

MINUTES OF REGULAR BUSINESS MEETING OF THE  
BOARD OF DIRECTORS  
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
RODEWAY INN, HOLDREGE, NE  
MARCH 5, 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 February 26, 2018, and by legal publication in the Holdrege Daily Citizen and Kearney Hub on February 26, 2018, the North Platte Telegraph on February 27, 2018, and the Lexington Clipper-Herald on February 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 February 15, 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	

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

The following Director was absent: Gordon N. Soneson

Also present were:

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

Others present were:

John Thorburn, Tri-Basin NRD	Lori Potter, Kearney Hub
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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 commented about upcoming landowner meetings regarding seven drainage ditch improvement projects in the area.

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 February 5, 2018**
- **Approval of Minutes of Special Meeting of the Board of Directors held February 23, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held February 23, 2018**
- **Approval of Minutes of Special Meeting of the Board of Directors held February 27, 2018**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held February 27-28, 2018**
- **Approval of the March Disbursements:**

<i>Hydro Division:</i>	\$913,576.61
Check # 56290-VOID; Check #s 56395 through 56573 and 8899564 through 8899579 (Accounts Payable)	\$344,682.88
Check #s 9914474 through 9914582 (Payroll)	
<i>Kingsley Division:</i>	\$98,142.93
Check #s 2994 through 2997 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	NONE
Check # NONE (Accounts Payable)	
<i>Glendo Division:</i>	\$951.12
Check #1110	
<i>Flex Spending Account:</i>	\$1,360.86
Check #s 8111 through 8113	

- **Approval of Work Order No. 107384 – New 2018 Pickup (\$30,312.17)**
- **Approval of Work Order No. 186553 – Two New 2018 Pickups (\$55,312.19)**
- **Approval of Work Order No. 186808 – New 2018 Ford Fusion SE (\$20,515.59)**
- **Approval of Work Order No. 186809 – New 2018 Pickup (\$27,861.43)**
- **Approval of an after-the-fact Variance for the customer at 3 Perch Bay, Johnson Lake for the privacy fence installed near their hot tub**
- **Approval that the encroachment agreement between Lots 14 and 15 (K-3) Lake McConaughy is consistent with and applies to the alternate lease**
- **Approval of partnering with the Nebraska Game and Parks Commission for the construction of the Inlet Memorial Angler Access Improvement Project using Lake Improvement Funds of \$4,000.00**
- **Approval of expanding Lots 8-15 Mallard Beach, Johnson Lake through a corrective replat, with the cost of the survey being split between the tenants and the District**
- **Approval of Agreement for Professional Services – Oak Creek Engineering, LLC for Bridge Replacements on Snell Canyon Road, Lincoln County and Steam Plant-Road 435, Gosper County**

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

WATER SERVICE AGREEMENT: Van Fastenau presented the following Water Service Agreement for consideration:

<u>System</u>	<u>Acct. No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Contr.</u> <u>Acres</u>	<u>Total</u> <u>Acres</u> <u>Chg'd</u>
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**Water Service Agreements:**

Phelps	6151701*	Pt S1/2NE1/4 S. of Hwy 17-6-15	Leland R. & Jerrilyn Anderson	26 (1)	-15
		<i>*Reduced acres by transferring 15 ac to 6152007</i>			
Phelps	6151702*	S1/2S1/2NW1/4 & SW1/4 17-6-15	Leland R. & Jerrilyn J. Anderson	140	-10
		<i>*Account currently in termination. Reduced acres by transferring 10 ac to 6152007</i>			
Phelps	6151705*	SE1/4 17-6-15	Leland R. & Jerrilyn J. Anderson	120 (1)	-37
		<i>*Reduced acres by transferring 37 ac to 6152007</i>			
Phelps	6152007*	NW1/4 20-6-15	Leland R. & Jerrilyn Anderson	93 (1)	+62
		<i>*Acres increased from 31 ac to 93 ac through transfers from account #s: 6151701, 6151702 and 6151705</i>			

- (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.

