

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

MAY 6, 2019 – 9:00 A.M.

INDEX

PAGE

- 19,865 MINUTES OF COMMITTEE MEETING OF THE BOARD OF DIRECTORS – 4/26/19
 - a. Public Input
- 19,866
 - b. Consent to Assignment Summary
 - c. Permit to Construct Summary
- 19,867
 - d. Permit to Construct Summary, continued
 - e. Water Service Agreements
- 19,868
 - f. Water Service Agreements, continued
 - g. 2019 Budget Revision
 - h. Work Order/Purchase Requisition Summary
 - i. Progress Payment Estimate No. 3, Contract No. 0-637, Norfolk Contracting, Inc. for Lincoln and Gosper Counties Bridge Replacements (\$138,573.72)
 - j. Contract Change Order No. 1, Contract No. 0-683, BSB Construction, Inc. (\$3,917.00)
 - k. Progress Payment No. 3, Contract No. 0-683, BSB Construction, Inc. (\$75,944.73)
 - l. Bid Tab – Penstock and Surge Tank Painting at J2
- 19,869
 - m. NRD Liaison Committee (4/4/19)
 - n. Water Exchange Memorandum of Understanding with Central Platte Natural Resources District
 - o. Water Exchange Memorandum of Understanding with Nebraska Public Power District
 - p. 2018 Year End Financial Report
 - q. Legal Update
 - r. BKD, LLP – 2018 Audited Financial Report
 - s. Wells Fargo – Semi-Annual Pension Plan Report
 - t. Storage Water Delivery Rates for Cooling Service
- 19,870
 - u. Out of State Travel
 - v. Legislation
 - w. Board Comments
 - x. Management Reports
- 19,871
 - z. Workshops, Seminars and Conferences
 - aa. Personnel
 - bb. Adjournment

- 19,872 MINUTES OF REGULAR BUSINESS MEETING OF THE BOARD OF DIRECTORS – 5/6/19
 - 1. Public Input
- 19,873
 - 1. Consent Agenda
- 19,874
 - 1. Consent Agenda, continued
 - 2. Bid Tab – J2 Penstock and Surge Tank Painting
 - 3. Storage Water Delivery Rates for Cooling Service
 - 4. Water Exchange Memorandum of Understanding with Central Platte Natural Resources District
 - 5. Water Exchange Memorandum of Understanding with Nebraska Public Power District
- 19,875
 - 1. Platte River Recovery Implementation Program Choke Point Test Flow Agreement
 - 2. Power and Recreation Committee (4/26/19 and 5/1/19)
 - 3. Legislation
 - 4. Workshops, Seminars and Conferences
 - 5. Personnel
 - 6. Directors’ Attendance
 - 7. Board Comments
 - 8. Management Reports
- 19,876
 - 1. Management Reports, continued
 - 2. CLOSED SESSION
 - 3. Personnel
- 19,877
 - 1. Adjournment
 - 2. Signature Page

MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
APRIL 26, 2019 – 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 April 22, 2019, by legal publication in the Kearney Hub and Holdrege Daily Citizen on April 22, 2019, and the North Platte Telegraph and Lexington Clipper-Herald on April 20, 2019, 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.

A postcard giving the time, date, and place of this meeting was mailed to the Directors on April 17, 2019.

The following Directors were present:

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

**arrived at 9:04 a.m.*

The following Director was absent: Ronald E. Fowler

Also present were the following:

Devin M. Brundage, General Manager	Van D. Fastenau, Customer Service Super.
Rochelle Jurgens, Controller & Finance Manager	Anton Hassebrook, Hydroelectric Ops. Super.
Eric R. Hixson, Electrical Project Operations Mgr.	Meredith Pierce, Assistant Controller
Mike A. Drain, Nat. Resources & Compliance Mgr.	Holly G. Rahmann, Public Relations Asst.
David R. Ford, Irrigation Operations Mgr.	Tyler A. Thulin, Civil Engineer
Cory A. Steinke, Hydraulic Project Ops. Mgr.	Jim C. Brown, Compliance Coordinator
Jeff J. Buettner, Govt & Public Relations Mgr.	Megan Myers, Administrative Asst.
Kipp Erickson, Electrical Engineer	Michael C. Klein, Legal Counsel
	Emily Anderson, Assistant Secretary

Others present were:

Deb Jensen, on behalf of JLDI	Greg Anderson, Wells Fargo
Chris Lindner, BKD LLP	Bruce Remington, Wells Fargo

* * * * *

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, David L. Rowe, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: Eric Hixson introduced new employees, Kipp Erickson, Electrical Engineer, and Andrew Miller, Drafting/AutoCAD Technician, to the Directors.

