

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

HOLDREGE, NEBRASKA

DECEMBER 7, 2020 – 9:00 A.M.

INDEX

PAGE #

- 20,091 MINUTES OF SPECIAL COMMITTEE MEETING OF THE BOARD OF DIRECTORS (WORKSHOP) – 11/4/2020
- 20,091 a. Public Input
b. Budget Review and Update
- 20,092 c. Energy Planning
d. Adjournment
- 20,093 MINUTES OF COMMITTEE MEETING OF THE BOARD OF DIRECTORS – 11/20/2020
- 20,094 a. Public Input
b. Consent to Assignment Summary
c. Permit to Construct Summary
- 20,095 d. Permit to Construct Summary, continued
e. Contract Change Order No. 1, Contract No. 0-698, American Governor Hydropower Solutions (\$22,770)
f. Right-of-Way Transaction
g. Power and Recreation Committee (11/9/2020 & 11/17/2020)
- 20,096 h. Irrigation Committee (11/13/2020) (2021 Irrigation Rates & WO 186570)
i. Wage Scale Adjustments (2021)
j. 2021 Budget
k. Oil and Gas Lease (Section 19, Township 6 North, Range 17 West, Phelps County)
l. Southwest Power Pool – Cost of Service Study
- 20,097 m. Integration Study
n. 2021 Annual Operating Plan
o. Legislation
p. Board Comments
q. Legal Update
r. Management Reports
s. Personnel
- 20,098 t. Out of State Travel
u. Workshops, Seminars and Conferences
v. Board Sub-Committee Meetings and Other Important Upcoming Events
w. Adjournment
- 20,099 MINUTES OF REGULAR BUSINESS MEETING OF THE BOARD OF DIRECTORS – 12/7/2020
1. Public Input
- 20,100 1. Consent Agenda
- 20,101 1. Consent Agenda, continued
2. 2021 Services Agreement – Johnson Lake Development Inc.
3. Irrigation Water Management Specialist Report
4. 2021 Irrigation Rates
- 20,102 1. Wage Scale Adjustments
2. 2021 Kingsley Hydro Budget
3. 2021 Budget
4. Oil and Gas Lease (Section 19, Township 6 North, Range 17 West, Phelps County)
5. Southwest Power Pool – Cost of Service Study
6. Integration Study
- 20,103 1. Legislation
2. Workshops, Seminars and Conferences
3. Personnel
4. Directors’ Attendance
5. Board Comments
6. Legal Update
7. Management Reports
- 20,104 1. CLOSED SESSION
2. Personnel
3. Adjournment
4. Signature Page

MINUTES OF SPECIAL COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
NOVEMBER 4, 2020 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by notices aired on KRVN (Lexington) and KUVR (Holdrege) radio stations on October 30, 2020, and through legal publication in the Kearney Hub and Holdrege Daily Citizen on October 30, 2020, and the North Platte Telegraph and Lexington Clipper-Herald on October 31, 2020, 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 October 28, 2020.

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	Gordon N. Soneson
Martin E. Mueller, Treasurer	Dudley L. Nelson	

The following Director was absent: Robert L. Petersen

Also present were the following (*participated via Zoom):

Devin M. Brundage, General Manager	Cory A. Steinke, Hydraulic Project Ops. Mgr.*
Rochelle A. Jurgens, Controller	Jeff J. Buettner, Govt & Public Relations Mgr.
Eric R. Hixson, Electrical Project Ops. Mgr.	Charles Brewster, Legal Counsel
Mike A. Drain, Nat. Resources & Compliance Mgr.	Emily Anderson, Assistant Secretary
David R. Ford, Irrigation Operations Mgr.	

Others present were (*participated via Zoom):

Kyle Shepherd	Mike Klein*
---------------	-------------

* * * * *

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

At 9:01 a.m. Board President Rowe announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: None.

BUDGET REVIEW AND UPDATE: Devin Brundage stated the purpose of this meeting is to conduct the second-half of the strategic planning session being held in lieu of the annual Board Retreat that was canceled due to COVID-19. He asked the Directors to envision District operations in the year 2050. Rochelle Jurgens presented financial reports and projections.

