

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

JUNE 3, 2019 – 9:00 A.M.

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MINUTES OF COMMITTEE MEETING OF THE

BOARD OF DIRECTORS

THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

MAY 24, 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 May 20, 2019, by legal publication in the Kearney Hub and Holdrege Daily Citizen on May 20, 2019, and the North Platte Telegraph and Lexington Clipper-Herald on May 18, 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 May 15, 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	Dudley L. Nelson	Robert L. Petersen
Robert B. Dahlgren, Secretary		Gordon N. Soneson

The following Director was absent: David G. Nelson

Also present were the following:

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

* * * * *

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: None.

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

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

Permits to Construct Approved by General Manager May 24, 2019			
Name	Description	Amount	Purpose

Robert Murray	E1/2SW1/4 & SE1/4 of S4-8-22	Waived	Construct, operate and maintain a center pivot point (which includes a 12'x12' concrete pivot pad) and 435'± of buried irrigation water pipe and associated electrical and communication lines. Used in conjunction with an ag lease entered into in 2019.
Wheat Belt PPD	SW¼ S4-T15N-R40W, SE¼ S5-T15N-R40W, SW¼ S5-T15N-R40W, NE¼ S8-T15N-R40W, NW¼ S8-T15N-R40W, NW¼ S1-T15N-R41W, NW¼ S1-T15N-R41W, SE¼ S2-T15N-R41W, NE¼ S2-T15N-R41W, Keith County, Nebraska.	\$550.00	Licensee has previously constructed 15,410'± overhead electrical lines on District property. (No previous permit from the District was issued.) Additionally, Licensee desires to construct 4 pedestals and to bury 830'± underground electrical lines to service Nebraska Game and Parks Commission Cedar Vue campground. Licensee is permitted to operate, maintain, repair, inspect, use, and remove 16,240± feet electrical distribution lines and associated equipment on District property ranging from the K2 Cabin Area to the Otter Creek Concession Lease Area.

Permits to Construct Approved by Land Administration Department May 24, 2019 – Johnson Lake			
Name	Description	Permit & Purpose	Date Approved & Fee
Crappie Corner Area	Open Space (7,8, & 9)	Remove dead trees and/or trim branches. Removal is for dead, dying and invasive tree species	04/25/19
Neal and Glenda Parker	44 East Shore Dr. 1	Trim tree on the west side of house	04/23/19
Bass Bay Area Association	Open space behind lots 46 & 47	Removal of dead tree	04/29/19
Mallard Beach LLC, c/o William Oldfather	144 Mallard Beach Dr. 23	Construction of a new house. 86'x32'x26' with 8'x56' covered porch on the south side.	04/24/19
Trevr and Todd Olsen	15 Park Lane Dr 28	Construction of a 22'x20'x9' car port	04/29/19
Brian and Dana Tonniges	108 Lakeview Acres Dr 14C	Install 2-6'x9' jet ski lift replacing existing lifts	04/29/19 \$50.00
Joseph and DeAnne Weaver	111 Lakeview Acres Dr 14C	Install a common use dock (5'x25'); install 11'x11' boat lift on right hand side; install 2 jet ski lifts on left hand side	04/29/19 \$50.00
John and Steel Sich	112 Lakeview Acres Dr 14C		
David and Connie Egleston	12 Mallard Beach Dr 20	Install a 4'x80' aluminum dock w/ 8'x8' swim platform. Install a 12'x12' shorestation and a 6'x9' jet ski lift.	04/22/19 \$50.00
Kurt and Lori Grosshans	101 Mallard Beach Dr 22	Boat dock to be shared between Lots 101 & 102; 100'x less than 8'	04/29/19 \$50.00
Brenda J. Bendfeldt	102 Mallard Beach Dr 22		
Daniel and Debra Jensen	112 Mallard Beach Dr 22	Install a 4'x8' section of dock with a 4' isosceles right triangle dock connector. Add a 12'x12' shorestation on the right hand side.	04/29/19 \$50.00
Michael and Nancy Ecklun	54 North Point Dr 13	Replace old common use dock with a new 4'x130' aluminum dock	04/30/19 \$50.00
Steven and	53 North Point Dr 13		