CONSENT TO ASSIGNMENT SUMMARY: Three consents at Johnson Lake were approved during the month of April, 2019.

PERMIT TO CONSTRUCT SUMMARY: The following permits were approved during the month of April, 2019:

Permits to Construct Approved by General Manager April 26, 2019			
<u>Name</u>	<u>Description</u>	<u>Amount</u>	<u>Purpose</u>
ATC Communications	SE¼ of Section 36, T9N, R23W	\$1,557.84	Bury a communication cable at a depth of 10 feet under the Supply Canal. The boring will begin 170 feet from the west side of the canal, go under the canal for 135 feet and to the edge of District property on the east side of the canal.
Glenwood Telephone	NW¼ of Section 34, T15N, R38W	\$450.00	Install a buried communication line up by Lake McConaughy. It will be used to service the NGPC Lake Ogallala SRA west entrance booth.

Permits to Construct Approved by Land Administration Department April 26, 2019 – Johnson Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Colleen M. Lecher	4 Mallard Cove Dr 19	Construct a 20'x30' concrete patio with a 4'x4' fire pit and seating/walls with 12"x24" cap along portions of the perimeter.	3/20/19 \$50.00
Jeffrey T. & Deborah L. Merz	48 North Point Dr 13	Construct a 4'x12' aluminum dock w/ 8'x8' swim platform, 12'x12' shore station and 6'x9' jet ski lift	02/05/2019 \$50.00
Cheyenne & Roxanne Wohlford	31 North Shore Dr 8	Replace dock. 4'x88' dock – 4'x12' dock – 8'x24' platform – 12'x12' shore station – 2 6'x9' jet ski lifts.	2/28/2019 \$50.00
Shawn & Becky Sterling	37 Sandy Point Dr 24A	Add one 4'x8' section of dock	4/1/2019 \$50.00
Randy & Blakely Stieben	23 Lakeview Acres Dr 14A	Replace existing dock (gangway and shorestation will stay the same). 18'x7' dock	3/18/19 \$50.00
Jerry & Constance Dodson	1 Lane Three Dr 28	Construct a 4'-6"x14' along the north side of the trailer with steps 5'x6', railing around perimeter and along steps	3/29/19
Dana & Karen Poore	7 Mallard Cove Dr 19	Modify a portion of the north/south pitched roofline to match up to existing east wall of dwelling.	3/26/19
Matthew & Penny Gregg	2 Park Lane Dr 28	Construct an addition to existing structure, 24'8"x28'6" 2 nd story and a 24'x18' carport/deck on the front of the existing structure	3/28/19
Colleen Lecher	#4 Mallard Cove	Plant a tree	3/28/19
Bass Bay Association	Bass Bay Open Space	Trimming of trees overhanging the road and asphalt	3/29/19
Lynn R. Berggren	40 Mallard Beach Dr 20	Amended permit to include replacement of deck	3/29/19
Galloway Holdings, LLC	49 North Shore Dr 8	Amended permit to include additional 11'10"x14'1" on grade patio	3/13/19 – Amended date
R & S Farms, Inc.	44 North Point Dr 13	Construct concrete patio and a 5' tall, 6' long rocked stucco wall	4/1/19

