

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

SEPTEMBER 4, 2018 – 9:00 AM

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MINUTES OF SPECIAL COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
RODEWAY INN, HOLDREGE, NE
AUGUST 15, 2018 – 8:00 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 August 13, 2018, and by legal publication in the Kearney Hub and Holdrege Daily Citizen on August 13, 2018, and the Lexington Clipper-Herald and North Platte Telegraph on August 11, 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.

An e-mail giving the time, date, and place of this meeting was sent to the Directors on August 8, 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	Gordon N. Soneson

Others present were:

Michael C. Klein, Legal Counsel	Charles Brewster, Legal Counsel
Carl MyCoff, Mycoff Fry & Prouse LLC	

The Board President announced that information for the public concerning the Open Meetings Act was available for interested parties to view.

At 8:00 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

At 8:03 AM it was moved by Director Rowe and seconded by Director Bogle for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to conduct interviews for the General Manager position.

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

At 11:42 AM it was moved by Director Rowe and seconded by Director Knoerzer for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in Closed Session was relating to the following agenda item: Personnel.

A break was taken for lunch at 11:42 a.m. The meeting resumed at 12:37 p.m.

At 12:37 PM it was moved by Director Dave Nelson and seconded by Director Bogle for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to conduct interviews for the General Manager position.

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

At 2:04 PM it was moved by Director Soneson and seconded by Director Rowe for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in Closed Session was relating to the following agenda item: Personnel.

DIRECTORS' ATTENDANCE: All Directors were present.

The meeting adjourned at 2:04 p.m.

MINUTES OF SPECIAL COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
RODEWAY INN, HOLDREGE, NE
AUGUST 16, 2018 – 8:00 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 August 13, 2018, and by legal publication in the Kearney Hub and Holdrege Daily Citizen on August 13, 2018, and the Lexington Clipper-Herald and North Platte Telegraph on August 11, 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.

An e-mail giving the time, date, and place of this meeting was sent to the Directors on August 8, 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	Gordon N. Soneson

Others present were:

Michael C. Klein, Legal Counsel	Carl MyCoff, Mycoff Fry & Prouse LLC
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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 8:00 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

At 8:01 AM it was moved by Director Rowe and seconded by Director Petersen for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to conduct interviews for the General Manager position.

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

At 12:00 PM it was moved by Director Dahlgren and seconded by Director R. Olson for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in Closed Session was relating to the following agenda item: Personnel.

A break was taken for lunch at 12:00 p.m. The meeting resumed at 1:00 p.m.

At 1:00 PM it was moved by Director Fowler and seconded by Director Bogle for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to conduct interviews for the General Manager position.

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

At 2:13 PM it was moved by Director Petersen and seconded by Director Mueller for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in Closed Session was relating to the following agenda item: Personnel.

DIRECTORS' ATTENDANCE: All Directors were present.

The meeting adjourned at 2:13 p.m.

MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
AUGUST 24, 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 August 20, 2018, and by legal publication in the Kearney Hub and Holdrege Daily Citizen on August 20, 2018, the North Platte Telegraph on August 21, 2018, and the Lexington Clipper-Herald on August 18, 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 August 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	Roger D. Olson
Martin E. Mueller, Secretary	William E. Knoerzer	Gordon N. Soneson
Robert B. Dahlgren, Treasurer	David G. Nelson	

The following Director was absent: Robert L. Petersen

Also present were the following:

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

Also present were:

Deb Jensen, on behalf of JLDI	Gary Telitz, LMLI President
	Jeff Kletzmayer, LMLI Secretary

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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 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: Gary Telitz introduced himself as the newly elected president of Lake McConaughy Lessees, Inc. He stated he served on the LMLI board for the past two years. His goal is to keep open lines of communication with Central and the Nebraska Game and Parks Commission. LMLI is currently working with the Land Administration staff on the K-area re-plats and he thanked the staff for helping educate him about the various permitting requirements. Telitz then offered to coordinate a boat tour of Lake McConaughy for any interested Directors.

CONSENT TO ASSIGNMENT SUMMARY: Five consents were approved during the month of August, 2018.