ENERGY PLANNING: Eric Hixson described several opportunities for additional energy production by installing more hydros and developing solar farms. Devin Brundage presented concepts on how the District's generation resources could go beyond just a revenue resource to becoming part of a vertically integrated utility positioned to meet needs of stakeholders in a much more comprehensive way and achieve long-term sustainability in providing those services in a very cost effective manner. He plans to coordinate with Dawson PPD and proposed hiring a consultant to conduct a joint feasibility study to evaluate a potential integration. Brundage will present more information to the Board at the November 20, 2020 Committee Meeting of the Board.

ADJOURNMENT: It was moved by Director R. Olson and seconded by Director Dudley Nelson to adjourn the Special Committee Meeting of the Board at 11:37 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, Rowe, and Soneson. Absent: Petersen. The motion was declared carried.

MINUTES OF COMMITTEE MEETING OF THE
BOARD OF DIRECTORS
THE CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT
HOLDREGE, NEBRASKA
NOVEMBER 20, 2020 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by notices aired on KRVN (Lexington) and KUVR (Holdrege) radio stations on November 16, 2020, and through legal publication in the Kearney Hub and Holdrege Daily Citizen on November 16, 2020, the North Platte Telegraph and the Lexington Clipper-Herald on November 14, 2020, 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 November 11, 2020.

The following Directors were present:

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

(*participated via Zoom)

The following Directors were absent: Robert L. Petersen and William E. Knoerzer

Also present were the following (*participated via Zoom):

Devin M. Brundage, General Manager	Luke Ritz, Senior Land Administrator*
Rochelle A. Jurgens, Controller	Duane Cernousek, Purchasing Agent
Eric R. Hixson, Electrical Project Ops. Mgr.	Dave Zorn, Senior Biologist*
Mike A. Drain, Nat. Resources & Compliance Mgr.	Meredith Pierce, Asst. Controller*
David R. Ford, Irrigation Operations Mgr.	Tyler A. Thulin, Civil Engineer*
Cory A. Steinke, Hydraulic Project Ops. Mgr.	Charles Brewster, Legal Counsel
Jeff J. Buettner, Govt & Public Relations Mgr.*	Emily Anderson, Assistant Secretary
Anton Hassebrook, Hydroelectric Ops. Super.*	

Others present were (*participated via Zoom):

Ken Christensen*	Mike Klein
Richard Zwisler*	Gary Telitz*
Tim Boyle	Kyle Shepherd
Zach Gray	Alex Linden* (joined at 10:30 a.m.)

* * * * *

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

At 9:02 a.m. Board President Rowe announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: Charles Brewster introduced Zach Gray, a new associate attorney at Anderson Klein Brewster & Brandt.

CONSENT TO ASSIGNMENT SUMMARY: There were five consents at Johnson Lake and one at Lake McConaughy approved during the month of November, 2020.

PERMIT TO CONSTRUCT SUMMARY: The following permits were approved during the month of November, 2020:

Permits to Construct Approved by General Manager 11/20/2020			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Bass Bay Area Association	Section 31-T9N-R22W	Installation of 3" drainage pipe under asphalt road on Central property to help drain standing water.	10/23/2020 \$0.00

Permits to Construct Approved by Land Administration Department 11/20/2020 – Johnson Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Heinemann, Gary & Teresa	107 Lakeview Acres Dr. 14C	ECS- Bank Stabilization Riprap for 43 linear feet of the shoreline	10/22/2020
Malcom, Zane & Joscelyn	22 Crappie Corner Dr. 5	DWEL- Remove and Replace existing concrete slab	10/19/2020
Christy, Pamela	41 North Shore Dr. 8	DWEL- Existing brick patio removed and replaced with concrete patio	10/19/2020
Christy, Pamela	41 North Shore Dr. 8	SWAF- Install 25ft2 of on-grade patio	10/19/2020 \$50.00
Kilpatrick, Kirk & Becky	97 Mallard Beach Dr. 22	SWEL/SWAF- Install 10'W x 15'L on-grade patio within 30' of the shoreline. Install 5'W x 10'L on grade sidewalk 30' from the shoreline	11/09/2020 \$50.00
ATB Properties LLC	1 Perch Bay Addn Dr. 7	DWEL- Construct detached garage, 2 story addition using the existing foundation, newly constructed replacement garage attached 24' x 36' garage	11/06/2020
Schultz, Steven & Kari	39 Bass Bay Dr. 16	DWEL - Construct a new home. 60'4"L x 41'W and 14'L x 41'W covered elevated deck	10/28/2020
Bazata, Ronald & Melinda	104 Lakeview Acres Dr. 14C	SWAF - Install 12'W x 12'L shorestation	11/10/2020 \$50.00
Johnson, Jill	89 Mallard Beach Dr. 22	DWEL - Construct patio addition, outdoor grill station and pergola.	11/02/2020
Gregg, Matthew & Penny	2 Park Lane Dr. 28	DWEL - Erect 20' tall flag pole	11/02/2020