Constance Weides			
David and Virginia Sims	30 East Shore Dr 1A	Build a 6' privacy fence	05/02/19
Bruce Bricker	31 Sandy Point	Removal of trees on the NE side of the house	05/03/19
Ron and Kathy Fowler	29 Mallard Cove	Planting trees on the West side of the house	05/06/19
Colleen and Thomas Connely	86 Mallard Beach Dr. 22	Remove trees on the North and South side of the house	05/13/19
Bernard Parker	41 Parklane Dr 28	Plant trees on the West side of house	05/14/19
Stephen Falkinburg, Sharolyn Weston, et al	9 Crappie Corner Dr. 5	9'x24' concrete patio, 2'6"x4' dock anchor pad	05/13/19 \$50.00
Richard and Marilyn Skiles	5 North Point Dr 13	Remove existing sidewalk and replace	05/13/19
Joshua J Smith	7 Park Lane Dr 28	Construct a 6' wood privacy fence	05/10/2019

Permits to Construct Approved by Land Administration Department May 24, 2019 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Joe and Cathy Arterburn	K-3 Cabin Area, Lot 4	Planting trees	04/25/19
Mike and Rozanne Tuttle	68 K-1 Rd	Remove trees from 3 sides of the house	05/01/19

Permits to Construct Approved by Land Administration Department May 24, 2019 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Dennis and Lisa Kentfield	65 S Lakeview Rd	Removal of tree on west side of garage	04/30/19
Mary E and Savannah I Cudzilo	99 Pelican Dr	Install a replacement drain field consisting of two 60' drain lines, including a pump and basin at the outlet of the existing septic tank, and a trenched PVC line to a distribution box.	04/25/19
Mary and Thomas Henning	45 S Lakeview Rd	Install a 4'x12' gangway to a 8'x12' swim platform.	05/01/19 \$50.00
Scott and Cynthia Allison	110 S Shore Dr	Install a 4'x27' dock running SE off of existing dock. Attach a 4'x22' section of dock running NE to SW off of the new section of dock in between the 2 shorestations. Add a 10'x20' shorestation on the east side of new dock.	04/29/19 \$50.00
Harry Stienike	25 Lakeview Rd	Trim trees on the South side of the house	05/01/19

Permits to Construct Approved by Land Administration Department May 24, 2019 – Plum Creek/Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Larry and Marsha Thomas	27 Stange Circle	Install a 8'x16' floating dock.	04/29/19 \$50.00
Anthony and Chelsea Gengenbach	16 Plum Creek Canyon Dr 121	Install a 180'x29' boat dock, build a 25' wide beach area	04/25/19 \$400.00

<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>Immediate Termination:</u>					
Phelps	6162105	SE¼ 21-6-16	Bradley S. & Patricia M. Lundeen	0	-10
<i>*Transferred out 10 ac to 6162202</i>					
<u>Water Service Agreements:</u>					
Phelps	6150601	NW¼ 6-6-15	Kenneth S. and Victoria L. Olson	127	+40(2)
<i>*Transferred 40 ac in from 6172601</i>					
Phelps	6162202	NE¼ 22-6-16	Joseph & Brooke Lundeen and Scott & Emily Lundeen	133	+10 (2)
<i>*Transfer 10 ac in from 6162105</i>					
Phelps	6172601	Pt. of W½ of the SE¼ 26-6-17	Kathleen Larson	20	-40(2)
<i>*Transfer 40 acres out to 6150601</i>					
Phelps	7143001	W½ 30-17-14	DDD Kristensen Enterprises, LLC c/o Duane & Deborah Kristensen	150	+90(2)(4)
<i>*Combined with 7143002</i>					

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

- (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 WATER RIGHTS TRANSFER: Van Fastenau presented the 6 water right transfer requests totaling 268.5 acres in the Phelps and E65 irrigation areas. The water rights from unused or cancelled acres used to cover these requests are for the following parcels.

