

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
APRIL 6, 2015 – 9:00 AM

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by a notice on Radio Station KUVR on March 30, 2015, 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 March 20, 2015.

The following Directors were present:

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

The following Director was absent: Ronald E. Fowler

Also present were the following:

Don D. Kraus, General Manager	Rochelle A. Jurgens, Controller
Dave R. Ford, Irrigation Division Manager	Eric R. Hixson, Engineering Services Mgr.
Cory A. Steinke, Civil Engineer	Marcia Trompke, Conservation Director
Jeff J. Buettner, Public Relations Coord.	Holly G. Rahmann, Public Relations Asst.
Kevin M. Boyd, Gothenburg Division Mgr.	Tim Anderson, Public Relations Advisor
Mike A. Drain, Natural Resources Mgr.	Michael C. Klein, Legal Counsel
	Emily Anderson, Assistant Secretary

Others present:

Lori Potter, Kearney Hub	Frank Vetter
John Thorburn, Tri-Basin NRD	Dean Nelson
James Stubbendieck	

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The 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: None.

CONSENT AGENDA: President Nelson asked the Directors if there were items they wished to be removed from the following consent agenda and discussed and voted on individually.

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held March 2, 2015**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held March 10, 2015**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held March 11, 2015**
- **Approval of Minutes of Committee Meeting of the Board of Directors held March 27, 2015**

➤ **Approval of the April Disbursements:**

<i>Hydro Division:</i>	\$1,069,446.82
Check #s 48287-VOID; 48721 through 48965 and 8800451 through 8800457 (Accounts Payable)	
Check #s 9910755 through 9910862 (Payroll)	\$317,244.43
<i>Kingsley Division:</i>	\$58,872.70
Check #s 2737 through 2743 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$89,693.74
Check #s 1110 through 1115 (Accounts Payable)	
<i>Glendo Division:</i>	\$NONE
Check #NONE	
<i>Flex Spending Account:</i>	\$1,849.71
Check #s 6929 through 6935	

➤ **Approval of Right of Way Transactions:**

System	Tract No.	Legal Desc.	Landowner
<u>Grant of Easement –Addendum to Easement dated 10/17/13</u>			
		Johnson Lake Hike & Bike Trail..... NE¼ of Sec. 31,T9N, R22W.....	Dawson County

Grant of Easement

Johnson Lake Hike & Bike Trail.....NE¼ of Sec. 31,T9N, R22W.....William K. & Nancy L. Holen

➤ **Approval to Advertise 2015 Water Right Transfers**

- **Approval of Work Order No. 107339 – Replace MP4.7 Supply Canal Bridge with Federal Aid Bridge (\$123,600.00)**
- **Approval of Purchase Requisition No. HA6017 – Order From MPE Equipment Services, Bayard, IA for 1985 Link Belt D-9 Dragline Repairs plus Freight (\$48,800.00)**
- **Approval of Motor Grader Bid – NMC Caterpillar of Doniphan, NE (New 2015 Caterpillar for \$224,750.00 minus trade-in allowance of \$16,000.00, includes \$24,720.00 parts credit, for total net bid of \$184,030.00)**
- **Approval of 2015 Budget Amendment - Budget Revision #4 to Hydro Division-Bertrand Irrigation Capital Budget for Motor Grader Purchase (increase budget by \$32,800.00)**
- **Approval of 2015 Earthwork Program Bid – Jim Ostgren Construction Co. (\$54,910.20)**
- **Approval to move the south lot boundary to the road right-of-way at 19 Sandy Point Drive 24, Johnson Lake (Pratt)**
- **Approval to expand the lot boundary of 58 North Point, Johnson Lake (Fuller), pending the approval of the North Point Area Association**
- **Approval to submit a request to FERC to enter into leases next to subdivisions around Plum Creek Canyon Reservoir**
- **Approval of Services Agreement between The Central Nebraska Public Power and Irrigation District and Johnson Lake Development, Inc.**

