

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
LAKE MCCONAUGHY VISITORS CENTER
1475 HWY 61 N.
OGALLALA, NEBRASKA
OCTOBER 5, 2015 – 10:00 AM (MST)

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by a notice on Radio Station KUVR on September 28, 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 September 18, 2015.

The following Directors were present:

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

The following Director was absent: Ronald E. Fowler

Also present were the following:

Don D. Kraus, General Manager	Cory A. Steinke, Civil Engineer
Kevin M. Boyd, Gothenburg Division Mgr.	Jeff J. Buettner, Public Relations Coord.
Eric R. Hixson, Engineering Services Mgr.	Devin M. Brundage, Electrical Superintendent
Rochelle A. Jurgens, Controller	Michael C. Klein, Legal Counsel
Dave R. Ford, Irrigation Division Mgr.	Emily Anderson, Assistant Secretary

Others present:

John DeTuerk	Lane Anderson
Dick Key	Gary Telitz
Jerry Steinke	Richard Zwisler

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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 10:00 AM (MST), the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: Dick Key, a resident in K-1 at Lake McConaughy, asked the District to consider paving or providing more drainage on the mail road in the area. He stated the road becomes very slick when muddy and several vehicles have run off the road into the ditch. John DeTuerk stated when he had a cabin at K-2 the cabin owners would share the cost of putting gravel on the road. Gary Telitz agreed with Mr. Key and stated any new gravel ends up soaking in too quickly and also requested the District's help with improving the road with some contribution from cabin owners. He then thanked the Directors for holding a meeting in Ogallala and expressed his appreciation for the high lake levels during irrigation season.

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 September 8, 2015**
- **Approval of Minutes of Special Meeting of the Board of Directors held September 25, 2015**
- **Approval of Minutes of Committee Meeting of the Board of Directors held September 25, 2015**
- **Approval of the October Disbursements:**

<i>Hydro Division:</i>	\$672,768.08
Check #s 49638 and 49938-VOID; Check #s 50076 through 50274 and 8899054 through 8899070(Accounts Payable);	
Check #s 9911396 through 9911500 (Payroll)	\$334,980.90
 <i>Kingsley Division:</i>	 \$79,485.49
Check #s 2783 through 2790(Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$273,063.61
Check #s 1149 through 1157 (Accounts Payable)	
<i>Glendo Division:</i>	\$NONE
Check #NONE	
<i>Flex Spending Account:</i>	\$1,379.96
Check #s 6956 through 6961	

- **Approval of Work Order No. 186622 – Bertrand Motor Grader (\$222,827.00)**
- **Approval of the variance request at 48 Bass Bay, Johnson Lake for the construction of a livable basement below a future house with an elevation that meets the following criteria: 1) Lowest Living Elevation will be \geq 2,618.0 msl; 2) Lowest Opening Elevation will be \geq 2,623.5' msl; 3) Lowest Adjacent Grade Elevation will be 2,622.0' msl; and 4) Lowest Openings (egress windows) must meet side lot line setbacks**
- **Approval of the variance request at 1 South Crappie Corner, Johnson Lake for a variance of 6' into the 50' setback from the shoreline at the southwest corner of the lot and waiver of the \$50.00 fee**
- **Approval of the variance request to expand the lot boundary at 6 Northeast Bay, Johnson Lake**
- **Approval of new Agricultural Lease Terms as follows: a 5-year term with an option to renew, a six month written cancellation policy, a rate review every five years to be adjusted by staff based on field conditions, and an acreage fee charged annually. Administrative fees shall be applied to the first year of each lease with the rate being established according to the amount of time and effort expended by staff.**

It was moved by Director Knoerzer and seconded by Director Petersen 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.

APPLICATION FOR VARIANCE – 24 MALLARD BEACH, JOHNSON LAKE: The Power and Recreation Committee met telephonically on October 2, 2015 at 10:00 a.m. to discuss a variance request by a customer desiring to construct a livable basement below a future house. The Permitting Procedures state the Lowest Living Elevation for Johnson Lake is 2,622.0' msl. Variances have been February 12, 2013, June 26, 2015, August 26, 2015, and September 25, 2015 under the following conditions: i) Lowest Living Elevation will be \geq 2,618.0 msl; ii) Lowest Opening Elevation will be \geq 2,623.5' msl; iii) Lowest Adjacent Grade Elevation will be 2,622.0' msl and iv) Lowest Openings (egress windows) must meet side lot line setbacks. Staff is currently pursuing an amendment to the Permitting Procedures by adopting the guidelines above because the situation is of a recurring nature. The Committee unanimously voted to recommend Board approval of the variance request to construct a livable basement below a future house at 24 Mallard Beach, Johnson Lake that meets the above criteria.