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

Permits to Construct Approved by General Manager August 24, 2018			
<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Purpose</u>
Wells, David & Canda	NW1/4 12-6-18; Phelps Co.	\$100.00	Install 7 steel pivot bridges across A26.4-1.1
NE Dept of Transportation	Pt of SE1/4 13-9-24; Dawson Co.	\$300.00	Install 40' CCTV Camera Tower with one fiber Ethernet switch on north side of Supply Canal near Bridge 54.7

Permits to Construct Approved by Land Administration Department August 24, 2018– Johnson Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Hurst, Mary	138 Lakeview Acres Dr 14E	Amended PTC (SWAF)-Remove concrete pad and sidewalk and pour new ones; Install dock and shore station	June 7, 2018-\$50.00 application fee
Knuth, Steven & Janet	87 Mallard Beach Dr 22	PTC (ECS)-Protect 10' of shoreline with riprap	July 6, 2018-no application fee
Wendell, Monte & Cynthia	101 Lakeview Acres Dr 14C	PTC (ECS)-Protect 170' of shoreline with riprap	July 16, 2018-no application fee
Wendell, Monte & Cynthia	101 Lakeview Acres Dr 14C	After-the-fact PTC (ECS)-Construct retaining wall	July 18, 2018-\$100.00 application fee
Wendell, Monte & Cynthia	101 Lakeview Acres Dr 14C	PTC (SWAF)-Install dock sections, anchor pads and a mooring buoy	July 23, 2018-\$50.00 application fee
Gardner, Kenneth & Pamela	88 Lakeview Acres Dr 14C	PTC (ECS)-Place riprap along 119' of shoreline	July 25, 2018-no application fee
Dilley, Timothy & Patricia	55 S Lakeview Rd	PTC-Pull existing water well to repair and/or replace it	July 26, 2018-no application fee
Neverve, Conrad & Heidi	97 & 98 Mallard Beach Dr 22	PTC (SWAF-Common Use Dock)-Install dock section in front of pontoon lift, add dock section, install shore station	July 30, 2018-\$50.00 application fee
Kathol Leasing LLC	9 Lakeview Acres Dr 14	PTC (SWAF & ECS)-Install sidewalk to connect to on-grade patio, add to retaining wall of on-grade patio	August 1, 2018-\$50.00 application fee
Price, Henry & Pamela	5 Sandy Point Dr 24	After-the-Fact PTC-Removed fence and replaced with split rail fence	August 2, 2018-\$100.00 application fee
Dore, Ronald	6 North Point Dr 13	PTc (SWAF & ECS)-Replace retaining wall, install sidewalk to access the shoreline	August 6, 2018-\$50.00 application fee
Sandy, William & Pamela	5 Mallard Beach Dr 19B	PTC-Construct addition to west side of existing dwelling, pour new concrete pad between dwelling addition and new detached garage, including a walkway	August 17, 2018-no application fee

Permits to Construct Approved by Land Administration Department August 24, 2018 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>

