

MINUTES OF REGULAR BUSINESS MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
HOLDREGE, NEBRASKA  
JUNE 1, 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 May 26, 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 May 15, 2015.

The following Directors were present:

Dudley L. Nelson, President	Geoffrey K. Bogle	K. Scott Olson
David L. Rowe, Vice President	Ronald E. Fowler	Robert L. Petersen
Robert B. Dahlgren, Treasurer*	Robert A. Garrett	Gordon N. Soneson
	William E. Knoerzer	

\*arrived at 9:03 a.m.

The following Directors were absent: Martin E. Mueller and Roger D. Olson

Also present were the following:

Don D. Kraus, General Manager	Eric R. Hixson, Engineering Services Mgr.
Dave R. Ford, Irrigation Division Manager	Van D. Fastenau, Customer Service Super.
Cory A. Steinke, Civil Engineer	Greg Ham, Purchasing Agent
Jeff J. Buettner, Public Relations Coord.	Devin M. Brundage, Electrical Super.
Kevin M. Boyd, Gothenburg Division Mgr.	Marcia Trompke, Conservation Director
Mike A. Drain, Natural Resources Mgr.	Tyler Thulin, Civil Engineer
Rochelle A. Jurgens, Controller	Michael C. Klein, Legal Counsel
	Emily Anderson, Assistant Secretary

Others present:

Lori Potter, Kearney Hub	Sam Sampson
John Thorburn, Tri-Basin NRD	Dean Nelson

\* \* \* \* \*

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: John Thorburn stated he appreciated the Board's cooperation for approving diversions into Elwood Reservoir. Sam Sampson requested the results of the soil testing conducted on his land. He specifically requested the field notes, not the lab results. He asked for clarification about whether Johnson Lake will be used to fill the J-2 Regulating Reservoir and voiced concerns about property taxes. Mike Drain stated Johnson Lake will not be used to fill the J-2 Regulating Reservoir and Don Kraus stated the Platte Program has previously indicated they plan to address the property tax issue.

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 May 4, 2015**
- **Approval of Minutes of Special Meeting of the Board of Directors held May 8, 2015**

- **Approval of Minutes of Special Meeting of the Board of Directors held May 22, 2015**
- **Approval of Minutes of Committee Meeting of the Board of Directors held May 22, 2015**
- **Approval of the June Disbursements:**

<i>Hydro Division:</i>	\$910,106.35
Check #s 40027, 48016 & 49040-VOID; 49186 through 49407 and 8800465 through 8800471 (Accounts Payable);	
Check #s 9910967 through 9911072 (Payroll)	\$325,036.13
<i>Kingsley Division:</i>	\$61,357.39
Check #s 2749 through 2758 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$208,884.66
Check #s 1122 through 1126 (Accounts Payable)	
<i>Glendo Division:</i>	\$NONE
Check #NONE	
<i>Flex Spending Account:</i>	\$2,016.75
Check #s 6942 through 6945	

- **Approval of 18 water right transfer requests equaling 334.3 acres in the Phelps, E65, E67 and Supply Canal areas. The water rights from unused or canceled acres used to cover these requests are for the following parcels:**

**Phelps Canal**

R Scott & Matthew Cederburg- 62 acres- N1/2 NW1/4 7-6-15  
 Josh & Deon Cederburg- 8 acres- N1/2 SE1/4 34-7-16  
 Roland C Nyquist, TTEE- 23 acres- S1/2 SE1/4 34-7-16  
 Steven Hallgren- 46.4 acres- Pt NE1/4 29-7-17  
 Dale Anderson- 16 acres- Pt. E1/2 31-7-18

**E-65**

Michael & Craig Hadley- 10 acres- S1/4 NE1/4 18-6-19  
 Nelson Tri Delta, LLC- 11 acres- SW1/4 18-7-19  
 Mark & Jodi Nelson- 14 acres- SE NW1/4 & SW NE1/4 19-7-19  
 Marilyn Winkler- 8 acres- NW1/4 20-7-19  
 Verle Johnsen- 16.3 acres- Pt SW1/4 11-6-20  
 Eileen & Gary Peterson- 32.8 acres- SE1/4 4-7-20  
 Dennis Sand- 5 acres- NE1/4 22-7-20  
 Melanie A Lauer, etal- 17 acres- Pt. SW1/4 10-7-21