It was moved by Director R. Olson and seconded by Director S. Olson to approve the Application for Variance at 24 Mallard Beach, Johnson Lake for the construction of a livable basement below a future house with an elevation that meets the following criteria: 1) Lowest Living Elevation will be $\geq 2,618.0$ msl; 2) Lowest Opening Elevation will be $\geq 2,623.5'$ msl; 3) Lowest Adjacent Grade Elevation will be 2,622.0' msl; and 4) Lowest Openings (egress windows) must meet side lot line setbacks. 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.

JEFFREY FOREBAY BARRIER – WORK ORDER NO. 107346 (\$29,100.00): Kevin Boyd and Devin Brundage showed aerial photos of the approximate placement of the barrier and explained how it would function. Delivery would occur within three to four weeks and it would be installed this fall.

It was moved by Director Soneson and seconded by Director Petersen to approve Work Order No. 107346 in the amount of \$29,100.00 for the Jeffrey Forebay Barrier. 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.

J-2 REGULATING RESERVOIR: Cory Steinke gave a brief update of the project and stated that land negotiations are currently on hold as the project is re-evaluated. The engineers are looking at alternatives to reduce the cost to the original estimate. More discussions were held in Closed Session.

PERSONNEL: None.

LEGISLATION: Jeff Buettner described a hearing he attended in O'Neill recently regarding the Nebraska Game & Parks Commission's and the NRD's application for instream flows on the Niobrara River after Spencer Hydro is decommissioned. He stated there was much local opposition, primarily to the National Park Service managing the river.

DIRECTORS' ATTENDANCE: It was moved by Director Mueller 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: 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.

BOARD COMMENTS: Director Mueller thanked the members of the public for attending the meeting and the Directors for coming to Keith County. Director S. Olson commented about how great the lake looks.

OPERATIONS REPORT: The following operations reports were presented:

- a. Dave Ford presented the 2015 Irrigation Season Report which indicated the average irrigation water use for the season was 6.89 inches per acre on the 103,287 acres, 59,803 acre feet delivered, and 163,074 acre feet diverted. The Holdrege rain gauge collected 16.17 inches of rain for the 6 month period of April 1 through September 30. Recharge for 2015 was 103,990 acre feet. Ford also reported that work on the 6.9 and 104 Siphons on the E-65 will begin next week.
- b. Jeff Buettner conducted a tour with a group of geography professors last Friday. He has three more tours for the month of October.
- c. Cory Steinke reported that Lake McConaughy's elevation decreased to 3,257.1, 1,511,900 acre feet and 86.7% capacity, with inflows around 1,800 cfs. Generation continues to be very good.
- d. Devin Brundage explained the grates at J-1 were painted and are now curing. September was a good month of generation with 36,100 mwh being generated on the Supply Canal, and 11,800 mwh at Kingsley Hydro.

- e. Eric Hixson stated the recent meeting with the Nebraska Game and Parks Commission regarding the Johnson Lake Inlet Hydro went well.
- f. Kevin Boyd reported crews are starting to drive the piling for the Johnson Lake Pedestrian Bridge this week. Mead & Hunt will inspect the Morning Glory this week and then submit a recommendation for repairs.
- g. Don Kraus will be on vacation the remainder of the week and in Denver, CO for meetings next week.

At 10:31 AM it was moved by Director R. Olson and seconded by Director Soneson, that the Board enter into Closed Session to protect the public interest, to discuss land negotiations and to receive legal advice. 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. President Nelson stated that the item to be discussed in closed session was the following agenda item: J-2 Regulating Reservoir.

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

At 11:02 AM it was moved by Director Petersen and seconded by Director Mueller, that the Board exit Closed Session and reconvene in Regular Session. 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. President Nelson stated that the item discussed in Closed Session was of a legal nature involving land negotiations relating to the following agenda item: J-2 Regulating Reservoir.

The meeting adjourned at 11:03 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President