Matt & Penny Gregg	2 Park Land Dr.	Remove trees/shrubs on East and West sides of cabin	4/11/19
Ramey & Kerri Ristine	106 Lakeview Acres Dr 14C	Fill material will be placed to properly slope and grade the "A" lot where a tree was previously removed.	4/04/05 \$50.00
Scott and Heather Nelson	41 Lakeview Acres Dr 14A	Add two 3'x10' dock sections. Add one 6'x10' dock section	04/03/19 \$50.00
Shad and Dinneen Pittam	44 Bass Bay Dr. 16	Add 6'x8' dock anchor pad	04/09/19 \$50.00
Tyler and Alyssa Wyant	27 Lakeview Acres Dr 14A	Move existing dock; install a 10'x20' shore station on the left hand side; install a 5'x10' jet ski lift on right hand side	04/16/19 \$50.00
Lowell & Ginett Janssen	130 Lakeview Acres Dr. 14D	Install a 10'x12' shorestation on the right hand side of dock.	04/16/19 \$50.00

Permits to Construct Approved by Land Administration Department April 26, 2019 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Joseph & Catherine Arterburn	4 K-3 Rd	Build a new 2 story dwelling w/ basement. 56'x38' with 24'x28' attached garage	3/29/19
Rochelle A Forney	8 K-3 Rd	Build a retaining wall for erosion control purposes	3/19/19
Dennis & Susan Schilz	9 K-3 Rd	Build 2 retaining walls for erosion control purposes	3/19/19
Seth and Linda Jones	2 K-3 Rd	Build a retaining wall for erosion control purposes	4/16/19 \$100.00

Permits to Construct Approved by Land Administration Department April 26, 2019 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Daphne and Nathan Stienike	74 Pelican Dr.	Remove overhanging tree limbs on property from neighbor's tree	4/11/19
Luke and Julie Rickertsen	61 S Lakeview Rd	Construct a 3'x24' walkway along NW side of garage; 10'x20' concrete slab on SE side of house; and 8'x20' slap along driveway	4/22/19
Dell and Janet Shepherd	28 Lakeview Rd	Build a retaining wall for erosion control purposes: 65'Lx12"Wx4'5"H	04/09/19
Royce and Brenda Hiebner	69 S Lakeview Rd	Amended PTC: build addition 27'x6', construct a firepit 20'x20'	04/22/19 – Amended date

Permits to Construct Approved by Land Administration Department April 26, 2019 – Plum Creek/Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>

Director Dahlgren entered the meeting at 9:04 a.m.

WATER SERVICE AGREEMENTS: Van Fastenau presented the following Water Service Agreements:

<u>System</u>	<u>Acct. No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Contr. Acres</u>	<u>Total Acres Chg'd</u>
<u>Water Service Agreements:</u>					
Phelps	7172604	NE¼NE¼ 26-7-17	Agnes E. Johnson Farms, a Partnership (c/o Margaret A. Kring)	10	+10(1)
		*New Account			
Phelps	7193506	N½ & Pt. of S½NE¼ 35-7-19	Cottonwood Ranch Company	130	+55(2)
		*Transfer 55 acres in from 7193505			
E65	7193505	Pt. of S½NE¼ 35-7-19	Cottonwood Ranch Company	20	-55(2)
		*Transfer 55 acres out to 7193506			

- (1) IPP Amendment to Water Service Agreement for the 2019 irrigation season accompanies new WSA.
- (2) IPP Amendment to Water Service Agreement for the 2019 irrigation season to accompany existing WSA.
- (3) Water Service Agreement terminated after 2018, landowner came-back with new WSA.
- (4) Documents are currently being reviewed with landowners and/or are being signed by the landowners.

2019 BUDGET REVISION: Rochelle Jurgens presented the following 2019 Budget Revision #4 for the Gothenburg office concrete project and the J-2 penstock painting:

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Gothenburg Capital Budget</u>			
Gothenburg Office Concrete	\$0	\$37,000	\$37,000
<u>Gothenburg Oper Supr Budget</u>			
Contracted Services 1-31-53500-101-20	\$30,000	\$0	(\$30,000)
<u>Power Plant Maint of Structures</u>			
J2 Penstock Painting 1-32-54200-401-20	\$810,000	\$940,600	\$130,600

WORK ORDER/PURCHASE REQUISITION SUMMARY: Cory Steinke presented the following purchase requisition to finish a section of concrete in the back lot at the Gothenburg location:

- a. Work Order No. 107400 – Gothenburg Office Parking Lot Concrete (\$36,668)

PROGRESS PAYMENT ESTIMATE NO. 3, CONTRACT NO. 0-637, NORFOLK CONTRACTING, INC. FOR LINCOLN AND GOSPER COUNTIES BRIDGE REPLACEMENTS (\$138,573.72): Tyler Thulin presented the progress payment estimate and explained the contractor is done with the Snell Canyon bridge and they are in the process of moving to the Steam Plant Road 435 bridge.