**E-67**

Terry & Betty Rowe- 0.7 acres- SE SE1/4 11-8-22  
 Delp & Son- 42 acres- Pt. S1/2 Sec. 36-8-22

**Supply Canal**

Uebele Farm Ltd- 13 acres- SE1/4 34-9-23  
 Lazy L Heart Corp- 0.1 acres Pt NW SE1/4 8-12-28  
 Stacy Mann- 9 acres- Pt S1/2 SE1/4 8-12-28

- **Approval of the Fuller variance request to allow for the construction of an outdoor kitchen area at 58 North Point Drive 13A, Johnson Lake, which includes a 10' x 6' "L" shaped counter/grill enclosure with a maximum height of 42", subject to neighbor approval (57 North Point Drive 13A)**
- **Approval of Employment Agreement – Glen Bevard**
- **Supplemental Work Order No. 186805S – District Wide Upgrade to Corporate Network (\$24,514)**
- **Approval of Agreement with Ecological Resource Consultants, Inc.**

- **Approval to change the date of the August Regular Business Meeting from August 3, 2015 at 9:00 a.m. to July 31, 2015 at 9:00 a.m.**

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

WATER SERVICE AGREEMENTS: Van Fastenau stated there were no additions since the May 22, 2015 Committee Meeting of the Board:

System	Acct. No.	Legal Desc.	Landowner	Contr. Acres	Total Acres Chg'd
Phelps	6151906	NE1/4NW1/4 19-6-15 .....	Melvin R. Anderson TTEE et al.....	10.....(1)(3).....	+10

*(NOTE: 10-yr Termin. Completed – resigned 10 ac)*

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

WATER SUPPLY – CENTRAL IRRIGATION CUSTOMERS: Cory Steinke discussed the unexpected high flows in the North and South Platte Rivers due to the rain and snowpack conditions. He anticipates the high flows to continue on the South Platte River through June. Lake McConaughy inflows are nearing 8,000 cfs and the current elevation is 3,255.0 with just 10’ of storage remaining. He stated if inflows continue in the range of 6,000-8,000 cfs, Lake McConaughy may reach capacity within the next two to three weeks. His plan is to store as much as possible to minimize flows to the river. Another option would be to apply to FERC for an additional 2’ of temporary storage at Lake McConaughy. Diversions to Elwood Reservoir continue.

CANAL COMPANY WATER SERVICE AGREEMENTS: Don Kraus stated the current water service agreements with Keith-Lincoln Counties Irrigation District, Lisco Irrigation District, Paxton-Hershey Water Company, Platte Valley Irrigation District, and Suburban Irrigation District allows them to begin diversions from natural flows on June 2, 2015. Water has been stored in Lake McConaughy for these districts during May in accordance with agreements.

INTERLOCAL AGREEMENT – CITY OF GOTHENBURG: This was discussed in Closed Session.

2015 BUDGET AMENDMENT: Rochelle Jurgens presented Hydro Division Budget Revision #7 to the Gothenburg Capital Budget for the Corporate Network Upgrade. The budget revision increases the current budget from \$65,000 to \$90,000, for an increase of \$25,000. Eric Hixson explained Supplemental Work Order No. 186805S for the District Wide Upgrade to the Corporate Network was approved on the Consent Agenda.

**It was moved by Director Soneson and seconded by Director Knoerzer to approve Hydro Division Budget Revision #7 to the Gothenburg Capital Budget for the Corporate Network Upgrade as presented. Upon voting on the motion, the following Directors voted therefore: Fowler, Garrett, Knoerzer, Nelson, S. Olson, Petersen, Rowe, Soneson, Bogle, and Dahlgren. Absent: Mueller and R. Olson. None voted no and the motion was declared carried.**

WARD DAVID LEASE AGREEMENT: This was discussed in Closed Session.

