Schrock stated he hopes his recent election to the NPPD Board of Directors will allow him to help improve NPPD's relationship with Central.

Director Dahlgren entered the meeting at 9:03 a.m.

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 November 5, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held November 21, 2018**
- **Approval of the December Disbursements:**

Hydro Division:

Check # 58221-VOID; Check #s 58385 through 58580 and 8899734 through 8899753 (Accounts Payable) \$1,624,275.62

Payroll \$533,088.92

Kingsley Division:

Check #s 3049 through 3059 (Accounts Payable) \$88,528.64

J-2 Regulating Reservoir Construction Fund:

Check #1264 (Accounts Payable) \$1,876.96

Glendo Division:

Check #NONE \$NONE

Flex Spending Account:

Check #s 8128 through 8132 \$2,662.86

- **Approval of funding to Johnson Lake Development, Inc. in the amount of \$54,897.00 pursuant to the Johnson Lake Services Agreement**
- **Approval to enter into an agricultural lease with Zimbelman for grazing near East Midway Lake**
- **Approval to acquire the necessary flowage rights on the Bureau of Education Lands near Jeffrey Lake in Section 16, Township 11 North, Range 27 West in exchange for relinquishing right of exclusive use, subject to FERC approval, or to take steps to modify the land so it is no longer needed within the FERC Project Boundary**
- **Approval of Progress Payment Estimate No. 2, Contract No. 0-685, Diamond Plastics for PVC Pipe for Cottonwood, Johnson, Victor, and Linder Wetland Pipeline Projects (\$180,169.08)**
- **Approval of Progress Payment Estimate No. 3, Contract No. 0-685, Diamond Plastics for PVC Pipe for Cottonwood, Johnson, Victor, and Linder Wetland Pipeline Projects (\$51,782.91)**
- **Approval of Progress Payment Estimate No. 4 (Final), Contract No. 0-688, Diamond Plastics for PVC Pipe for Cottonwood Ranch Project (\$4,988.99)**
- **Approval of Closure of Contract No. 0-688, Diamond Plastics for PVC Pipe for Cottonwood Ranch Project (\$670,187.59)**
- **Approval of Progress Estimate No. 3, Contract No. 0-677, SEL Engineering Services for Jeffrey/J1/J2 Generator Relays (\$26,332.70)**
- **Approval of the Renewal Rates for the 2019 Property & Casualty Insurance from Harry A. Koch Co. as follows:**
 - Property Damage, Boiler and Machinery, Inland Marine, and Terrorism insurance in the amount of \$169,538.00
 - General and Management Liability, Excess Liability, Business Automobile, Worker's Compensation/Employer's Liability, and Commercial Crime/Public Employee Dishonesty insurance in the amount of \$248,868.00
- **Approval of a Wage Scale Adjustment of 2.0% effective December 25, 2018 for Hourly Employees Represented by IBEW 2185**

- Approval of a Wage Scale Adjustment of 2.0% effective December 25, 2018 for Salaried Personnel, Confidential Employees and Hourly Employees Not Represented by IBEW 2185
- Approval of 2019 Employment Agreement – Glen Bevard
- Approval of 2019 Employment Agreement – Kevin Boyd
- Approval of 2019 Employment Agreement – Dave Campbell
- Approval of 2019 Employment Agreement – Leonard France
- Approval of 2019 Employment Agreement – Mark Peyton
- Approval of a Special Committee Meeting of the Board (Board Retreat) on March 19-20, 2019 at 8:30 a.m. at the Cornhusker Hotel, Lincoln, NE

It was moved by Director Soneson and seconded by Director Rowe 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.

2019 IRRIGATION RATES: The Irrigation Committee minutes from November 15, 2018 were again reviewed. The Committee’s recommendation is Board approval of the following irrigation rates, with no increase over the 2018 rates:

Incremental Pricing Program, 9” base fee	\$34.61 per acre
IPP Acre-inch fee from 9” to 18” of use	\$1.21 per inch
Non IPP rate 12” contracts	\$38.24 per acre
Non IPP rate 18” contracts	\$45.50 per acre
Use over 18” rate	\$45.50 per acre-foot

It was moved by Director Fowler and seconded by Director Petersen to approve the 2019 Irrigation Rates as stated above. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Mueller, Dave Nelson, Peterson, and Rowe. The following Directors abstained from voting: Knoerzer, Dudley Nelson, R. Olson, S. Olson, and Soneson. None voted no and the motion was declared carried.

ANNUAL CONSERVATION REPORT: Curtis Scheele, Irrigation Water Management Specialist for the Natural Resources Conservation Service, presented his annual conservation report summarizing activity related to the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program and the Nebraska Agricultural Water Management Network. Marcia Trompke, Conservation Director, then concluded with a summary of several of Central’s ongoing irrigation pipeline projects and an update on the E67 Telemetry Project. She will supply the Directors with a printed copy of her full report at the December 19, 2018 Committee Meeting of the Board.

CHANGE TIME OF JANUARY 3, 2019 REGULAR BUSINESS MEETING FROM 9:00 A.M. TO 1:00 P.M. AT DISTRICT HEADQUARTERS, HOLDREGE, NE: Discussion was held regarding moving the time of the January 3, 2019 Regular Business Meeting from 9:00 a.m. to 1:00 p.m. to allow the Directors to attend Don Kraus’s retirement party in Holdrege immediately following the meeting.