CONTRACT CHANGE ORDER NO. 1, CONTRACT NO. 0-683, BSB CONSTRUCTION, INC. (\$3,917.00): Tyler Thulin explained this change order relates to work on the wetland pipeline projects to install additional elbows and a manhole cover, repair a broken PVC pipe, and fix two road crossings for a net amount of \$3,917.00.

PROGRESS PAYMENT NO. 3, CONTRACT NO. 0-683, BSB CONSTRUCTION, INC. (\$75,944.73): Tyler Thulin stated this progress payment also relates to work on the wetland pipeline projects.

BID TAB – PENSTOCK AND SURGE TANK PAINTING AT J2: Anton Hasebrook reported on the recent inspection conducted by Kleinschmidt and their recommendation to repaint the penstock and surge tank to extend the life of the structure another 80-100 years. Of the five bids received, four met the specifications, although all were over the engineer's estimate of \$810,000. The primary reason for the higher than expected cost is due to the need to remove the lead based paint. Hasebrook stated that staff will recommending accepting the low bid by Allen Blasting & Coating, Inc. in the amount of \$940,599.86.

NRD LIAISON COMMITTEE: Director Knoerzer and Devin Brundage gave an overview of the April 4, 2019 meeting with Tri-Basin NRD. Topics of discussion included Tri-Basin's proposed Water Conservation Incentive Program (WCIP), Lake McConaughy operations, Platte to Republican River excess flow diversions, and integrated management and basin wide plans.

WATER EXCHANGE MEMORANDUM OF UNDERSTANDING WITH CENTRAL PLATTE NATURAL RESOURCES DISTRICT: Central and Central Platte NRD propose a continuation of a pilot program started in 2018 for 2019 to exchange surface water not used for irrigation in their canals for the purpose of providing water to the environmental account.

WATER EXCHANGE MEMORANDUM OF UNDERSTANDING WITH NEBRASKA PUBLIC POWER DISTRICT: Mike Drain presented a proposed agreement between Central and NPPD for a pilot program for 2019 to exchange surface water not used for irrigation in their canals for the purpose of providing water to the environmental account. Drain stated Mike Klein is conducting a legal review of the document.

2018 YEAR END FINANCIAL REPORT: Rochelle Jurgens presented a review of year-end financials comparing results for 2018 to budget for revenues, expenses, benefits, and fund balances. Revenues from recharge surpassed \$1,100,000 and Southwest Power Pool transmission revenues totaled \$472,000.

LEGAL UPDATE: Mike Klein discussed his letter to Devin Brundage dated April 23, 2019 which outlines the "Statements of Facts" with regard to Directors' potential conflicts of interest. He also described recent conversations he has had with the Nebraska Accountability and Disclosure Commission about the topic.

A break was taken at 10:21 a.m. The meeting resumed at 10:36 a.m.

BKD, LLP – 2018 AUDITED FINANCIAL REPORT: Chris Lindner of BKD was present to review the Audit Report and Financial Statements and Disclosures for the year ending December 31, 2018.

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 and OPEB trust funds.

A break for lunch was taken at 11:45 a.m.

Director Soneson exited the meeting at 11:45 a.m.

The meeting resumed at 12:20 p.m.

STORAGE WATER DELIVERY RATES FOR COOLING SERVICE: Mike Drain presented a preliminary management recommendation to establish a rate for cooling water service. Management's recommendation takes into consideration current supplies in Lake McConaughy, and the current markets and value for water. Drain stated that the most likely potential beneficiary of such service is NPPD, should they desire additional cooling water for Gerald Gentleman Station in excess of what would already get from existing rights and agreements. Drain also stated that establishing such class of service and rate would not preclude Central and NPPD addressing such issues through other mechanisms as well, such as the joint annual operating plans or through new or amended agreements.