Phelps Canal

Fishell & Fishell Ltd- SE1/4NE1/4 29-6-16 = 10 ac.
 DDD Kristensen Enterprises LLC- W1/2 30-7-14 = 148 ac.
 Kerry & Marlene Blythe- SE14NE1/4 24-8-20 = 15 ac.
 NS Ventures LLC- S1/2NE1/4 17-8-20 = 5.5 ac
 Agnes E. Johnson Farms- NENE1/4 26-7-17 = 10 ac.

E-65

Darryn & Janice Gulden Trust- N1/2 21-8-21 = 80 ac.

2019 WATER LEASING PROGRAM: Dave Ford explained a situation where a customer requested to disenroll 14 acres from the 2019 program due to a last minute change in his planting plans. The Platte Program agreed to disenroll the acres and the customer returned the partial payment already made to him earlier this year. The revised agreement with the customer will require Board approval at the upcoming Regular Business Meeting on June 3, 2019.

WORK ORDER/PURCHASE REQUISITION SUMMARY: None.

PROGRESS PAYMENT ESTIMATE NO. 3, CONTRACT NO. 0-686, BSB CONSTRUCTION FOR COTTONWOOD RANCH PIPELINE PROJECT (\$5,673.94): Tyler Thulin presented the progress payment estimate and explained this payment is for work associated with seeding a ditch to grass and putting gravel on the county road at the project site.

ADMINISTRATION COMMITTEE (5/24/19): The Administration Committee met again this morning to review another draft of the District Bylaws. No action was taken at this time. The Committee members intend to conduct at least one more thorough review of the Bylaws before making any recommendation to the Board.

WATER SERVICE AGREEMENT FOR RECHARGE FROM EXCESS FLOWS (PHELPS CANAL) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Cory Steinke presented a draft of an agreement with a five-year term expiring December 31, 2023 which also establishes the water service charges for each year. The five-year agreement will allow more flexibility for diversions into Phelps Canal which would commence upon written notice to Central by the Platte Program, and not require amendments to agreements to proceed.

WATER SERVICE AGREEMENT FOR RECHARGE FROM EXCESS FLOWS (ELWOOD RESERVOIR) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Cory Steinke presented a draft of an agreement which increases the cap of the total amount diverted from 8,000 acre feet to 30,000 acre feet. The agreement otherwise mirrors the agreement for the Phelps Canal presented earlier.

ANNUAL OPERATING PLAN – NEBRASKA PUBLIC POWER DISTRICT: Mike Drain presented information on a potential Annual Operating Plan with NPPD for the 2019 water year which ends October 31, 2019. He discussed the components of the plan which incorporates the needs to conduct studies, minimize bypass, provide for GGS cooling water, and meet FERC release requirements. He expects to come to a formal agreement with NPPD in the coming weeks which he will present to the Board for approval.

PLATTE TO REPUBLICAN RIVER DIVERSION PROJECT: Mike Drain displayed an Order to Show Cause issued by the Department of Natural Resources in response to objections to the water right application filed for the PRD Project. More discussions were held in Closed Session.

A break was taken at 10:14 a.m. The meeting resumed at 10:31 a.m.

FIRST QUARTER FINANCIAL REPORT: Rochelle Jurgens presented reports on the year-to-date financial status through March, 2019 for generation, revenues, and operating expenses.

ANNUAL HOSPITAL/MEDICAL TRUST REPORT: Rochelle Jurgens presented the amount necessary to fund the medical trust fund for 2019, along with Central’s expected contributions and projected employee claims. The Hospital Medical Trust Fund balance as of December 31, 2018 was \$558,300. Jurgens will seek Board approval of the funding request of \$1,167,876 at the Regular Business Meeting on June 3, 2019.