Permits to Construct Approved by Land Administration Department August 24, 2018 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Hilderbrand, Michael & Connie	70 Pelican Dr	PTC (SWAF)-Replace shore station with new one	July 11, 2018-\$50.00 application fee
Dilley, Timothy & Patricia	55 S Lakeview Rd	PTC (SWAF)-Construct patio and sidewalk	July 12, 2018-\$50.00 application fee
Dilley, Timothy & Patricia	55 S Lakeview Rd	PTC (ECS)-Construct retaining wall	July 13, 2018-no application fee
Tetreault, Maurice & Pamela	12 Lakeview Rd	PTC (SWAF)-Install dock on side of existing shore station	July 17, 2018-\$50.00 application fee
Graff, Peter & Linda	44 S Lakeview Rd	PTC (ECS)-Install riprap along 50' of shoreline	July 25, 2018-no application fee
Kaschke, Orville & Mary	36 S Lakeview Rd	PTC (ECS)-Construct retaining wall	July 27, 2018-no application fee
Williams, Kristi & Walhgren, Joseph	97 Pelican Dr	PTC (SWAF)-Install floating dock with gangway connected to shoreline	July 30, 2018-\$50.00 application fee
Potter, Stephen	4 Lakeview Rd	PTC (SWAF)-Install holding tank in accordance with DEQ standards, construct outdoor shower, wood pergola over existing deck, spiral staircase, addition to deck , and stairs with railing to grade	July 31, 2018-\$50.00 application fee
Dilley, Timothy & Patricia	55 S Lakeview Rd	PTC (DEF)-Excavate area around dwelling for foundation and footings, excavate slopes for water drainage, create driveway	August 1, 2018-\$50.00 application fee
Uehran, Rob	23074 S Brady Moorefield Rd	PTC (SWAF)-Create route of access to shoreline, install boat dock in accordance with 2/13/18 agreement	August 7, 2018-\$200.00 application fee; \$200.00 annual fee
Dilley, Timothy & Patricia	55 S Lakeview Rd	Amended PTC (DEF)-Excavate area around dwelling	August 8, 2018-no application fee
Miller, Jerry	109 S Shore Dr	PTC (ECS)-Construct on-grade erosion control structure measuring 30'L x 10'W	August 8, 2018-no application fee
Kotsiopulos, Pete & Jane	35 S Lakeview Rd	After-the-Fact PTC (ECS)-Construct retaining wall	August 13, 2018-\$150.00 application fee
Dillon, Matt & Rita & Dell Shepherd	27 & 28 Lakeview Rd	PTC (ECS)-Construct on-grade erosion control structure measuring 32'L x 15'W	August 13, 2018-no application fee
Konyek, Richard	19581 South Sea Street	PTC (ECS)-Place riprap along 40' of shoreline	August 13, 2018-no application fee
Miller, Jerry	109 S Shore Dr	PTC-Remove existing concrete drain way and replace with buried PVC pipeline	August 15, 2018-no application fee

Permits to Construct Approved by Land Administration Department August 24, 2018 – Plum Creek/Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

POWER AND RECREATION COMMITTEE (8/23/18):

a. Application for Variance – 4 Mallard Beach, Johnson Lake: The Committee unanimously voted to recommend Board approval of a variance request to allow the customer at 4 Mallard Beach, Johnson Lake to construct a pergola outside of the lot’s buildable area.

b. Request for Assistance from Lake Improvement Funds-Nebraska Game and Parks Commission SRA, Lake Ogallala: The Committee unanimously voted to recommend Board approval of committing \$10,000 in Lake Improvement Funds towards a shoreline fishing access project at the northwest corner of Lake Ogallala.

c. Request for Assistance from Lake Improvement Funds-Keystone Lemoyne Fire and Rescue, Lake McConaughy: The Committee unanimously voted to recommend Board approval of committing \$3,500 in Lake Improvement Funds to use towards the purpose of a utility vehicle and medical slide-in unit for emergency responses around Lake McConaughy.

d. Revision to Lot Consolidation Policy-Johnson Lake, Plum Creek Lake and Lake McConaughy: The Committee unanimously voted to recommend Board approval of the following revision to the existing Lot Consolidation Policy to include all District lakes with residential leases:

Lake Lot Consolidation Policy

Central may allow consolidation of a lot with an adjacent lot (or a portion thereof) if the leasehold ownership is the same with a single lot lease rent to be charged after the consolidation and with the understanding that such consolidated lots may not be separated later for the purpose of re-establishing two or more individual buildable lots. Only one habitable residential structure (Structure) is allowed on the consolidated lot. If there is more than one Structure on the lots to be consolidated, Central will give a reasonable period of time, not to exceed six months from the date the lots were consolidated, to reduce the number of Structures to one. New construction on the consolidated lot will be allowed, however, the new construction will be limited to single family residential purposes as stated in the Residential Lease Agreement. The total amount of all liens and assessments against both the “primary” and “secondary” lots must be paid current, including but not limited to the SID General Assessment, the SID Annual User Fee, the Lease rent, Area Association Dues and County Tax Assessment.

e. Nebraska Environmental Trust Grant Application-Jeffrey Lake Recreation and Conservation, Jeffrey Lake: The Committee took no action on this item at this time. It was staff’s recommendation to continuing to work towards partnering with Jeffrey Lake Recreation and Conservation to develop a Nebraska Environmental Trust grant application, but to target the 2019 application cycle, rather than rushing to meet the 2018 deadline.