Specifically, management recommends that the Board establish a rate for storage water release for cooling water service, in the amount of \$150 per acre-foot released from Lake McConaughy at Kingsley Dam, for the 2019 water year (ending September 30, 2019). Management additionally proposes that staff be authorized to provide this service at its discretion, subject to Lake McConaughy being at or above 800,000 acre-feet in contents, the recipient of the service agreeing to such service and fee in writing, and the recipient additionally agreeing that they gain no other rights in the water released beyond the use of the water for the cooling service.

Drain stated that management’s preliminary recommendation will be brought to the Irrigation Committee for review and a committee recommendation, if possible, for the May 6, 2019 Regular Business Meeting of the Board.

OUT OF STATE TRAVEL: The following out of state travel was reported for May, 2019.

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Jeff Buettner	Summer Water Tour Arrangements	MT to WY	May 20-23, 2019

LEGISLATION: Jeff Buettner continues to follow the budgeting process, with special interest in the funding of the Water Sustainability Fund.

BOARD COMMENTS: Director Dave Nelson heard on the news there are 926 wind turbines in Nebraska. Board President Rowe asked the Directors to submit their general manager evaluation forms to him.

MANAGEMENT REPORTS:

- a. Cory Steinke hired Jake Preitauer for the General Maintenance position in Gothenburg. He has several temporary maintenance employees arranged to return for the summer, along with Civil Engineering Intern, McKinley Harm, to continue working on farm bridges and drainage ditches. He expects the Environmental Account to have releases in May.
- b. Anton Hassebrook reported the electric crew is conducting maintenance and installing more gate operators.
- c. Tyler Thulin reported Lake McConaughy is at elevation 3,257.4, 1,518,000 acre feet, and 87.2% capacity.
- d. Mike Drain reported on his recent trip to Washington, D.C. to meet with FERC regarding the Probable Maximum Flood Study. He reported on discussions with JLDI regarding the grass dump situation and had two FERC Boundary Review meetings this week, with another one scheduled next Monday.
- e. Dave Ford stated water was released down the canals starting last Monday and crews are busy preparing for water and spraying pre-emergent chemicals on the laterals. He is working with Tri-Basin NRD regarding diversions of excess flows into some of the wetlands and lagoons. He assisted with the recent JLDI work regarding their grass dump situation and an agreement is being developed so the current property could be used by JLDI for another year to provide them an opportunity to find a suitable alternative.
- f. Rochelle Jurgens reported there are 22 unpaid accounts at Lake McConaughy, and 9 between Johnson Lake and Plum Creek Reservoir. She is investigating credit card processing companies to use for customer payments. Representatives from DC Strategies and Principal will be present next week to discuss retirement options with employees.
- g. Eric Hixson displayed photos of the issue that was causing additional wicket gate leakage and delayed shutdowns on the Kingsley turbine. He advised that he hired Travis Nichelson as a Communications Technician and a dewatering inspection will be conducted at J-2 soon.
- h. Holly Rahmann attended two FERC Boundary Review meetings with Mike Drain in Ogallala last week and conducted two days of tours with the Dawson Area Development Leadership Class. She assisted with the annual Water Jamboree at Harlan County Reservoir earlier this week which hosted around 600 students from area schools.
- i. Jeff Buettner will host the first JLDI tour of the season on May 10 and a UNK tour the end of May. He also intends to schedule a new employee tour later in the season.

- j. Devin Brundage attended the APPA meeting in Phoenix, AZ last week and also met with organizers of the Platte Alliance Water Supply. He anticipates requesting a meeting of the Administration Committee to review potential changes to the District Bylaws.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: Mike Drain presented the Habitat Area Technician job description for information purposes only and advised he expects to have a recommendation to fill the vacant Senior Land Administrator position at the May 6, 2019 Regular Business Meeting for Board approval.

ADJOURNMENT: It was moved by Director Petersen and seconded by Director Dudley Nelson to adjourn the meeting at 1:15 p.m. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Fowler. None voted no and the motion was declared carried.