CONSIDER CHANGE OF LOCATION/TIME OF JUNE 21, 2019 COMMITTEE MEETING OF THE BOARD: Devin Brundage suggested holding the June 21, 2019 Committee Meeting at Lake McConaughy to allow the Directors to tour the shoreline erosion issue near Mako and the Hilltop facility. The Directors agreed it was a good idea and the meeting will be held at the Lake McConaughy Visitor and Water Interpretive Center in Ogallala, NE at 9:00 a.m. (MST).

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

<u>Name</u>	<u>Meeting</u>	<u>Location</u>	<u>Date</u>
Rochelle Jurgens	PCS User Group Meeting	Denison, IA	June 3-5, 2019
Meredith Pierce	PCS User Group Meeting	Denison, IA	June 3-5, 2019

Mike Klaus	PCS User Group Meeting	Denison, IA	June 3-5, 2019
Duane Cernousek	PCS User Group Meeting	Denison, IA	June 3-5, 2019
Rochelle Jurgens	APPA National Conference	Austin, TX	June 9-12, 2019
Devin Brundage	PRRIP	Cheyenne, WY	June 11-12, 2019
Mike Drain	PRRIP	Cheyenne, WY	June 11-12, 2019
Dave Zorn	PRRIP	Cheyenne, WY	June 11-12, 2019
Kipp Erickson	SCADA System Level 1 Training	Chicago, IL	June 10-14, 2019

LEGISLATION: Jeff Buettner reported the Legislature will adjourn their session on May 31, 2019. They were able to pass the biennial budget and they will continue to work on a few interim study resolutions which have been introduced.

BOARD COMMENTS: Director Scott Olson was approached by the president of Pheasants Forever about attending an upcoming meeting to discuss habitat improvements along the canals. Director Rowe commented on the recent stakeholder meeting attended by around 25 people which is the best attendance in many years. He also complimented the mowing that has been done around Johnson Lake.

LEGAL UPDATE: Mike Klein attended the Maloley hearing at the Supreme Court on Tuesday. He expects the court to reaffirm the District Court's decision. He reported that Charles Brewster attended the Dawson County Tax Protest hearing in Lexington which was denied by the Board of Commissioners. Brewster will appeal the case to the Tax Equalization and Review Commission.

MANAGEMENT REPORTS:

- a. Cory Steinke displayed photos of the Henry Bridge work which has been constructed primarily by Central employees under the guidance of Lance Harter of Oak Creek Engineering. The bridge is nearing completion. He also displayed photos of the current state of the Canaday Bridge which will be reconstructed using steel and concrete using Central's crews. He announced that Doug Viter will retire from the District after 53 years.
- b. Anton Hassebrook reported the electric crew continues to install more automated sites. He stated the Gothenburg office is undergoing a minor remodel to create more office space for new employees. Crews are currently cleaning and painting in and around the hydros.
- c. Mike Drain may request an extension from FERC for the boundary review work. He announced that Jacob Keating accepted the Habitat Area Technician position for Jeffrey Island. He clarified a tree permit is required to cut down or trim trees at the lakes between April 1-August 15 of each year. The stakeholder meeting in Lexington held on March 23, 2019 was successful with around 25 people in attendance. He received a letter from Don Hutchens at the stakeholder meeting which he will share with the Directors through the Board website.
- d. Tyler Thulin reported Lake McConaughy is at elevation 3,257.5, 1,525,000 acre feet, and 87.4% capacity. Inflows are at 1,500 cfs and outflows are at 1,200 cfs which will increase over the next month to 1,700 cfs to meet NPPD's needs. The Flow Attenuation Plan has been waived by the US Fish and Wildlife Service for the foreseeable future. The US Fish and Wildlife Service will make Environmental Account releases through July 15, 2019 to reach 2,000 cfs at the Grand Island checkpoint.
- e. Jeff Buettner has scheduled a tour with 6 of the 8 Senators on the Natural Resources Committee in late July. He spent the past week in Montana working on water tour plans. He will start creating an agenda for the tour which will begin on September 15, 2019 and registration will be open soon. He conducted a new employee tour last week and he is planning for a 2-day tour with UNK next week.

