

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

APRIL 2, 2018 – 9:00 AM

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MINUTES OF SPECIAL MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
MARCH 23, 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 March 20, 2018, and by legal publication in the Kearney Hub, Holdrege Daily Citizen and the North Platte Telegraph on March 20, 2018, and the Lexington Clipper-Herald on March 21, 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.

Notice of this meeting was e-mailed to the Directors on March 16, 2018.

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
Martin E. Mueller, Secretary	William E. Knoerzer	
Robert B. Dahlgren, Treasurer	David G. Nelson	

The following Directors were absent: Roger D. Olson and Gordon N. Soneson

Also present were the following:

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

* * * * *

The Board Secretary 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: None

COOPERATIVE MAINTENANCE AGREEMENTS AND TASK AUTHORIZATION: Don Kraus presented agreements with each of the following canal companies: Platte Valley Irrigation District, Keith Lincoln Counties Irrigation District and Paxton-Hershey Water Company. The agreement allows each canal company and Central the ability to assist one another with the construction, operation, or maintenance of their system. A separate Task Authorization would need to be completed prior to the commencement of any work by any of the parties to each agreement.

It was moved by Director Bogle and seconded by Director Petersen to approve the Cooperative Maintenance Agreements with Platte Valley Irrigation District, Keith Lincoln Counties Irrigation District and Paxton-Hershey Water Company and the form of the Task Authorization as presented. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren,

Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, S. Olson, Petersen, and Rowe. Absent: R. Olson and Soneson. None voted no and the motion was declared carried.

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

The meeting adjourned at 9:05 a.m.

MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
MARCH 23, 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 March 19, 2018, and by legal publication in the Kearney Hub and Holdrege Daily Citizen on March 19, 2018, and the Lexington Clipper-Herald and North Platte Telegraph on March 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 March 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	Robert L. Petersen
Martin E. Mueller, Secretary	William E. Knoerzer	
Robert B. Dahlgren, Treasurer	David G. Nelson	

The following Directors were absent: Roger D. Olson and Gordon N. Soneson

Also present were the following:

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

Also present were:

Bruce Remington, Wells Fargo	Greg Anderson, Wells Fargo
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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 9:05 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

CONSENT TO ASSIGNMENT SUMMARY: One Consent to Assignment at Johnson Lake was approved in March, 2018.

WATER SERVICE AGREEMENTS: None.

2018 JUNE WATER RIGHT TRANSFERS: Van Fastenau presented 8 water right transfer requests totaling 318 acres in the Phelps, E65, and Supply Canal irrigation areas. The water rights from unused or cancelled acres used to cover these requests are for the following parcels:

Phelps Canal

Leland & Jerrilyn Anderson- 36 acres- NW1/4 20-6-15
 WSR LLC- 15 acres- E1/2 NE1/4 15-6-18
 Phelps County Historical Society- 118 acres- NW1/4 9-7-18
 Ritch Blythe- 4 acres- SW1/4SW1/4- 19-8-19

E-65

Doyle & Kay Lavene etal- 100 acres- E1/2SW1/4 & W1/2SE1/4 13-7-21
 Doyle & Kay Lavene- 10 acres- N1/2NE1/4 26-7-21

Supply Canal

Robert Murray- 29 acres- SW1/4 & NW1/4SE1/4 4-8-22
 Kranau Inc- 6 acres- SW1/4NE1/4 8-11-26

RIGHT-OF-WAY TRANSACTIONS: Dave Ford presented the following landowner easements:

System	Tract No.	Legal Desc.	Landowner	Landowner Easement to Central Acres	Central Quitclaim to L.O. Acres
<i>RIGHT-OF-WAY – Grant of Easement</i>					
E65	#316	W1/2NE1/4 of 14-7-20	Kirk & Stephanie Edgren	0.95	
E65	#359	E1/2NE1/4 of 14-7-20	KSK Properties LLC	3.39	3.52
E65	#350	W1/2SW1/4 of 12-7-20	Rocky A. & Deanne M. Peterson	3.45	7.17
E65	#334	SE1/4SE1/4SE1/4 of 11-7-20	Sunny View, Inc.	0.12	1.19
Phelps	A33.5#24	W1/2NW1/4 of 22-6-17	Brian L. & Rechelle J. Bertrand	3.56	

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

Permits to Construct Approved by Land Administration Department March 23, 2018– Johnson Lake			
Name	Description	Permit & Purpose	Date Approved & Fee
Dornhoff, Julie	39 Sandy Point Dr 24A	PTC-Install propane tank	March 20, 2018-no application fee

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

PROGRESS PAYMENT ESTIMATE NO. 1 (FINAL), CONTRACT NO. 0-680, NMC EXCHANGE, LLC FOR 2013 CAT BACKHOE LOADER (\$84,125.00): Duane Cernousek stated the new backhoe has been received and the old one has been listed for sale on Big Iron.