MINUTES OF REGULAR BUSINESS MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
MAY 6, 2019 – 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 April 29, 2019, by legal publication in the Kearney Hub and the Holdrege Daily Citizen on April 29, 2019, the North Platte Telegraph on May 2, 2019, and the Lexington Clipper-Herald on May 1, 2019 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 April 17, 2019.

The following Directors were present:

David L. Rowe, President	Geoffrey K. Bogle	K. Scott Olson
Ronald E. Fowler, Vice President	William E. Knoerzer	Roger D. Olson
Martin E. Mueller, Treasurer	David G. Nelson	Robert L. Petersen
	Dudley L. Nelson	Gordon N. Soneson

Absent was: Robert B. Dahlgren

Also present were:

Devin M. Brundage, General Manager	Tyler A. Thulin, Civil Engineer
Rochelle Jurgens, Controller & Finance Manager	Jim C. Brown, Compliance Coordinator
Mike A. Drain, Nat. Resources & Compliance Mgr.	Megan Myers, Administrative Asst.
David R. Ford, Irrigation Operations Mgr.	Holly G. Rahmann, Public Relations Asst.
Cory A. Steinke, Hydraulic Project Ops. Mgr.	Michael C. Klein, Legal Counsel
Jeff J. Buettner, Govt & Public Relations Mgr.	Emily Anderson, Assistant Secretary
Anton Hassebrook, Hydroelectric Ops. Super.	

Others present were:

John Thorburn, Tri-Basin NRD	Lori Potter, Kearney Hub
	Frank Vetter

* * * * *

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, David L. Rowe, announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: John Thorburn reported the Tri-Basin staff have been busy with Water Jamboree which occurred at the end of April, Arbor Day, and taking water level measurements. In May, he anticipates the NRD will request excess flow diversions into the Victor and Johnson wetland projects. He stated the Platte to Republican Diversion Project is on hold until NDNR makes a decision on the water right application.

CONSENT AGENDA: Devin Brundage gave an overview of the items on the Consent Agenda which were previously presented and discussed at the April 26, 2019 Committee Meeting of the Board.

President Rowe 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 April 1, 2019**
- **Approval of Minutes of Committee Meeting of the Board of Directors held April 26, 2019**
- **Approval of the May Disbursements:**

Hydro Division:

Check #59081-VOID; Check #s 59526 through 59765 and 8899816 through 8899834 (Accounts Payable) \$1,455,682.31

Payroll \$529,581.80

Kingsley Division:

Check #s 3086 through 3097 (Accounts Payable) \$188,169.47

J-2 Regulating Reservoir Construction Fund:

Check #NONE (Accounts Payable) \$NONE

Glendo Division:

Check #NONE \$NONE

Flex Spending Account:

Check #s 8143 \$1,398.36

- **Approval of Work Order No. 107400 – Gothenburg Office Parking Lot Concrete (\$36,668)**
- **Approval of Progress Estimate No. 3, Contract No. 0-637, Norfolk Contracting, Inc. for Lincoln and Gosper Counties Bridge Replacement (\$138,573.72)**
- **Approval of Contract Change Order No. 1, Contract No. 0-683, BSB Construction, Inc. (\$3,917.00)**
- **Approval of Progress Payment No. 3, Contract No. 0-683, BSB Construction, Inc. (\$75,944.73)**
- **Approval of the following Water Service Agreements:**

<u>System</u>	<u>Acct. No.</u>	<u>Legal Desc.</u>	<u>Landowner</u>	<u>Contr. Acres</u>	<u>Total Acres Chg'd</u>
<u>Water Service Agreements:</u>					
Phelps	7172604	NE¼NE¼ 26-7-17	Agnes E. Johnson Farms, a Partnership (c/o Margaret A. Kring)	10	+10(1)
		<i>*New Account</i>			
Phelps	7193506	N½ & Pt. of S½NE¼ 35-7-19	Cottonwood Ranch Company	130	+55(2)
		<i>*Transfer 55 acres in from 7193505</i>			
E65	7193505	Pt. of S½NE¼ 35-7-19	Cottonwood Ranch Company	20	-55(2)
		<i>*Transfer 55 acres out to 7193506</i>			

- (1) IPP Amendment to Water Service Agreement for the 2019 irrigation season accompanies new WSA.
- (2) IPP Amendment to Water Service Agreement for the 2019 irrigation season to accompany existing WSA.
- (3) Water Service Agreement terminated after 2018, landowner came-back with new WSA.
- (4) Documents are currently being reviewed with landowners and/or are being signed by the landowners.