Permits to Construct Approved by Land Administration Department 11/20/2020 – Lake McConaughy			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Hartman, Dan & Wolff, Tracy	50 K-1 Rd	SWAF- Install 2' x 18' Jet-Ski Lift, 11' x 60' Railway Boat Lift	10/08/2020 \$50.00

Theiler, Joseph & Terry	1 K-1 Rd	SWAF- Install a wind damaged 26' x 40' roof	10/12/2020 \$50.00
Majors, Bruce & Debra	89 K-1 Rd	DWEL- Replace concrete pad, replace retaining walls, construct new 24' x 42' deck	11/10/2020

Permits to Construct Approved by Land Administration Department 11/20/2020 – Jeffrey Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Griffin, Hugh & Kristine	82 Pelican Dr.	ECS- Bank Stabilization Riprap for 76 linear feet of the shoreline	10/15/2020

Permits to Construct Approved by Land Administration Department 11/20/2020 –Midway Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>

Permits to Construct Approved by Land Administration Department 11/20/2020 – Plum Creek Lake			
<u>Name</u>	<u>Description</u>	<u>Permit & Purpose</u>	<u>Date Approved & Fee</u>
Fairbanks, David & Carolyn	3 Plum Creek Canyon Dr. 12G	Amended ECS- Reestablishment of eroded shoreline and bank stabilization by adding 17 cubic yards of compacted fill and stabilization material	11/18/2019
Osborn, Kevin & Teresa	1 Plum Creek Canyon	ECS- Bank Stabilization Riprap for 195 linear feet of the shoreline	10/09/2020

CONTRACT CHANGE ORDER NO 1. CONTRACT NO. 0-698, AMERICAN GOVERNOR HYDROPOWER SOLUTIONS (\$22,770.00): Eric Hixson presented the change order for additional equipment for communications between the SCADA and the governor PLC and to replace associated pressure transducers.

RIGHT-OF-WAY TRANSACTION: Dave Ford displayed an aerial photo of the area where a bridge needs removed and presented the following summary:

<u>System</u>	<u>Tract Number</u>	<u>Legal Description</u>	<u>Landowner</u>
---------------	---------------------	--------------------------	------------------

Applications for Removal of Bridge or Crossing

E65	E65#62*	NW1/4 24-6-20	James A. & Nancy M. Morse
-----	---------	---------------	---------------------------

*Remove timber farm bridge, located at approximate Milepost 33.8 on the E65 canal system that is no longer needed or used.

POWER AND RECREATION COMMITTEE (11/9/2020 & 11/17/2020): Subcommittee chair, Fowler, gave an overview of the items the committee took action on at their meetings held on November 9 and November 17, 2020:

- a. FERC Project Boundary Review Workshop: The subcommittee requested the construction of a resolution to be presented for consideration by the board that would convey support of staff's FERC boundary review efforts.
- b. Resolution No. 20-02 – FERC Project Boundary Review Efforts: A draft of the proposed resolution was presented for review.
- c. Application for Variance – 89 Mallard Beach, Johnson Lake: The subcommittee voted to recommend Board approval of the variance for the proposed outdoor kitchen area, provided that it will not extend any further into the Lot Line Construction Setback than