HOLDREGE STORAGE YARD RELOCATION: Dave Ford stated he plans to inform Southern Public Power District that Central’s Board is still interested in discussions on the sale of its storage yard.

J-2 REGULATING RESERVOIR: Cory Steinke presented a status update and discussed the hydropower improvements of the project. He gave an overview of the completed tasks to date; in-progress tasks which include a meeting on June 3, 2015 with the various consultants to finalize the environmental, wetlands and water quality study plans; and future tasks.

PERSONNEL: None.

LEGISLATION: Jeff Buettner stated the Legislature adjourned on Friday. He did not have any new updates on the bills. He will continue to track a few interim study resolutions over the summer.

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

BOARD COMMENTS: Director Knoerzer inquired about Roger Olson and Dean Nelson commented he has been moved to Madonna in Lincoln for rehab. Director Dahlgren questioned whether a reservoir could be built on the South Platte River to hold excess flows. Mike Drain explained this has been considered in years past but the possibility has always been prevented due to the Endangered Species Act and lack of available sites in Nebraska.

OPERATIONS REPORT: The following operations reports were presented:

- a. Devin Brundage stated 34,600 MWH were generated in May on the Supply Canal.
- b. Dave Ford stated pumping into Elwood Reservoir will continue until June 11-12, 2015.
- c. Cory Steinke reported that Lake McConaughy has increased to an elevation of 3,255.1, 1,450,000 acre feet, and 83% capacity. Inflows are at 7,700 cfs and he expects they will soon reach 8,000 cfs. He stated the NDNR has a new page on their website for flow data called Current Streamflow Conditions which is being updated frequently.
- d. Kevin Boyd presented progress photos of the work on the MP 4.7 Federal aid bridge which he expects to be completed by July 4, 2015. He also presented photos of the flooding along the North and South Platte Rivers.
- e. Mike Drain stated employees at Kingsley are working to protect tern and plover nests by gradually dragging them up the beach on boards. He is concerned with the amount of water coming into Lake McConaughy that they will eventually run out of beach area and the nests will be drowned out.
- f. Jeff Buettner has been busy making the final preparations for the UNL Water and Natural Resources Tour on June 23-25, 2015. He obtained permission from the owner of the building north of the Holdrege office for those participating in the tour to park their cars in his lot.
- g. Marcia Trompke gave an update on the E67 Telemetry Project and stated the equipment has been installed. She plans to conduct a training session with the irrigators in the near future.

A break was taken at 9:56 a.m. The meeting resumed at 10:19 a.m.

**At 10:19 AM it was moved by Director Fowler and seconded by Director Garrett for the Board go into Closed Session to receive legal advice and to protect the public interest. Upon voting on the motion, the following Directors voted therefore: Knoerzer, Nelson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Fowler, and Garrett. Absent: Mueller and R. Olson. None voted no and the motion was declared carried. President Nelson stated that the items to be discussed in closed session were the following agenda items: Interlocal Agreement-City of Gothenburg and Ward David Lease Agreement.**

C L O S E D   S E S S I O N

At 10:37 AM it was moved by Director Knoerzer and seconded by Director Petersen for the Board exit Closed Session and reconvene in Regular Session. Upon voting on the motion, the following Directors voted therefore: Knoerzer, Nelson, S. Olson, Petersen, Rowe, Soneson, Bogle, Dahlgren, Fowler, and Garrett. Absent: Mueller and R. Olson. None voted no and the motion was declared carried. President Nelson stated that the items discussed in Closed Session were to receive legal advice and to protect the public interest related to the following agenda items: Interlocal Agreement-City of Gothenburg and Ward David Lease Agreement.

WARD DAVID LEASE AGREEMENT:

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

The meeting adjourned at 10:39.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER  
AND IRRIGATION DISTRICT

\_\_\_\_\_  
Martin E. Mueller, Secretary

By \_\_\_\_\_  
Dudley L. Nelson, President