CLOSURE OF CONTRACT NO. 0-680, NMC EXCHANGE, LLC FOR 2013 CAT BACKHOE LOADER: Don Kraus presented the closure of contract letter indicating the equipment has been received and inspected, and staff recommends final payment.

BID TAB – LOWBOY TRACTOR: Devin Brundage presented a memo regarding the purchase of a lowboy tractor for Gothenburg to replace the existing one. He gave a brief history of the purchase dates, repair costs, and average yearly mileage for the tractor. Brundage stated the justification for

the purchase of a new tractor rather than a used one came from the challenges of finding a decent qualify used tractor for a reasonable price. A few used options were located but they did not have the necessary suspension, transmission or steerable tag axle. When comparing the price difference and the warranty options, he decided to go out for bids for a new tractor. Don Kraus then presented the three bids as follows: Sahling Kenworth for a 2019 Kenworth T800 Series Conventional for \$122,731.00; Nebraska Truck Center, Inc. for a 2019 Freightliner 122SD Conventional for \$121,234.00; and RDO Truck Centers for a 2019 Mack Granite 64ft for \$131,854.00. The bid from Sahling Kenworth is staff's recommendation, however, staff will review the potential for obtaining a used vehicle that would meet specifications.

POWER AND RECREATION COMMITTEE (2/20/18): Jim Brown presented an overview of the items on which the Committee recommended Board action:

a. **District Rental Houses – Fair Market Lease Rate Review:** A District employee is requesting to rent house #4 at Jeffrey Lake Lodge area and no lease rate has been approved by the Board. The 1995 Leasing Policy for District owned houses states, among other things, that: (1) The Board must approve the fair market lease rates for each home at the beginning of each new lease period, (2) Discounts will be provided for District employees that provide an operational advantage to Central by living in the house (3) The lease rates will be reviewed by Central's staff at least annually for recommendations to the Board of Directors in order to give appropriate notice to tenants for the January payment, and (4) The Fair Market Lease Rate analysis for 2018 is:

Houses (#)	2018 Fair Market Lease Rate
Johnson (2)	\$800.00
Jeffrey (2)	\$500.00
Diversion (1)	\$450.00
Kingsley (3)	\$600.00

Staff recommended setting the 2018 lease rate for Jeffrey house #4 at \$365/month and to establish lease rates for 2019 based on the following table:

Houses	Tenant	2018 Base Lease Rate	Discount	2018 Lease Rate	2019 Base Lease Rate	Discount	2019 Lease Rate
Johnson - 1	Non-District	\$405.00		\$405.00	\$417.15		\$417.15
Johnson - 3	Land Administration Use	\$425.00		\$425.00			N/A
Jeffrey - 1	Used by District for Tours	\$365.00		N/A			N/A
Jeffrey - 3	Unusable	N/A		N/A			N/A
Jeffrey - 4	District Employee	\$365.00	40%	\$219.00	\$375.95	40%	\$225.57
Diversion- 1	Retired District Employee	\$440.00	40%	\$264.00	\$453.20	40%	\$271.92
Kingsley - 1	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14
Kingsley - 2	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14
Kingsley - 3	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14

The Committee unanimously voted to recommend Board approval of the lease rates presented in the table above.

b. **Johnson Lake – North Cove – Corrective Replat:** Customers at 6 and 7 North Cove wish to install a common use boat dock in an area that is platted as a drainway. They state that water does not flow in the area and requested a replat of the lots. The Committee unanimously voted to recommend Board approval of a replat of lots in the area of 6 and 7 North Cove to divide the drainway between adjacent lots and relocate the shoreline survey markers away from the sandy shoreline.

BASIN WIDE PLAN: This was discussed in Closed Session.

RESOLUTION NO. 18-01 – EXTENSION OF THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus presented a memo from NDNR Director, Jeff Fassett, requesting a letter of support for a 13-year extension to the Platte River Program. Kraus also presented a draft resolution in support of the extension.