- the existing foot print of the house, conditional upon receipt of the neighbor’s consent.
- d. Hardship Relief – 21 North Cove, Johnson Lake: The subcommittee voted to recommend Board approval of a Hardship Relief lease fee of \$338.00 for the 2021 term.
 - e. Johnson Lake Development, Inc. – Services Agreement for 2021: The subcommittee voted to recommend Board approval of the Johnson Lake Development, Inc. Services Agreement for 2021 as presented.
 - f. Amend the Minutes of the November 2, 2020 Regular Business Meeting Relating to Action Taken on the Lease Rates of District Owned Houses: Due to an error in the calculations of lease rates, the subcommittee voted to recommend the Board rescind the action taken on November 2, 2020 at the Regular Business Meeting of the Board with regard to the lease rates of District owned houses.

IRRIGATION COMMITTEE (11/13/2020): Subcommittee chair, Dahlgren, gave an overview of the items the committee took action on at their meeting held on November 13, 2020. Devin Brundage and Dave Ford presented graphs reflecting historic irrigation revenues and rates.

- a. 2021 Irrigation Rates: The subcommittee voted to recommend Board approval of a 1.0% increase in rates for the 2021 Irrigation Rates, with the revised pricing summarized below:

Incremental Pricing Program, 9” base fee	\$34.96 per acre
IPP Acre-inch fee from 9” to 18” of use	\$1.22 per inch
Non IPP rate 12” contracts	\$38.62 per acre
Non IPP rate 18” contracts	\$45.94 per acre
Use over 18” rate	\$45.94 per acre-foot

- b. Replace A33.5-5.0 N Lateral with Pipeline: Dave Ford presented Construction Work Order No. 186570 in the amount of \$38,946.14 and the following Budget Revision:

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Phelps Capital</u>			
Pipeline A33.5-5.0-0.5	\$0	\$22,900	\$22,900
Phelps Earthwork 2-38-54300-506	\$401,000	\$378,100	(\$22,900)
		NET CHANGE	0

WAGE SCALE ADJUSTMENTS (2021): Rochelle Jurgens stated although the CPI is 1.2%, the wage increase floor in the Union Contract is 1.5% and all employees (Hourly Employees Represented by IBEW #2185 and Exempt and Confidential Employees) will receive that wage adjustment for 2021.

A break was taken at 9:58 a.m. The meeting resumed at 10:04 a.m.

2021 BUDGET: Rochelle Jurgens presented and reviewed the final 2021 Fiscal Budget and highlighted major planned expenditures and capital project purchases. She will present the final 2021 Fiscal Budget Management Letter at the December Business Meeting for approval.

Alex Linden joined the meeting via Zoom at this time. Jeff Buettner introduced Linden as the new Public Relations Specialist and Linden briefly talked about his background. He plans to begin his employment with the District on December 14, 2020.

OIL AND GAS LEASE (SECTION 19, TOWNSHIP 6 NORTH, RANGE 17 WEST, PHELPS COUNTY): Charles Brewster has worked with Jim Brown on revisions to a proposed lease supplied by J. Fred Hambright, Inc. and created an Oil and Gas License. He continues to research this matter and will present more at the December Business Meeting.

SOUTHWEST POWER POOL – COST OF SERVICE STUDY: Eric Hixson presented proposals from Charles River Associates to conduct the FERC Transmission Rate Study and Regulatory Support and from Duncan & Allen LLP to provide legal representation during the process.

INTEGRATION STUDY: Devin Brundage presented three proposals from consultants (BKD, NRECA and PSE) to conduct an analysis of a potential transaction between Central and Dawson Public Power District. Both Districts will continue to review the proposals, gather more information and work toward recommending a proposal at the December board meeting.

2021 ANNUAL OPERATING PLAN: Mike Drain stated that discussions continue with NPPD regarding an AOP for 2021. They have reached a tentative agreement on the storage season, irrigation season, GGS cooling, and miscellaneous other items. He will present the final agreement to the Board once achieved.

LEGISLATION: Due to COVID-19, Jeff Buettner expects the Legislature to have many safety protocols and limited face-to-face meetings with Senators and their staff. He heard OPPD may propose a bill to modernize the Open Meetings Act.