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

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

**WORK ORDER/PURCHASE REQUISITION SUMMARY:** The following work orders and purchase requisition were presented:

- a. Work Order No. 107383 – Two New 2018 Pickups (\$59,123.41)
- b. Work Order No. 186552 – Used CAT Multi Terrain Loader and Concrete Hammer (\$99,787.44)
- c. Work Order No. 107385 – Replace Supply Canal Bridge at MP 74.4 (\$587,201.00)
- d. Purchase Requisition No. G-3983 – B’s Enterprises Inc. for Bridge Piling (\$57,595.53)

**It was moved by Director Knoerzer and seconded by Director S. Olson to approve Work Orders Nos. 107383, 186552 and 107385 and Purchase Requisition No. G-3983. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.**

**LAKE MCCONAUGHY LEASES:** Don Kraus reviewed the discussions held by the Power & Recreation Committee earlier this morning regarding lessees at Lake McConaughy who may not sign and return their lease prior to the March 31, 2018 deadline. The current master lease terminates on March 31, 2018, so those lessees not having a new lease as of April 1, 2018 will cease to be a leaseholder. Billing statements are being sent to all lessees along with a letter informing them of the March 31, 2018 deadline. Staff requested the ability to work with lessees who have demonstrated extenuating circumstances or who have attempted to enter into a lease prior to the deadline, but any other lessees would be charged a fee of \$300.00.

**It was moved by Director Dahlgren and seconded by Director Petersen to approve the assessment of a fee of \$300.00 to parties submitting leases after the deadline of March 31, 2018, excluding those parties who have been in communication with the District prior to the deadline and can demonstrate extenuating circumstances. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.**

PERSONNEL: This was discussed in Closed Session.

LEGISLATION: Jeff Buettner gave a brief update on the bills he has been following.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

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

BOARD COMMENTS: None.

OPERATIONS REPORT: The following operations reports were presented:

- a. Devin Brundage said the Supply Canal has been ice free due to the warmer temperatures. Crews are starting on spring maintenance projects.
- b. Van Fastenau went to Oklahoma to inspect the John Deere tractor prior to purchasing it.
- c. Rochelle Jurgens presented the Defined Benefit Pension Plan Actuarial Report and as of January 1, 2018, the report indicates the plan is fully funded. There will be an Investment Committee meeting following this meeting.
- d. Mike Drain introduced Dustin Ehlers the new Land Administrator in Gothenburg. Dustin has worked for Central for three years in a maintenance position in Gothenburg.
- e. Jim Brown and the Land Administration staff continue to work on the Johnson Lake/Plum Creek and Lake McConaughy leases.
- f. Cory Steinke reported Lake McConaughy is at elevation 3,256.2, 1,487,900 acre feet, and 84.2% capacity. Inflows to Lake McConaughy are 800 cfs and outflows are around 600 cfs. Snowpack in the upper basin is 87% of average, 69% in the lower basin, and 86% in the South Platte. The current snowpack predictions will most likely not result in a release of extra water from Wyoming's Bureau of Reclamation reservoirs, but storage conditions at Lake McConaughy are good. A water right petition for the PRD Project was submitted to NDNR earlier this week by Olsson Associates.
- g. Dustin Ehlers thanked the Board and staff involved with approving him as the new Land Administrator.
- h. Jeff Buettner commented that he felt the Board Retreat went well.
- i. Dave Ford reported that right-of-way agreements with Tri-Basin NRD and Phelps County for the Johnson Waterfowl Production Areas have been approved. The bidding process for project construction will begin soon.
- j. Mike Klein stated Judge Doyle took Maloley's Motion for a New Trial under advisement following the hearing. He also discussed a letter he sent to the Directors concerning an appeals court ruling on a public records request submitted to NPPD for transmission and revenue records.

**At 9:51 AM it was moved by Director R. Olson 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, David Nelson, Dudley Nelson, R.**

Olson, S. Olson, Petersen, and Rowe. Absent: Soneson. None voted no and the motion was declared carried. Board President Nelson stated the item to be discussed in closed session was the following agenda item: Personnel.

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

At 9:58 AM it was moved by Director Rowe 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, and Rowe. Absent: Soneson. None voted no and the motion was declared carried. Board President Nelson stated the item discussed in closed session was the following agenda item: Personnel.

The meeting adjourned at 9:58 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER  
AND IRRIGATION DISTRICT

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Martin E. Mueller, Secretary

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