It was moved by Director Mueller and seconded by Director Knoerzer to approve the change of meeting time for the January 3, 2019 Regular Business Meeting from 9:00 a.m. to 1:00 p.m. 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 PAYMENT NO. 3, CONTRACT NO. 0-677, SEL ENGINEERING SERVICES FOR JEFFREY/J1/J2 GENERATOR RELAYS (\$26,332.70): It was moved by Director Petersen and seconded by Director S. Olson to approve Progress Payment No. 3 for Contract No. 0-677 with SEL Engineering Services for the Jeffrey/J1/J2 Generator Relays in an amount of \$26,332.70. 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.

LEGAL SERVICES AGREEMENT – ANDERSON, KLEIN, BREWSTER & BRANDT: This was discussed in Closed Session.

LEGAL SERVICES AGREEMENT – ROBERT J. MCCORMICK: It was moved by Director Knoerzer and seconded by Director Mueller to approve the Legal Services Agreement for 2019 with Robert J. McCormick as presented. 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.

MIKE & GLADYS HENRY – BRIDGE AGREEMENT: Don Kraus displayed a map of the area where the Henry bridge is located over the Supply Canal at MP 1.9. He explained the original Warranty Deed dated July 29, 1938 required Central to maintain a 20' timber bridge. Devin Brundage stated the Henrys would like to increase the bridge width to 24' once the steel and concrete bridge is constructed and they have agreed to pay the difference in the cost which is \$18,000.00.

It was moved by Director Petersen and seconded by Director Bogle to approve the Bridge Agreement with Mike and Gladys Henry, 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.

2019 NORTH PLATTE RIVER CHANNEL CAPACITY TEST – AGREEMENT BETWEEN CENTRAL, PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM AND NEBRASKA COMMUNITY FOUNDATION: This was discussed in Closed Session.

2019 BUDGET: Don Kraus presented and reviewed the final 2019 Fiscal Budget Management Letter which highlights major planned expenditures and capital project purchases. Rochelle Jurgens confirmed only minor changes were made to the budget since the last presentation at the November 21, 2018 Committee Meeting of the Board.

It was moved by Director Dahlgren and seconded by Director R. Olson to approve the 2019 Budget 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.

LEGISLATION: Jeff Buettner stated a hearing was held on the interim study resolution regarding public power and it appears the primary focus at this time is on net metering, which does not affect the District.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: None.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: None.

A break was taken at 9:54 a.m. The meeting resumed at 10:10 a.m.

OPERATIONS REPORT: The following operations reports were presented:

- a. Tyler Thulin reported Lake McConaughy is at elevation 3,253.2, 1,406,200 acre feet, and 80.7% capacity. Current inflows are 1,300 cfs and outflows are 897 cfs. Snowpack in the South Platte Basin is 142% of average and the North Platte Basin is 140% of average.
- b. Devin Brundage stated that dredging ceased on November 29, 2018 due to weather conditions. The dredge was removed from the lake until operations begin again next spring.
- c. Mike Drain informed the Directors about Cory Steinke's step-daughter's accident that occurred on Thanksgiving Day.
- d. Jeff Buettner will attend an NPA retreat next Monday and he will meet with the Central District Water Users next week to begin planning for their annual meeting in March, 2019.
- e. Dave Ford reported the Cottonwood Ranch Pipeline Project is about one-third complete. Crews are building the head end gates on the Victor, Linder and Cottonwood Waterfowl Production Area Pipeline Projects. Over 2,400 acres have signed up for the Water Leasing Program to date, and the maximum is 3,000 acres. The Funk Lagoon is still filling and Ford estimates it is about half full. The Nebraska Department of Natural Resources approved the water right for recharge on Elwood Reservoir last Friday. Crews will fill Elwood Reservoir through the end of January, 2019.
- f. Rochelle Jurgens reported the majority of the irrigation payments have been received, with around \$300,000.00 outstanding as of this morning.
- g. Don Kraus will attend the NPA meeting on December 6, 2018 with Devin Brundage. He will attend the PRRIP Governance Committee meeting with Brundage and Mike Drain on December 10, 2018.

At 10:24 AM it was moved by Director R. Olson 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, David 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: Legal Services Agreement – Anderson, Klein, Brewster & Brandt; and 2019 North Platte River Channel Capacity Test – Agreement between Central, Platte River Recovery Implementation Program and Nebraska Community Foundation. The purpose of Closed Session was to protect the public interest, for contract negotiations and to receive legal advice.

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

At 10:55 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, Mueller, David 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 relating to the following agenda items: Legal Services Agreement – Anderson, Klein, Brewster & Brandt; and 2019 North Platte River Channel Capacity Test – Agreement between Central, Platte River Recovery Implementation Program and Nebraska Community Foundation.

2019 NORTH PLATTE RIVER CHANNEL CAPACITY TEST – AGREEMENT BETWEEN CENTRAL, PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM AND NEBRASKA COMMUNITY FOUNDATION: It was moved by Director S. Olson and seconded by Director R. Olson to approve

the agreement with the Platte River Recovery Implementation Program and the Nebraska Community Foundation for the 2019 North Platte River Channel Capacity Test, 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 11:00 a.m.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President