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

WATER SERVICE AGREEMENTS: Dave Ford presented the following Water Service Agreement for consideration, noting the addition of one since the March 27, 2015 Committee Meeting of the Board:

System	Acct. No.	Legal Desc.	Landowner	Contr. Acres	Total Acres	Chg'd
<u>WATER SERVICE AGREEMENTS</u>						
SC	9054.....	NE1/4NE1/4 6-10-25 & (W1/2 & SE1/4)SE1/4 31-11-25.....	The Girl’s Place LLC	98.....	(1)	

Phelps 6172001.....NE1/4 20-6-17Sandy Ag LLC 120.....(1)(3) +120
 (NOTE: 10-yr Termin. Completed – resigned 120 ac)
 Phelps 6181001.....Pt SE1/4NE1/4 10-6-18Gabus Family Farms LLC..... 10.....(1)(3)(5)..... +10
 (NOTE: 10-yr Termin. Completed – resigned 10 ac)
 Phelps 7172904.....NE1/4 29-7-17Stacey L Hallgren..... 47.....(1)..... +47

COMBINE ACCOUNTS

E65 8202001.....NW1/4 & N1/2SW1/4 20-8-20.....Linda L Shefstad et al 180.....(1)
 (NOTE: Previously Account 8202001, 60 ac & Account 8202002, 120 acres)

10-Yr TERMINATION

Phelps 6161306.....N1/2NW1/4 13-6-16Donna Bamford..... 66.....(after 2024)

1-Yr TERMINATION

SC 9045.....SW1/4 4-10-25.....Wendell Brott et al 80.....(after 2015)

- (1) IPP Amendment to Water Service Agreement for the 2015 irrigation season accompanies new WSA.
- (2) IPP Amendment to Water Service Agreement for the 2015 irrigation season to accompany existing WSA.
- (3) Water Service Agreement terminated after 2014, landowner came-back with new WSA.
- (4) Water Service Agreement in 10-year termination (after 2014), landowner came-back with new WSA.
- (5) Documents are currently being reviewed with landowners and/or are being signed by the landowners.

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

ALLOCATION YEAR TRANSFERS: Dave Ford reported no change to the acres since the March 27, 2015 Committee Meeting of the Board and recommends Board approval of the 2015 Water Transfers totaling 14,096 acres transferred.

It was moved by Director Mueller and seconded by Director Dahlgren to approve the Allocation Year Transfers for 2015 totaling 14,096 as presented. Upon voting on the motion, the following Directors voted therefore: Garrett, Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, and Dahlgren. Absent: Fowler. None voted no and the motion was declared carried.

BID TAB – RIP RAP HAULING: Dave Ford reminded the Directors of a re-bidding process due to a tie bid from two parties, RSK Trucking, LLC and Darren Samuelson. Dave Ford stated Darren Samuelson submitted the low bid of \$13,960.00 and staff recommends accepting his bid.

AWARD OF BID – RIP RAP HAULING:

It was moved by Director Bogle and seconded by Director Dahlgren to accept Darren Samuelson’s bid in the amount of \$13,960.00 for Rip Rap Hauling in the Holdrege and Bertrand Irrigated Areas. Upon voting on the motion, the following Directors voted therefore: Knoerzer, Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, and Garrett. Absent: Fowler. None voted no and the motion was declared carried.

AGREEMENT FOR PROFESSIONAL SERVICES – OAK CREEK ENGINEERING, LLC: Kevin Boyd explained this is an agreement with Lance Harter of Oak Creek Engineering for the design, permitting and construction observation for the of Johnson Lake Pedestrian Bridge. He plans to meet with the Trails Committee to come to an agreement on the placement and width of the bridge. There was discussion about the funding for the bridge and comments requesting additional funding from the Trails Committee funds. Tim Anderson stated after the Merriweather Addition to the trail their fund will be nearly depleted, but they have plans to start another fundraising campaign this fall.

It was moved by Director R. Olson and seconded by Director S. Olson to accept the Agreement for Professional Services with Oak Creek Engineering, LLC for the Johnson Lake Pedestrian Bridge as presented. Upon voting on the motion, the following Directors voted therefore: Mueller, Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Fowler, Garrett, and Knoerzer. Absent: Fowler. None voted no and the motion was declared carried.