A break for lunch was taken at 11:42 a.m. The meeting resumed at 12:19 p.m.

- f. Dave Ford reported diversions have been made into the Johnson WPA and Elwood Reservoir.

The canals are filling and a few deliveries have made to irrigators. The official start of scheduled deliveries is June 10, 2019. The Four States Irrigation Council Tour is July 24-25, 2019. He announced Cory Ellis accepted the Irrigation Service Specialist position in Holdrege and started on May 16, 2019. He displayed photos of a coyote using a ladder to climb out of the canal and a video of a mink fighting a bull snake.

- g. Eric Hixson is updating the NERC cyber security plans. He has been working with Kipp Erickson to update the communications processors in the plants. The storms last weekend took out two generators.
- h. Holly Rahmann has been making edits to the website to allow for the public to comment on the Land and Shoreline Management Plan. The Weather and Evapotranspiration Data page on the website is back up and running correctly. She is working with Emily Anderson to plan a Summer Kickoff employee lunch on June 8, 2019 and she invited the Directors to attend.
- i. Rochelle Jurgens and the Retirement Committee has been conducting a review of the 457 plan and they are comparing two advisors to be the custodian of the funds. An application was submitted to the National Rural Electric Cooperative Association (NRECA).
- j. Devin Brundage stated the employee handbook is undergoing a review by legal counsel as part of the upcoming union negotiations. He spoke with Senator Matt Williams who offered to help the District with issues surrounding conflict of interest issues and the Nebraska Accountability and Disclosure Commission. He attended an NPA meeting this week in Lincoln.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: None.

At 12:32 PM it was moved by Director Soneson and seconded by Director S. Olson, that the Board enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: David Nelson. 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: Platte to Republican River Diversion Project. The purpose of Closed Session to receive legal advice and to protect the public interest.

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

At 1:02 PM it was moved by Director Dudley Nelson 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, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: David Nelson. None voted no and the motion was declared carried. Board President Rowe stated the item discussed in Closed Session was the following agenda item: Platte to Republican River Diversion Project.

ADJOURNMENT: It was moved by Director Dudley Nelson and seconded by Director Fowler to adjourn the meeting at 1:02 p.m. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Absent: David Nelson. 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
JUNE 3, 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 May 28, 2019, by legal publication in the Kearney Hub, Holdrege Daily Citizen, and North Platte Telegraph on May 28, 2019, and the Lexington Clipper-Herald on May 29, 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 May 15, 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
Robert B. Dahlgren, Secretary*	David G. Nelson	Robert L. Petersen
Martin E. Mueller, Treasurer	Dudley L. Nelson	Gordon N. Soneson

**arrived at 9:05 a.m.*

Also present were:

Devin M. Brundage, General Manager	Anton Hassebrook, Hydroelectric Ops. Super.
Eric R. Hixson, Electrical Project Ops. Mgr.	Tyler A. Thulin, Civil Engineer
Rochelle Jurgens, Controller & Finance Manager	Luke Ritz, Senior Land Administrator
Mike A. Drain, Nat. Resources & Compliance Mgr.	Megan Myers, Administrative Asst.
David R. Ford, Irrigation Operations Mgr.	Charles Brewster, Legal Counsel
Cory A. Steinke, Hydraulic Project Ops. Mgr.	Emily Anderson, Assistant Secretary
Jeff J. Buettner, Gov't & Public Relations Mgr.	

Others present were:

Lori Potter, Kearney Hub	Colby Gray, on behalf of Pheasants Forever
Deb Jensen, on behalf of JLDI	Scott Kroll, on behalf of Pheasants Forever

* * * * *

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: None.

PHEASANTS FOREVER: Colby Gray and Scott Kroll were present on behalf of the local Pheasants Forever chapter to request a cooperative effort with Central to improve habitat for

pheasants along the canals. They will meet with their biologist in the near future and propose a formal plan at a later date.

Director Dahlgren entered the meeting at 9:05 a.m.