BOARD COMMENTS: Director David Nelson displayed a photo he took of one of the new irrigation signs. A company named Bluestem is building wind turbines on his property and he indicated they would be willing to give a presentation to the Board sometime in the future about wind energy, solar, tax incentives, etc.

LEGAL UPDATE: None.

MANAGEMENT REPORTS:

- a. Cory Steinke stated dredging continues at the Diversion Dam and he is working to achieve a bridge agreement with Robb Ranch.
- b. Tyler Thulin reported Lake McConaughy is at elevation 3,242.8, 1,152,000 acre feet, and 66% capacity. Inflows to Lake McConaughy are 1,100 cfs and outflows are 475 cfs. Hydrocycling ended mid-November at Johnson Lake and it is back to normal operating levels.
- c. Mike Drain displayed photos taken of the Morning Glory during a recent inspection showing areas where the paint has deteriorated.
- d. Jeff Buettner received a funding request from the Kearney Area Children’s Museum to rebuild their current water table exhibit and reform it into a new “Platte River Water Table” which would be more realistic with clouds, dams, reservoirs, hydro plants, pivots, etc. Buettner has included a \$7,500 request in the proposed 2021 budget for this contribution. He plans to notify the public that the eagle viewing facilities will be closed this year due to COVID-19, and provide insight to publicly accessible locations where eagles might be observed from the safety of their automobile.
- e. Dave Ford stated crews continue to work on structures, concrete repairs and pipeline projects. Recharge on the Phelps Canal started last week. The Water Leasing Program started on November 9, 2020 and 28 accounts have enrolled to date.
- f. Rochelle Jurgens reported that irrigation bills are due by November 30, 2020 and the collection process is going very well.
- g. Eric Hixson stated both units at Jeffrey recently underwent dewatering inspections. The J-1 inspection is complete and the remaining units will be done in the coming weeks.
- h. Devin Brundage reported on continued work on the Dawson Public Power District integration investigation and personnel matters.

PERSONNEL: Devin Brundage presented the following items:

- a. Irrigation Department Restructuring: Revisions to the organization chart were reviewed.
 - Job Description – Irrigation Operations Supervisor
 - Job Description – Irrigation Superintendent
 - Job Description – Irrigation and Water Services Manager
- b. Job-Description – Public Relations Specialist
- c. Employment Agreements
 - Glen Bevard
 - Kevin Boyd
 - Leonard France
 - Don Kraus
 - Marcia Trompke

OUT OF STATE TRAVEL: None.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

BOARD SUB-COMMITTEE MEETINGS AND OTHER IMPORTANT UPCOMING EVENTS:

- a. Nov 24th NSIA/NWRA Webinar – Water in Nebraska Video Preview

ADJOURNMENT: It was moved by Director R. Olson and seconded by Director Dudley Nelson to adjourn the meeting at 11:58 A.M. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent was: Knoerzer and Petersen. 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
DECEMBER 7, 2020 – 9:00 A.M.

This meeting was publicly advertised in accordance with Section 84-1411 of the Nebraska Statutes by notices aired on KRVN (Lexington) and KUVR (Holdrege) radio stations on November 30, 2020, and through legal publication in the Kearney Hub and Holdrege Daily Citizen on November 30, 2020, the North Platte Telegraph on December 1, 2020, and the Lexington Clipper-Herald on December 2, 2020 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 November 11, 2020.

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	Gordon N. Soneson
Martin E. Mueller, Treasurer*	Dudley L. Nelson	

**participated via Zoom*

The following Director was absent: Robert L. Petersen

Also present were the following (*via Zoom):

Devin M. Brundage, General Manager	Van Fastenau, Irrigation Operations Supervisor*
Rochelle A. Jurgens, Controller*	Tyler Thulin, Civil Engineer*
Eric R. Hixson, Electrical Project Ops. Mgr.*	Luke Ritz, Senior Land Administrator*
David R. Ford, Irrigation Operations Mgr.*	Dusty Way, Irrigation O & M Asst. Supervisor*
Mike A. Drain, Natural Resources Mgr.*	Duane Cernousek, Purchasing Agent*
Cory A. Steinke, Hydraulic Project Ops. Mgr.*	Charles Brewster, Legal Counsel
Jeff J. Buettner, Govt & Public Relations Mgr.*	Emily Anderson, Assistant Secretary

Others present were (*via Zoom):

Tim Boyle*	John Thorburn, Tri-Basin NRD
Kyle Shepherd	Gary Telitz*
Zach Gray	Ken Christensen*
Curtis Scheele, NRCS*	David Bargaen, Rembolt Ludtke, LLP*
Erik Sonju, PSE*	

* * * * *

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 announced that the meeting was open for business and proceeded with roll call.