➤ **Approval of 2019 Budget Revision #4 as follows:**

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Gothenburg Capital Budget</u>			
Gothenburg Office Concrete	\$0	\$37,000	\$37,000
<u>Gothenburg Oper Supr Budget</u>			
Contracted Services 1-31-53500-101-20	\$30,000	\$0	(\$30,000)
<u>Power Plant Maint of Structures</u>			
J2 Penstock Painting 1-32-54200-401-20	\$810,000	\$940,600	\$130,600

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

BID TAB – J2 PENSTOCK AND SURGE TANK PAINTING: The Bid Tab was displayed for the J2 Penstock and Surge Tank Painting reflecting staff’s recommendation to accept Allen Blasting & Coating, Inc.’s low bid in the amount of \$940,599.86.

It was moved by Director Knoerzer and seconded by Director Mueller to approve Allen Blasting & Coating, Inc.’s bid in the amount of \$940,599.86 for the J2 Penstock and Surge Tank Painting. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

STORAGE WATER DELIVERY RATES: Mike Drain reviewed the minutes of the May 1, 2019 Irrigation Committee where a unanimous vote was made by the committee members to recommend Board approval of Staff’s recommendation to set a storage water rate for cooling water service from Lake McConaughy at a rate of \$150/acre foot for the duration of the 2019 water year, and to authorize staff to provide for such service subject to the proposed conditions, with the exception that staff authority is limited to Lake McConaughy being at or above 1,000,000 acre-feet.

It was moved by Director Dave Nelson and seconded by Director Dudley Nelson to approve the Irrigation Committee’s recommendation to set a storage water rate for cooling water service from Lake McConaughy at a rate of \$150/acre foot for the duration of the 2019 water year, and to authorize staff to provide for such service subject to the proposed conditions, with the exception that staff authority is limited to Lake McConaughy being at or above 1,000,000 acre-feet. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

WATER EXCHANGE MEMORANDUM OF UNDERSTANDING WITH CENTRAL PLATTE NATURAL RESOURCES DISTRICT: Mike Drain presented an overview of the Water Exchange Memorandum of Understandings with both Central Platte NRD and NPPD which will be effective for the 2019 water year, ending September 30, 2019.

It was moved by Director R. Olson and seconded by Director Knoerzer to approve the Water Exchange Memorandum of Understanding with Central Platte Natural Resources District. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

WATER EXCHANGE MEMORANDUM OF UNDERSTANDING WITH NEBRASKA PUBLIC POWER DISTRICT: It was moved by Director S. Olson and seconded by Director Fowler to approve the Water Exchange Memorandum of Understanding with Nebraska Public Power District District. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM CHOKE POINT TEST FLOW AGREEMENT: Devin Brundage reported the Platte Program is currently reviewing a draft of the agreement. No action was taken at this time.

POWER AND RECREATION COMMITTEE (4/26/19 and 5/1/19):

- a. Johnson Lake – Lakeside Golf Club: No action taken by the committee (April 26, 2019).
- b. Lake McConaughy – 81 K-1 Replat: The committee recommended Board approval to replat lot 81 K-1 as presented May 1, 2019.
- c. Johnson Lake – Hike and Bike Trail Update: Informational item only (May 1, 2019).
- d. Johnson Lake – 30 Kirby Point Shore – Application for Variance: No action taken by committee (May 1, 2019).
- e. Johnson Lake – Concession Lease Update: Report item only (May 1, 2019)
- f. Johnson Lake – Unlicensed Vehicle / Roads Use: No action taken by committee (May 1, 2019).
- g. Delinquent Residential Lease Payments Policy: The committee recommended Board approval of the Delinquent Residential Lease Payments Policy as presented on May 1, 2019.
- h. Permitting Procedures: The committee recommended Board approval of the additions to the Permitting Procedures as presented on May 1, 2019.