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:**
- **Approval of Minutes of Regular Business Meeting of the Board of Directors held May 6, 2019**
- **Approval of Minutes of Committee Meeting of the Board of Directors held May 24, 2019**
- **Approval of the May Disbursements:**

Hydro Division:

Check #s 59766 through 59963 and 8899835 through 8899853 (Accounts Payable) \$1,090,781.65

Payroll \$517,219.52

Kingsley Division:

Check #s 3098 through 3105 (Accounts Payable) \$52,159.52

J-2 Regulating Reservoir Construction Fund:

Check #NONE (Accounts Payable) \$NONE

Glendo Division:

Check #NONE \$NONE

Flex Spending Account:

Check #s 8144 through 8147 \$2,201.09

- **Approval Progress Payment Estimate No. 3, Contract No. 0-686 – BSB Construction for Cottonwood Ranch Pipeline Project (\$5,673.94)**
- **Approval of Annual Hospital/Medical Trust Report which provides the required accruals for 2019 to the Hospital /Medical Trust Fund and the activity in the fund for 2018 as required by Nebraska State Statute 13-1620**
- **Approval to Change the Location of the June 21, 2019 Committee Meeting of the Board to 9:00 a.m. (MST) at the Lake McConaughy Visitor Center, Ogallala, NE**
- **Approval to Remove 14 Contracted Acres from the 2019 Water Leasing Program**
- **Approval of the following 2019 Water Right Transfers:**

Phelps Canal

Fishell & Fishell Ltd- SE1/4NE1/4 29-6-16 = 10 ac.

DDD Kristensen Enterprises LLC- W1/2 30-7-14 = 148 ac.

Kerry & Marlene Blythe- SE14NE1/4 24-8-20 = 15 ac.

NS Ventures LLC- S1/2NE1/4 17-8-20 = 5.5 ac

Agnes E. Johnson Farms- NENE1/4 26-7-17 = 10 ac.

It was moved by Director R. Olson and seconded by Director Mueller 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, Rowe, and Soneson. None voted no and the motion was declared carried.

PROGRESS ESTIMATE NO. 4, CONTRACT NO. 0-687 – NORFOLK CONTRACTING FOR LINCOLN AND GOSPER COUNTIES BRIDGE REPLACEMENTS (\$150,306.30): It was moved by Director Petersen and seconded by Director Knoerzer to approve Progress Estimate No. 4, Contract No. 0-687 with Norfolk Contracting for the Lincoln and Gosper Counties Bridge Replacements in the amount of \$150,306.30). Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENTS: Dave Ford presented the following agreements 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>
<u>Immediate Termination:</u>					
Phelps	6162105	SE¼ 21-6-16	Bradley S. & Patricia M. Lundeen	0	-10
		<i>*Transferred out 10 ac to 6162202</i>			
<u>Water Service Agreements:</u>					
Phelps	6150601	NW¼ 6-6-15	Kenneth S. and Victoria L. Olson	127	+40(2)
		<i>*Transferred 40 ac in from 6172601</i>			
Phelps	6162202	NE¼ 22-6-16	Joseph & Brooke Lundeen and Scott & Emily Lundeen	133	+10(2)
		<i>*Transfer 10 ac in from 6162105</i>			
Phelps	6172601	Pt. of W½ of the SE¼ 26-6-17	Kathleen Larson	20	-40(2)
		<i>*Transfer 40 acres out to 6150601</i>			
Phelps	7143001	W½ 30-17-14	DDD Kristensen Enterprises, LLC c/o Duane & Deborah Kristensen	150	+90(2)(4)
		<i>*Combined with 7143002</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.

It was moved by Director Soneson and seconded by Director R. Olson to approve the Water Service Agreement Exhibit as presented. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, Petersen, Rowe, and Soneson. S. Olson abstained from voting due to a conflict of interest. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR RECHARGE FROM EXCESS FLOWS (PHELPS CANAL) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Cory Steinke explained the agreement remains unchanged since it was presented at the

May 24, 2019 Committee Meeting, but it still needs legal review.