E65 MP 2.6 BRIDGE REPLACEMENT: Cory Steinke explained Gosper County is planning to replace the bridge near the Sanitary Improvement District building south of Johnson Lake with a box culvert. Steinke has requested that the County design the culvert to higher specifications to accommodate higher future flows. Steinke expects Gosper County to request a monetary contribution to the project for the upgraded culvert which may also require elevating the road.

COTTONWOOD RANCH WATER SERVICE AGREEMENT: Don Kraus presented the current draft of the water service agreement and briefly reviewed it. He stated that legal counsel has not reviewed the agreement yet.

JEFFREY LAKE LEASE AMENDMENT: Mike Drain stated that discussions with Jeffrey Lake tenants are ongoing and he continues to work towards an amendment to the lease.

A break was taken at 10:04 a.m. The meeting resumed at 10:23 a.m.

JOHNSON LAKE/PLUM CREEK LAKE LEASE UPDATE: Jim Brown explained that there are still 11 tenants at Johnson Lake that do not qualify for the hardship which are not on the Alternate Lease and will owe a \$300 transfer fee if they decide to transfer to the Alternate Lease. There is one tenant at Plum Creek which has yet to enter into a lease.

LITIGATION - MALOLEY: Charles Brewster stated Judge Doyle still has the Motion for a New Trial under advisement.

LAKE MCCONAUGHY SHORELINE – THE SHORES AT BAYSIDE, LLC: This was discussed in Closed Session.

EMPLOYMENT AGREEMENT – MARK PEYTON: Eric Hixson stated he would like to retain Mark Peyton to work on the low impact hydro certification filing that is due in May, 2018.

2018 YEAR END FINANCIAL REPORT: Rochelle Jurgens presented a review of year-end financials comparing results for 2017 to budget for revenues, expenses, benefits, and fund balances. Revenues from recharge surpassed \$1,000,000 and Southwest Power Pool transmission revenues totaled \$491,000.

WELLS FARGO – SEMI-ANNUAL PENSION PLAN REPORT: Greg Anderson and Bruce Remington were present to update the Board of Directors on their investment strategies relating to Central's pension plan.

A break for lunch was taken at 11:42 a.m. The meeting resumed at 12:18 p.m.

Bruce Remington continued his discussions with an overview of the Other Post Employment Benefit plan accounts.

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

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Van Fastenau	Pick up JD Tractor	Porter, OK	March 1, 2018
Don Kraus	2018 Federal Water Issues Conference	Washington, D.C.	April 9-11, 2018
Jeff Buettner	Water & Natural Resources Tour planning meeting	Wyoming	April 11-13, 2018

LEGISLATION: Jeff Buettner handed out copies of his Legislative Watch List and discussed updates to those bills relevant to Central's operations.

Director Rowe exited the meeting at 12:43 p.m.

BOARD COMMENTS: None.

OPERATIONS REPORT:

- a. Cory Steinke reported that Lake McConaughy is at elevation 3,256.6, 85.9% capacity, and 1,498,100 acre feet. Inflows are 684 cfs. The Environmental Account is releasing around 500 cfs which he expects to increase to 900-1,000 cfs soon. He gave a presentation to a group of agronomists yesterday at Central's Holdrege office.
- b. Devin Brundage presented photos of the progress of dirt work below Jeffrey Lake Dam and house #3 at Jeffrey Lake which has become unusable. He stated staff is investigating the possibility of demolishing the house. Crews have been creating riprap from a pile of concrete created by interstate rehabilitation projects. Dredging will commence around April 2, 2018.
- c. Mike Drain reported a settlement was reached in the Uehran case and both Central's and Uehran's claims were dismissed by the Court. He has been consulting with the State Historic Preservation Office concerning the potential demolition of house #3 at Jeffrey Lake. He continues discussions with NPPD regarding the annual operating plan. He received notification from NDNR granting approval of a variance to file for a water right in the Platte to Republican Diversion Project.
- d. Dave Ford stated crews have been preparing the canals for filling in less than a month. Elwood Reservoir will begin to fill on April 2, 2018. He continues to work on obtaining letters of understanding from landowners in the vicinity of the Waterfowl Production Areas.
- e. Rochelle Jurgens presented Cavanaugh Macdonald's GASB Statement No. 68 Report for the retirement plan. BKD will make a presentation at an upcoming meeting regarding Central's total pension liability and the status of funding.
- f. Eric Hixson began working on upgrades to the relays and controls of the transformer at Jeffrey. He attended an RMEL conference in Denver recently where he learned about the Southwest Power Pool's intent to expand its membership to western states. He also learned about the rising popularity of micro-grids for large companies like Google and Facebook. He received notification about a NERC audit that will occur in October of 2019. He has been interviewing candidates to replace Jim Lauer in the IT department.
- g. Holly Rahmann is planning for the summer tour of the North Platte Basin from Wyoming to Nebraska. She attended the South Central Career Fair for high school sophomores recently and she is working to update the employee's apparel catalog.
- h. Jim Brown was notified this morning of a small fire at Lake McConaughy that occurred near the K-1 Cabin Area.
- i. Don Kraus stated he will be on vacation from April 20-24, 2018. He received a letter this morning from Neal Suess, President of Loup Power District, opposing the Platte to Republican Diversion Project.