PUBLIC INPUT: Don Kraus stated he anticipated input from Jeffrey Lake tenants with regard to the Nebraska Environmental Trust (NET) grant by the Jeffrey Lake Recreation and Conservation (JLRC) group which was on the Power and Recreation agenda, but there was no one in attendance due to the JLRC group and Central staff deciding to wait to apply for the grant in 2019.

2018 BUDGET REVISION: Eric Hixson presented the Hydro Division Budget Revision #5 for additional work relating to NERC compliance as follows:

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Hydro Division</u>			
NERC Compliance 1-32-56100-751-23	\$21,000	\$25,000	\$4,000
<u>Kingsley Division</u>			

NERC Compliance 3-00-56100-751-23

\$11,400

\$19,400

\$8,000

NET CHANGE

\$12,000

2018 WATER RIGHTS AUDIT: Van Fastenau and Cory Steinke presented an overview of the 2018 Water Rights Audit.

WATER LEASING AGREEMENT (5-YEAR) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus presented a revised Water Leasing Agreement which has been reviewed for legal content by Michael C. Klein. Kraus explained this five-year agreement would require an annual addendum to establishing pricing and the number of acres eligible for the program. The current maximum allowed acres is 3,000 with a customer sign-up in mid-November. Dave Ford stated he will have staff prepare to conduct mailings to irrigators about the continuation of the program, pending approval of the agreement by the Board at the September 4, 2018 Regular Business Meeting.

PLATTE TO REPUBLICAN BASIN DIVERSION PROJECT: Don Kraus gave an overview of the some of the comments and requests for hearing by various entities and organizations in response to the Notice of Interbasin Transfer which the Nebraska Department of Natural Resources recently publicized. The primary concerns are whether the water right would be guaranteed to be junior to all in-basin appropriations and Kansas is concerned about a transfer of invasive species. More discussions were held in Closed Session.

PLATTE ALLIANCE WATER SUPPLY (PAWS): Don Kraus presented a letter from the US Bureau of Reclamation stating that Central’s contract for Glendo storage water would need to be amended to use the water for municipal or industrial purposes. He reiterated that this project is in the early stages and staff will continue to investigate its feasibility.

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

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Devin Brundage	Annual Dam Safety Conference by the Association of State Dam Safety Officials (ASDSO)	Seattle, WA	September 9-13, 2018
DeAnna Bartruff	Shoreline Management Conf.	Grand Lake, Afton, OK	September 17-20, 2018
Dustin Ehlers	Shoreline Management Conf.	Grand Lake, Afton, OK	September 17-20, 2018

LEGISLATION: Jeff Buettner reported the Natural Resources Commission will hold a hearing on an interim study of Eastern Red Cedars and he conducted a tour with Legislative District 38 candidate, Dave Murman, earlier this week.

BOARD COMMENTS: Director Dave Nelson received a complaint about the un-mowed common areas around Johnson Lake. Director Dudley Nelson thanked Directors Dahlgren, Knoerzer, Mueller, and S. Olson for filing for re-election. Director Rowe attended a tour of the Frenchman Cambridge Irrigation District earlier this week and learned they receive Federal power rates of \$0.013. Director Fowler thanked Director Rowe, and those from the lake that helped, for cleaning-up the grass dump at Johnson Lake.

A break was taken at 9:57 a.m. The meeting reconvened at 10:17 a.m.

OPERATIONS REPORT:

- a. Rochelle Jurgens introduced Meredith Pierce who accepted the Assistant Controller position.
- b. Cory Steinke reported Tyler Thulin continues to manage the water operations. Lake McConaughy is at elevation 3,253.1, 81% capacity, and 1,403,600 acre feet. Inflows are

1,200 cfs and outflows are 1,400 cfs. The demand for water is decreasing. NPPD will be in an outage from October 1-21, 2018 and Kingsley will be in an outage from October 8-11, 2018 for routine maintenance. The upcoming inspections of Jeffrey Hydro will require operating at lower lake levels.