It was moved by Director Dave Nelson and seconded by Director Mueller to approve 1) the replat of 81 K-1, Lake McConaughy; 2) the Delinquent Residential Lease Payments Policy; and 3) the additions to the Permitting Procedures. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

LEGISLATION: Jeff Buettner reported the Legislature continues to work on tax reform and the budget. He still expects the Water Sustainability Fund to be fully funded.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

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

BOARD COMMENTS: Director Soneson received a compliment over the weekend about the hike/bike trail at Johnson Lake. Director Dave Nelson questioned the term of the Johnson Lake golf course lease.

MANAGEMENT REPORTS: The following operations reports were presented:

- a. Cory Steinke reported that Jake Preitauer starts working in Gothenburg today as a General Maintenance employee. The Henry Bridge replacement is progressing. He and Mike Drain will meet later this week with NDNR regarding excess flows.
- b. Tyler Thulin reported Lake McConaughy is at elevation 3,257.1, 1,511,900 acre feet, and 86.7% capacity. Inflows are between 1,100-1,200 cfs and outflows are 500 cfs. Hydrocycling ended April 30, 2019. The Snell Canyon bridge is nearing completion and work on the MP 74.4 bridge will be starting soon.
- c. Mike Drain attended a meeting last week at Lake McConaughy where he gave a presentation to the Nebraska Floodplain Manager's Association. He continues discussions with NPPD

regarding the annual operating plan and is working to finalize the Kingsley Dam Inflow Design Flood plan.

- d. Dave Ford received a request from a customer to deliver irrigation water, but due to rain in the forecast, he does not believe that will be necessary. Target flows will reduce by May 11, 2019, at which time diversions will be made into the Johnson and Victor wetland projects. He presented the Irrigated Area Observation Well Change in Readings Report reflecting the one-year and ten-year comparisons of well measurements taken during the spring of each period. The report also included the spring of 1981-1985 averages compared to the 2019 readings. He also presented Observation Well Hydrographs reflecting historical data from five random wells in the core irrigated area.
- e. Jeff Buettner will conduct the first JLDI tour of the season on Friday, May 10, 2019. He is working with Senator Hughes to coordinate a water resources tour in late July for various senators. He was appointed chair of the planning committee for the annual joint NWRA/NSIA Conference held each November. Central will host the NSIA summer board meeting at Jeffrey Lodge.
- f. Rochelle Jurgens and the retirement committee members met in Gothenburg on April 30, 2019 to review proposals from various advisors for the 457 plan administration. At this time, the committee is not ready to make a recommendation to the Board. DC Strategies and Principal provided retirement fund educational meetings to employees last week in Holdrege and Gothenburg.
- g. Holly Rahmann presented the Directors with information regarding the upcoming Summer Kickoff Lunch at the Elwood Civic Center on June 8, 2019 at 12:00 p.m. and requested their attendance.
- h. Mike Klein reported the Maloley case will begin oral arguments in the Nebraska Supreme Court on May 21, 2019.
- i. Devin Brundage congratulated the recent graduates of the Dawson Area Leadership Class.

At 9:58 AM it was moved by Director Mueller and seconded by Director Dudley Nelson, that the Board enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried. Board President Rowe stated the item to be discussed in closed session was the following agenda item: Personnel. The purpose of Closed Session was for discussion of a Personnel matter relating to the Senior Land Administrator position.

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

At 10:10 AM it was moved by Director Knoerzer 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, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried. Board President Rowe stated the item discussed in Closed Session was the following agenda item: Personnel.

PERSONNEL: It was moved by Director R. Olson and seconded by Director Petersen to approve the Personnel Action for Luke Ritz, naming him the Senior Land Administrator. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

ADJOURNMENT: It was moved by Director Mueller and seconded by Director Soneson to adjourn the Regular Business Meeting of the Board at 10:11 a.m. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: Dahlgren. None voted no and the motion was declared carried.

ATTEST:

THE CENTRAL NEBRASKA PUBLIC POWER
AND IRRIGATION DISTRICT

Robert B. Dahlgren, Secretary

By _____
David L. Rowe, President