A break was taken at 10:17 a.m. The meeting resumed at 10:35 a.m.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

At 1:05 PM it was moved by Director Mueller 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, Dave Nelson, Dudley Nelson, S. Olson, and Petersen. Absent were: R. Olson, 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: Basin Wide Plan; Lake McConaughy Shoreline-The Shores at Bayside, LLC; and Personnel, for the purpose of protecting the public interest, discussion of contract and real estate negotiations, to receive legal advice over potential litigation, and for discussion of personnel matters.

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

At 2:12 PM it was moved by Director Fowler and seconded by Director Knoerzer, 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, Dave Nelson, Dudley Nelson, S. Olson, and Petersen. Absent were: R. Olson, 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: Basin Wide Plan; Lake McConaughy Shoreline-The Shores at Bayside, LLC; and Personnel.

The meeting adjourned at 2:12 p.m.

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
APRIL 2, 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 March 26, 2018, and by legal publication in the Holdrege Daily Citizen and Kearney Hub on March 26, 2018, the North Platte Telegraph on March 27, 2018, and the Lexington Clipper-Herald on March 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 March 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	

The following Director was absent: Gordon N. Soneson

Also present were:

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

Others present were:

Kevin Breece, NRCS	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: Kevin Breece stated his staff is working on final applications for the EQIP and CRP programs. He announced he will be retiring from the NRCS with his final day being April 27, 2018.

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 March 5, 2018**

- **Approval of Minutes of Special Meeting of the Board of Directors held March 23, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held March 23, 2018**
- **Approval of the April Disbursements:**

<i>Hydro Division:</i>	\$1,193,856.22
Check #s 56403 and 56466-VOID; Check #s 56574 through 56801 and 8899580 through 8899599 (Accounts Payable)	\$341,644.34
Check #s 9914583 through 9914688 (Payroll)	
<i>Kingsley Division:</i>	\$55,961.35
Check #s 2998 through 3006 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$59.84
Check # 1256 (Accounts Payable)	
<i>Glendo Division:</i>	NONE
Check # NONE	
<i>Flex Spending Account:</i>	\$1,948.91
Check #s 8114 through 8116	

- **Approval of the following 2018 June Water Right Transfers totaling 318 acres in the Phelps, E65, and Supply Canal irrigation areas. The water rights from unused or cancelled acres used to cover these requests are for the following parcels:**

Phelps Canal

Leland & Jerrilyn Anderson- 36 acres- NW1/4 20-6-15
 WSR LLC- 15 acres- E1/2 NE1/4 15-6-18
 Phelps County Historical Society- 118 acres- NW1/4 9-7-18
 Ritch Blythe- 4 acres- SW1/4SW1/4- 19-8-19

E-65

Doyle & Kay Lavene etal- 100 acres- E1/2SW1/4 & W1/2SE1/4 13-7-21
 Doyle & Kay Lavene- 10 acres- N1/2NE1/4 26-7-21

Supply Canal

Robert Murray- 29 acres- SW1/4 & NW1/4SE1/4 4-8-22
 Kranau Inc- 6 acres- SW1/4NE1/4 8-11-26

- **Approval of the following Right of Way Transactions**

System	Tract No.	Legal Desc.	Landowner	Landowner Easement to Central Acres	Central Quitclaim to L.O. Acres
<i>RIGHT-OF-WAY – Grant of Easement</i>					
E65	#316	W1/2NE1/4 of 14-7-20	Kirk & Stephanie Edgren	0.95	
E65	#359	E1/2NE1/4 of 14-7-20	KSK Properties LLC	3.39	3.52
E65	#350	W1/2SW1/4 of 12-7-20	Rocky A. & Deanne M. Peterson	3.45	7.17
E65	#334	SE1/4SE1/4SE1/4 of 11-7-20	Sunny View, Inc.	0.12	1.19
Phelps	A33.5#24	W1/2NW1/4 of 22-6-17	Brian L. & Rechelle J. Bertrand	3.56	