It was moved by Director S. Olson and seconded by Director Dudley Nelson to approve the Water Service Agreement for Recharge from Excess Flows (Phelps Canal) 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: Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Bogle abstained from voting. None voted no and the motion was declared carried.

WATER SERVICE AGREEMENT FOR RECHARGE FROM EXCESS FLOWS (ELWOOD RESERVOIR) – NEBRASKA COMMUNITY FOUNDATION AND THE PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: Cory Steinke explained the agreement remains unchanged since it was presented at the May 24, 2019 Committee Meeting, but it still needs legal review.

It was moved by Director Dave Nelson and seconded by Director Petersen to approve the Water Service Agreement for Recharge from Excess Flows (Elwood Reservoir) 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: Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. Bogle abstained from voting. None voted no and the motion was declared carried.

LEGAL SERVICES AGREEMENT WITH REMBOLT LUDTKE LLP FOR KINGSLEY POWER SALES AGREEMENT REPRESENTATION: Devin Brundage reported on the legal services agreement with Rembolt Ludtke for work associated with the power sales agreement and the 1954 agreement with NPPD.

POWER AND RECREATION COMMITTEE (5/29/19): Mike Drain reported on the following items which the Power and Recreation Committee recommended Board approval of at their May 29, 2019 meeting:

- a. Hunting Lease Terms – Jeffrey Island
- b. Staff Authorization to Waive Lease Transfer Fees Under Special Circumstances
- c. Pinnacle Bank Sign Lease

It was moved by Director Bogle and seconded by Director Dudley Nelson to approve 1) the Deer and Waterfowl Hunting Lease Terms as recommended; 2) authorization for staff to waive lease transfer fees under special circumstances as recommended; and 3) the Pinnacle Bank sign lease. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Petersen, Rowe, and Soneson. None voted no and the motion was declared carried.

LEGISLATION: Jeff Buettner reported the legislature adjourned on May 31, 2019 and their next session will be a 60-day session beginning in January, 2020.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: None.

DIRECTORS' ATTENDANCE: All Directors were present.

BOARD COMMENTS: Director R. Olson suggested the Directors consider dressing business casual for Regular Business Meetings during the summer months.

MANAGEMENT REPORTS: The following operations reports were presented:

- a. Cory Steinke stated Doug Max has replaced Doug Viter as the Supply Canal Superintendent.
- b. Anton Hassebrook reported the electric crews continue to work on installing more automated sites along the Phelps Canal and crews conducted 5-year gate checks at the Diversion Dam last week. The HVAC cooling system at Kingsley Hydro will be replaced in the coming weeks.
- c. Tyler Thulin reported Lake McConaughy is at elevation 3,257.9, 1,534,300 acre feet, and 88.0% capacity. Inflows are around 2,900 cfs but they will be increasing over the next several days, and outflows are 1,600 cfs. Glendo Reservoir is 30,000 acre feet in the flood pool, so the Bureau of Reclamation will begin making releases once the river flows decrease enough to handle more water. Thulin predicts Lake McConaughy's elevation could reach 3,260 this summer.
- d. Dave Ford reported on the above average rainfall for the area and stated the scheduled irrigation deliveries will begin June 10, 2019.
- e. Rochelle Jurgens intends to mail notices to delinquent leaseholders at Johnson Lake and Plum Creek Reservoir next week.
- f. Jeff Buettner continues to make plans for an upcoming NSIA board meeting which will be held at Jeffrey Lodge, the Water Center tour in September, and the NSIA/NWRA Joint Convention in November.
- g. Eric Hixson stated the new HVAC cooling systems will be installed at Kingsley Hydro in the next couple weeks. Monitoring the dissolved oxygen levels at Lake Ogallala has begun.
- h. Devin Brundage reminded the Directors and staff of the BBQ for employees in Elwood on June 8, 2019 at noon.

ADJOURNMENT: It was moved by Director R. Olson and seconded by Director Dudley Nelson to adjourn the Regular Business Meeting of the Board at 9:53 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, Rowe, and Soneson. 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