- c. Devin Brundage reported that FERC conducted inspections of the Diversion Dam to the Jeffrey inlet. He presented photos of a boat tour of the sediment and bank erosion along the canal to Jeffrey Lake. A request for bids for the Snell Canyon Road bridge in Lincoln County and the Steam Plant-Road 435 bridge in Gosper County will be publicized and mailed this next week. He intends to hold public meetings with the affected landowners and residents in the area as the Snell Canyon bridge project will create a significant detour.
- d. Mike Drain met recently with FERC for an inspection of Kingsley Dam. Although his meeting with the dam inspector went well, FERC rejected the Probable Maximum Flood Analysis report submitted by Central. FERC has requested an alternate evaluation of the flood outflows and the probable maximum flood amounts combined, which increases the flow evaluation from 120,000 cfs to 180,000 cfs. Drain will create a timeline of the history of when various studies were initiated and completed and present it to the Board at a later date. He reported briefly on a complaint filed with FERC by a tenant from the Mako-Ch-Mni area at Lake McConaughy. Finally, he reported that the US Fish and Wildlife Service is proposing revisions to the regulations of the Endangered Species Act to provide clearer distinction between threatened and endangered species.
- e. Jeff Buettner will be attending several State Chamber of Commerce Legislative Forums throughout the District in the coming weeks. He conducted a tour with faculty from the Curtis College of Technical Agriculture and Johnson Lake tenants. He has an upcoming tour with the UNL Engineering and Law class at the end of September and another tour with Johnson Lake tenants and new Central employees the first week of September. Several Central staff members will attend the Nebraska State Fair and assist with the Nebraska Power Association's booth.
- f. Holly Rahmann has been working with a consultant to resolve some issues with the website. She is working with the Land Administration team to prepare materials to send to lake tenants alerting them of the upcoming lake drawdowns and reminding them to apply for permits for shoreline work.
- g. Rochelle Jurgens stated the budgeting process has begun. She will present an initial report at the September committee meeting.
- h. Eric Hixson filed the low impact hydro recertification with the assistance of Mark Peyton.
- i. Dave Ford reported the cost to pump into Elwood Reservoir with three pumps is \$0.036/kwh or \$3.45/af. As of August 23, 2018, diversions to the E65 Canal are at 64 cfs, diversions to the E67 Canal are just 3 cfs and diversions to the Phelps Canal are 171 cfs. He stated this has been a good season with timely and effective rains.
- j. Don Kraus continues to follow Federal legislation that would affect the way rule curves at flood control reservoirs are applied. He and staff have been attending basin wide integrated management plan meetings.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

At 11:02 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, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent: Petersen. 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: Platte to Republican Basin Diversion Project and Personnel, to protect the public interest, for discussion of contract negotiations, for discussion of personnel matters, and to receive legal advice.

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

A break for lunch was taken at 11:30 a.m. The meeting resumed in Closed Session at 12:15 p.m.

At 12:55 PM it was moved by Director Knoerzer and seconded by Director R. Olson, 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, R. Olson, S. Olson, Rowe, and Soneson. Absent: Petersen. 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: Platte to Republican Basin Diversion Project and Personnel.

The meeting adjourned at 12:55 p.m.

MINUTES OF SPECIAL COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
RODEWAY INN, HOLDREGE, NE
AUGUST 28, 2018 – 11:00 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 August 24, 2018, and by legal publication in the Kearney Hub on August 27, 2018, the Holdrege Daily Citizen on August 25, 2018, and the Lexington Clipper-Herald on August 25, 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.

An e-mail giving the time, date, and place of this meeting was sent to the Directors on August 23, 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	Gordon N. Soneson

Others present were:

Michael C. Klein, Legal Counsel	Charles Brewster, Legal Counsel
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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 11:39 A.M., the Board President, Dudley L. Nelson, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

PERSONNEL:

At 11:40 AM it was moved by Director Rowe and seconded by Director R. Olson for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to discuss the candidates for the General Manager position.