- **Approval of Progress Payment Estimate No. 1 (Final), Contract No. 0-680, NMC Exchange, LLC for 2013 CAT Backhoe Loader (\$84,135.00)**
- **Approval of Closure of Contract No. 0-680, NMC Exchange, LLC for 2013 CAT Backhoe Loader**
- **Approval of the following District Rental House Lease Rates:**

Houses	Tenant	2018 Base Lease Rate	Discount	2018 Lease Rate	2019 Base Lease Rate	Discount	2019 Lease Rate
Johnson - 1	Non-District	\$405.00		\$405.00	\$417.15		\$417.15
Johnson - 3	Land Administration Use	\$425.00		\$425.00			N/A
Jeffrey - 1	Used by District for Tours	\$365.00		N/A			N/A
Jeffrey - 3	Unusable	N/A		N/A			N/A
Jeffrey - 4	District Employee	\$365.00	40%	\$219.00	\$375.95	40%	\$225.57
Diversio- 1	Retired District Employee	\$440.00	40%	\$264.00	\$453.20	40%	\$271.92
Kingsley - 1	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14
Kingsley - 2	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14
Kingsley - 3	District Employee	\$345.00	60%	\$138.00	\$355.35	60%	\$142.14

- **Approval of performing a corrective replat of lots in the area of 6 and 7 North Cove to divide the drainway between adjacent lots and relocate the shoreline adjacent survey markers away from the sandy shoreline**
- **Approval of Employment Agreement – Mark Peyton**

It was moved by Director Mueller 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, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.

2018 BUDGET REVISION: Don Kraus presented Hydro Division Budget Revision #2 as follows:

<u>Supply Canal Conferences and Training</u>	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
Electric Crew Training 1-31-53500-105-18	\$3,500	\$7,500	\$4,000

It was moved by Director Rowe and seconded by Director Petersen to approve Hydro Division Budget Revision #2 with a net difference of \$4,000.00 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, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.

CHANGE THE DATES OF THE DECEMBER, 2018 COMMITTEE MEETING AND JANUARY, 2019 REGULAR BUSINESS MEETING: Don Kraus explained that upon examination of the previously approved 2018 meeting dates, there was an error on the January, 2019 Regular Business Meeting date which is statutorily required to be held the first Thursday after the first Tuesday in January (following an election year). The date of the January Regular Business Meeting should be January 3, 2019 at 9:00 a.m. The adjustment of the January meeting date prompted discussions of holding the December Committee Meeting earlier than December 28, 2018. Potential alternate dates of December 19-21, 2018 were discussed.

It was moved by Director Petersen and seconded by Director Knoerzer to approve changing the dates of the meetings to the following:

**Committee Meeting of the Board – December 19, 2018 at 9:00 a.m.
Regular Business Meeting of the Board – January 3, 2019 at 9:00 a.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, and Rowe. Absent: 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. Acres</u>	<u>Total Acres Chg'd</u>
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Water Service Agreement:

E65	7211304	E1/2SW1/4 & W1/2SE1/4 13-7-21	Doyle Lavene Trust, Kay Lavene Trust & Iola Louthan	112(1)(4)	+100
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**Add 77 ac from 7201102-Sunny View Inc. which is currently in termination. Add 23 ac which are new to the E65 system. Water rights to be included with the June 2018 Water Rights Transfer*

- (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 S. Olson and seconded by Director Dahlgren to approve the Water Service Agreement for Acct. No. 7211304 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, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.

BID TAB – LOWBOY TRACTOR: Devin Brundage and staff visited nationwide auction and sale sites to look for suitable used tractors following the discussions held at the March 23, 2018 Committee Meeting of the Board. Brundage indicated they were unable to find a tractor to meet the exact specifications they are seeking. He stated it is staff’s recommendation to reject all bids and continue to research options through April. The bid tab showing bids from Sahling Kenworth Inc., Nebraska Truck Center, Inc. and RDO Truck Centers was reviewed again.

It was moved by Director Rowe and seconded by Director Dave Nelson to approve Sahling Kenworth Inc.’s bid in the amount of \$123,766.00 for a 2019 Kenworth. 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.