NEBRASKA ENVIRONMENTAL TRUST FUND GRANT – CENTRALIZED WATER USER DATABASE FOR IRRIGATION WATER MANAGEMENT: Dave Ford attended a NET Board meeting last Thursday where Central's project was formally announced as approved for funding. Marcia Trompke stated she is attending a grant workshop tomorrow in Grand Island. The Nebraska Environmental Trust 2015 Grant Contract was presented for review. Michael C. Klein gave a preliminary overview of several relevant or unique provisions of the contract that he wanted staff to be aware of.

It was moved by Director Petersen and seconded by Director Soneson to accept the Nebraska Environmental Trust 2015 Grant Contract, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Nelson, R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Fowler, Garrett, Knoerzer, and Mueller. Absent: Fowler. None voted no and the motion was declared carried.

Don Kraus then presented a Letter of Understanding with McCrometer, Inc. for the NET Project 15-155 which defines the responsibilities of each party and the joint responsibilities. It includes the reimbursable expenses and in-kind costs and provides conditions for the event that grant funds would become unavailable in future years.

It was moved by Director Mueller and seconded by Director R. Olson to approve the Letter of Understanding with McCrometer, Inc., subject to legal review. Upon voting on the motion, the following Directors voted therefore: R. Olson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Fowler, Garrett, Knoerzer, Mueller, and Nelson. Absent: Fowler. None voted no and the motion was declared carried.

J-2 REGULATING RESERVOIR: Mike Drain presented a status update using a power point presentation in response to Director Knoerzer's request at the last Committee Meeting of the Board. He discussed items completed to date and those to be completed in the future. He also gave an in-progress update which included the following: geotechnical and cultural resource investigations are ongoing; wetlands, water quality and cultural resource study plans are in development; currently working on contracts and task assignments; land negotiations continue. Scott Olson requested further information on the purpose of the J-2 Regulating Reservoir. Mike provided a summary and additional information will be added to the power point presentation on this issue.

PERSONNEL: None.

LEGISLATION: Jeff Buettner gave a very brief update of the bills he is currently following.

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

BOARD COMMENTS: Director Petersen asked if the District carried an errors and omissions insurance policy for each of the Directors, and Michael C. Klein confirmed they do.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported that Lake McConaughy has decreased to an elevation of 3,250.8, 1,340,000 acre feet, and 77% capacity. Inflows are at 1,000 cfs with outflows of 1,300-1,500 cfs. Releases from the environmental account are underway for the whooping cranes. Snowpack has decreased to 69% in upper basin, 67% in lower basin, and 86% in South Platte basin.
- b. Mike Drain stated the Lake Stakeholder meetings will be held in Lexington, Gothenburg and Ogallala tonight and tomorrow night.
- c. Dave Ford discussed the filling of the E65 canal beginning tomorrow and the possibility of opening the Phelps Canal gates later this week. With planting possibly starting later this week through the weekend, he anticipates delivery demands for pivots.

- d. Jeff Buettner discussed the UNL Water Center tour which will occur in the Republican River Basin on June 23-25, 2015. He stated if any Directors are interested in attending the tour to let him know soon as the tour has already started receiving several reservations.
- e. Holly Rahmann announced she is glad to be back from maternity leave.
- f. Don Kraus reminded the Directors of his upcoming out of state travel to the NWRA and Southwest Power Pool meetings. There is a Natural Resource Commission hearing on the Water Sustainability Rules on April 16, 2015 in Lincoln.
- g. Tim Anderson presented a copy of a letter dated April 5, 2015 from Nicole Carritt, Executive Director of Project Extra Mile Underage Drinking Prevention Program, regarding their concerns about lifting the ban on alcohol consumption on Johnson Lake and other District lakes and the Supply Canal, and asking the Board to uphold the current regulations.

The meeting adjourned at 9:56 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President