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

At 12:00 PM it was moved by Director Fowler and seconded by Director R. Olson for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in

Closed Session was relating to the following agenda item: Personnel.

A break was taken for lunch at 12:00 p.m. The meeting resumed at 12:35 p.m.

At 12:35 PM it was moved by Director Dahlgren and seconded by Director S. Olson for the Board to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dave Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and 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, to conduct an interview for the General Manager position.

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

At 2:28 PM it was moved by Director Dave Nelson and seconded by Director Petersen for the Board to 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, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried. Board President Nelson stated that the item discussed in Closed Session was relating to the following agenda item: Personnel.

DIRECTORS' ATTENDANCE: All Directors were present.

The meeting adjourned at 2:28 p.m.

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
SEPTEMBER 4, 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 August 28, 2018, and by legal publication in the Holdrege Daily Citizen, Kearney Hub and North Platte Telegraph on August 28, 2018, and the Lexington Clipper-Herald on August 29, 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 August 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	Gordon N. Soneson
Robert B. Dahlgren, Treasurer	David G. Nelson	

The following Director was absent: Roger D. Olson

Also present were:

Don D. Kraus, General Manager	Jeff J. Buettner, Public Relations Manager
Rochelle A. Jurgens, Controller	Tyler A. Thulin, Civil Engineer
Eric R. Hixson, Engineering Services Manager	Holly G. Rahmann, Public Relations Assistant
Cory A. Steinke, Civil Engineer	Jim C. Brown, Land Administrator
Dave R. Ford, Irrigation Division Manager	Charles Brewster, Legal Counsel
Mike A. Drain, Natural Resources Manager	Emily Anderson, Assistant Secretary
Devin M. Brundage, Gothenburg Division Mgr.	

Others present were:

John Thorburn, Tri-Basin NRD	Lori Potter, Kearney Hub
Shane Wegner, Midlands Contracting	

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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 reported on several upcoming educational events this month and that Tri-Basin NRD will have a booth at Husker Harvest Days. Shane Wegner was present on behalf of Midlands Contracting and asked the Directors to consider their bid for the

wetland pipeline projects even though their bid was not the lowest bid, as they have done work for Central in the past.

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 August 6, 2018**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held August 15, 2018**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held August 16, 2018**
- **Approval of Minutes of Committee Meeting of the Board of Directors held August 24, 2018**
- **Approval of Minutes of Special Committee Meeting of the Board of Directors held August 28, 2018**

➤ **Approval of the September Disbursements:**

<i>Hydro Division:</i>	\$774,082.27
Check # 57199-VOID; Check #s 57717 through 57899 and 8899682 through 8899697(Accounts Payable)	
Payroll	\$520,602.56
<i>Kingsley Division:</i>	\$46,070.66
Check #s 3028 through 3032 (Accounts Payable)	
<i>J-2 Regulating Reservoir Construction Fund:</i>	\$39.00
Check #1263 (Accounts Payable)	
<i>Glendo Division:</i>	\$10,163.43
Check #1111	
<i>Flex Spending Account:</i>	\$3,514.69
Check #8122 through 8125	

- **Approval of a variance to allow the customer at 4 Mallard Beach, Johnson Lake to construct a pergola outside of the lot’s buildable area**
- **Approval of the use of \$10,000 in Lake Improvement Funds to assist the Nebraska Game and Parks Commission with a shoreline fishing access project near the northwest corner of Lake Ogallala**
- **Approval of the use of \$3,500 in Lake Improvement Funds to assist the Keystone Lemoyne Fire and Rescue Department with the purchase of a utility vehicle and medical slide-in unit for emergency responses around Lake McConaughy**
- **Approval of the following revised Lake Lot Consolidation Policy:**