JOHNSON LAKE DEVELOPMENT, INC. SERVICES AGREEMENT: Don Kraus stated the Power and Recreation Committee previously recommended Board approval of this agreement at their meeting held on February 20, 2018. Due to an oversight, the item was not placed on the March 5, 2018 Regular Business Meeting agenda.

It was moved by Director Bogle and seconded by Director Petersen to approve the Johnson Lake Development, Inc. Services Agreement effective May 1, 2018 through April 30, 2019 in the amount of \$51,100.02 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, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.

AGREEMENT WITH GOSPER COUNTY FOR E65 MP2.6 BRIDGE REPLACEMENT: Tyler Thulin and staff met with the Gosper County Roads Department on March 29, 2018 regarding the possibility of increasing the structure size of the box culvert to accommodate future flows. The County’s current plan is to use a single box culvert that would accommodate 350 cfs and require no roadway grading at an estimated cost of \$132,788.25. If they were to install two twin box culverts to accommodate 650 cfs, the road would need to be raised and the estimated cost would be \$205,515.19. Thulin explained that Central has entered into an agreement with Gosper County in 2017 to share the cost of a larger box culvert near the E65 Canal inlet gate to accommodate higher flows. Staff will continue discussions with Gosper County and investigate options for Central staff to perform some of the road grading work.

COTTONWOOD RANCH WATER SERVICE AGREEMENT: This was discussed in Closed Session.

RESOLUTION NO. 18-01 – EXTENSION OF THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus presented Resolution No. 18-01 which states Central’s support of a 13-year extension to the Platte River Recovery Implementation Program.

It was moved by Director S. Olson and seconded by Director Fowler to approve Resolution No. 18-01 – Extension of the Platte River Recovery Implementation Program. 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.

DAN MURPHY, LOT 3A PLUM CREEK – REQUEST TO WAIVE LEASE TRANSFER FEE: Don Kraus presented Dan Murphy’s written request to waive his lease transfer fee which was addressed to the Board of Directors. The request was reviewed by the Power and Recreation Committee earlier this morning. The committee took no action on the request.

CENTRAL PLATTE NRD WATER RIGHT TRANSFER: This was discussed in Closed Session.

PERSONNEL: This was discussed in Closed Session.

LEGISLATION: Jeff Buettner provided the Directors with a revised watch list and 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 S. Olson 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. Cory Steinke reported Lake McConaughy is at elevation 3,256.3, 1,489,800 acre feet, and 85.5% capacity. Inflows to Lake McConaughy are 1,200 cfs and outflows are totaling close to 1,500 cfs with 900-1,000 coming from the Environmental Account.
- b. Devin Brundage reported on an outage at Johnson 2 on March 29, 2018.
- c. Jeff Buettner is planning a trip with Steve Ress to Wyoming later this month to continue preparing for the summer tour scheduled for June 26-29, 2018.
- d. Jim Brown stated the Lake McConaughy leases were due by March 31, 2018. There are 10 unsigned leases but those tenants have been communicating with either LMLI or Central regarding name changes, ownership changes, etc.
- e. Dave Ford reported that the E65 head gate will be opened today to start filling the canals and the pumps will be started tomorrow to begin filling Elwood Reservoir. Irrigation crews are busy preparing the canals to receive water.
- f. Eric Hixson will be attending a Southwest Power Pool meeting in Kansas City on April 23-24, 2018.
- g. Rochelle Jurgens will begin applying finance charges to those accounts at Johnson Lake and Plum Creek which have signed a new lease, but have not paid the lease fee.

A break was taken at 9:50 a.m. The meeting resumed at 10:05 a.m.

At 10:08 AM it was moved by Director Petersen 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, and Rowe. Absent: 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: Cottonwood Ranch Water Service Agreement, Central Platte NRD Water Right Transfer, and Personnel for the purpose of protecting the public interest, discussion of contract and real estate negotiations, to receive legal advice over potential litigation, and for discussion of personnel matters.

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

At 10:35 AM it was moved by Director R. Olson and seconded by Director Knoerzer 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 items discussed in closed session were the following agenda items: Cottonwood Ranch Water Service Agreement, Central Platte NRD Water Right Transfer, and Personnel.

PERSONNEL: It was moved by Director S. Olson and seconded by Director Bogle to approve the Addition to Payroll for Michael Klaus 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, and Rowe. Absent: Soneson. None voted no and the motion was declared carried.

The meeting adjourned at 10:37 AM.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President