Lake Lot Consolidation Policy

Central may allow consolidation of a lot with an adjacent lot (or a portion thereof) if the leasehold ownership is the same with a single lot lease rent to be charged after the consolidation and with the understanding that such consolidated lots may not be separated later for the purpose of re-establishing two or more individual buildable lots. Only one habitable residential structure (Structure) is allowed on the consolidated lot. If there is more than one Structure on the lots to be consolidated, Central will give a reasonable period of time, not to exceed six months from the date the lots were consolidated, to reduce the number of Structures to one. New construction on the consolidated lot will be allowed, however, the new construction will be limited to single family residential purposes as stated in the Residential Lease Agreement. The total amount of all liens and assessments against both the “primary” and “secondary” lots must be paid current, including but not limited to the SID General Assessment, the SID

Annual User Fee, the Lease rent, Area Association Dues and County Tax Assessment.

➤ **Approval of Budget Amendment #5 as follows:**

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Hydro Division</u>			
NERC Compliance 1-32-56100-751-23	\$21,000	\$25,000	\$4,000
<u>Kingsley Division</u>			
NERC Compliance 3-00-56100-751-23	\$11,400	\$19,400	\$8,000
		NET CHANGE	\$12,000

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

BID TAB (BID GROUP 18-11) – WETLAND PIPELINE PROJECTS (JOHNSON, VICTOR, COTTONWOOD, AND LINDER): Tyler Thulin gave a presentation on the locations of the pipeline projects which would be used to divert water in times of excess flows to the Waterfowl Production Areas. He included the estimated cost of each project, including a breakdown of the Nebraska Department of Revenue’s share of 60% and Central’s share of 40%.

Don Kraus presented the four bids received from Midlands Contracting in the amount of \$326,881.00, BSB Construction in the amount of \$323,027.00, Myers Construction Inc. in the amount of \$631,970.00, and Van Kirk Bros. Contracting in the amount of \$351,290.00. Kraus stated that staff recommends accepting the low bid by BSB Construction.

It was moved by Director Fowler and seconded by Director Soneson to approve the bid by BSB Construction in the amount of \$323,027.00. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, S. Olson, Petersen, Rowe, and Soneson. Absent: R. Olson. None voted no and the motion was declared carried.

BID TAB (BID GROUP 18-13) – PIPE FOR WETLAND PIPELINE PROJECTS (JOHNSON, VICTOR, COTTONWOOD, AND LINDER): Don Kraus presented the two bids for 20,000 feet of 24” pipe and 1,452 feet of 18” pipe received from Diamond Plastics in the amount of \$410,449.36 and Kroy Industries in the amount of \$417,893.26. Kraus stated that staff recommends accepting the low bid by Diamond Plastics.

It was moved by Director Mueller and seconded by Director Knoerzer to approve the bid by Diamond Plastics in the amount of \$410,449.36. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, S. Olson, Petersen, Rowe, and Soneson. Absent: R. Olson. None voted no and the motion was declared carried.

WORK ORDER/PURCHASE REQUISITION SUMMARY: The following items were presented for consideration by the Board:

- a. Work Order No. 107391 & 2107176 – Standby Diesel Generator for Kingsley Hydroelectric Power Plant to Replace Original 1984 Unit (\$108,000.00)
- b. Work Order No. 107392 – Standby Diesel Generators for Jeffrey, J1 and J2 Hydroelectric Power Plants for Backup Power and Blackstart Capabilities (\$347,773.00)
- c. Work Order No. 186555 – Install Johnson WPA Pipeline (\$366,561.35)
- d. Work Order No. 186637 – Install Victor Lakes WPA Pipeline (\$245,683.88)
- e. Work Order No. 186638 – Install Cottonwood WPA Pipeline (\$222,085.59)

f. Work Order No. 186639 – Install Linder WPA Pipeline (\$62,483.42)

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

WATER LEASING AGREEMENT (5-YEAR) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Don Kraus stated the agreement is still undergoing legal review, primarily with regard to the section titled “Authority.” He expects the Platte Program to consider this document at their upcoming Governance Committee and stated he is seeking approval of the agreement, pending final legal review.

It was moved by Director S. Olson and seconded by Director Dalgren to approve the Water Leasing Agreement (5-year) with the Nebraska Community Foundation and the Platte River Recovery Implementation Program, subject to legal review. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, S. Olson, Petersen, Rowe, and Soneson. Absent: R. Olson. None voted no and the motion was declared carried.

PLATTE TO REPUBLICAN BASIN DIVERSION PROJECT: Don Kraus stated several comments in objection to the project have been filed. More discussions were held in Closed Session.

GLENDO RESERVOIR – FLOOD CONTROL RULE CURVES – PILOT PROJECT: Don Kraus stated there is still ongoing debate from various organizations regarding potential legislation that would affect the flood pool release schedule from Glendo Reservoir.

FERC COMPLAINT – MAKO-CH-MNI SUBDIVISION EROSION: Mike Drain reported that Central has thirty days to reply to the complaint filed by the tenant at Lake McConaughy. More discussions were held in Closed Session.

LEGISLATION: Jeff Buettner had nothing to report.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

DIRECTORS’ ATTENDANCE: **It was moved by Director Rowe and seconded by Director Petersen to excuse the absence of Roger D. Olson 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, Rowe, and Soneson. Absent: R. Olson. None voted no and the motion was declared carried.**

BOARD COMMENTS: Director Mueller commented on how busy Lake McConaughy was over Labor Day weekend. Director Petersen complimented Holly Rahmann on the updated website design. Director Dahlgren questioned the amount of seepage in the Waterfowl Production Areas. John Thorburn stated Tri-Basin NRD will be drilling a number of observations wells near the projects to assess the amount of seepage.

OPERATIONS REPORT: The following operations reports were presented:

- a. Cory Steinke reported Lake McConaughy is at elevation 3,252.5, 1,395,700 acre feet, and 80% capacity. Current inflows are 1,020 cfs and outflows are 1,700 cfs.
- b. Devin Brundage stated inspections of the penstock areas will be conducted during the scheduled outages in October. Crews are working to remove the mechanical relays and replace them by electrical relays prior to the end of 2018.

- c. Jeff Buettner is conducting a tour with Johnson Lake tenants and new employees on September 7, 2018. He attended a State Chamber of Commerce Legislative Forum in Ogallala last week and more forums will be held in Lexington and Holdrege this week.
- d. Mike Drain reported the issuance of after-the-fact permits at the lakes seems to be fairly steady, with no more or no less than issued in prior years.
- e. Dave Ford stated that irrigation demand has significantly decreased. The E65 and E67 head gates have been shut down, and the Phelps Canal head gate will be closed tomorrow. Irrigation staff are currently working on the 2018 irrigation season surveys, the results of which will be reported by Marcia Trompke at the September Committee Meeting of the Board.
- f. Holly Rahmann explained that work is still ongoing to resolve the website issues. She is working with area schools to provide meal passes to their agricultural students who are attending Husker Harvest Days.
- g. Jim Brown reported that the water levels at Jeffrey Lake will begin to decline by September 10, 2018 to facilitate shoreline inspections. Mr. Uehran has relocated his dock and is complying with the Settlement Agreement.

A break was taken at 9:32 a.m. The meeting resumed at 9:49 a.m.

At 9:49 AM it was moved by Director Dave Nelson and seconded by Director Fowler, 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, S. Olson, Petersen, Rowe, and Soneson. Absent: R. Olson. 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: Platte to Republican Diversion Project; FERC Complaint – Mako-Ch-Mni Subdivision Erosion; and Personnel, for discussion of potential litigation and to receive legal advice, and for discussion of personnel matters.

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

Director Petersen exited the meeting at 11:15 a.m.

At 11:32 AM it was moved by Director Soneson 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, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, S. Olson, Petersen, Rowe, and Soneson. Absent: R. Olson. None voted no and the motion was declared carried. Board President Nelson stated that the items discussed in Closed Session were relating to the following agenda items: Platte to Republican Diversion Project; FERC Complaint - Mako-Ch-Mni Subdivision Erosion; and Personnel.

The meeting adjourned at 11:32 a.m.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Martin E. Mueller, Secretary

By _____
Dudley L. Nelson, President