PUBLIC INPUT: John Thorburn reported Tri-Basin is accepting applications for their Water Conservation Incentive Program (WCIP) and reminded everyone of the incentive option for Central

irrigators with co-mingled wells. He thanked Rochelle Jurgens and Dave Ford for coordinating with Tri-Basin to enclose information about the WCIP program in the Incremental Pricing Program (IPP) letter Central will mail out this week.

CONSENT AGENDA: Devin Brundage provided an overview of the items on the Consent Agenda which were previously presented and discussed at the November 20, 2020 Committee Meeting of the Board.

The Board President stated he would like to remove the Johnson Lake Development, Inc. Services Agreement for 2021 from the Consent Agenda and vote on it separately. The following items were presented for approval:

- **Approval of Minutes of Regular Business Meeting of the Board of Directors held November 2, 2020**
- **Approval of Minutes of Special Committee Meeting (Planning Workshop) of the Board of Directors held November 4, 2020**
- **Approval of Minutes of Committee Meeting of the Board of Directors held November 20, 2020**
- **Approval of the December disbursements:**

Hydro Division:

Check #s 63070, 63407 & 8900153-VOID; Check #s 63570 through 63779 and 8900172 through 8900198 (Accounts Payable) \$1,581,468.79

Payroll \$500,197.96

Kingsley Division:

Check #s 3267 through 3278 (Accounts Payable) \$91,088.44

J-2 Regulating Reservoir Construction Fund:

NONE \$NONE

Glendo Division:

NONE \$NONE

Flex Spending Account:

Check #7199787 \$966.00

- **Approval of Contract Change Order No. 1, Contract No. 0-698, American Governor Hydropower Solutions (\$22,770.00)**

- **Approval of the following Right-of-Way Transaction:**

System	Tract Number	Legal Description	Landowner
--------	--------------	-------------------	-----------

Applications for Removal of Bridge or Crossing

E65 E65#62* NW1/4 24-6-20 James A. & Nancy M. Morse

*Remove timber farm bridge, located at approximate Milepost 33.8 on the E65 canal system that is no longer needed or used.

- **Approval of Resolution No. 20-02 – FERC Project Boundary Review**
- **Approval of the Variance Application for 89 Mallard Beach, Johnson Lake for the construction of an outdoor kitchen area, provided it will not extend any further into the Lot Line Construction Setback than the existing footprint of the house, and also conditional upon receipt of the neighbor’s consent**

- **Approval of Hardship Relief for the customer of 21 North Cove, Johnson at a lease fee of \$338.00 for 2021**
- **Approval to rescind the action taken at the November 2, 2020 Regular Business Meeting relating to the lease rates of District owned houses (due to an error in the calculations of lease rates)**
- **Approval of 2020 Budget Revision as follows:**

	<u>Current Budget</u>	<u>Proposed Budget</u>	<u>Difference</u>
<u>Phelps Capital</u>			
Pipeline A33.5-5.0-0.5	\$0	\$22,900	\$22,900
Phelps Earthwork 2-38-54300-506	\$401,000	\$378,100	(\$22,900)
		NET CHANGE	0

- **Approval of the following Job Descriptions:**
 - Irrigation Operations Supervisor
 - Irrigation Superintendent
 - Irrigation and Water Services Manager
 - Public Relations Specialist
- **Approval of the following Employment Agreements for January 1, 2021 through December 31, 2021:**
 - Glen Bevard
 - Kevin Boyd
 - Leonard France
 - Don Kraus
 - Marcia Trompke

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

2021 SERVICES AGREEMENT - JOHNSON LAKE DEVELOPMENT, INC.: It was moved by Director Dudley Nelson and seconded by Director S. Olson to approve the 2021 Services Agreement with Johnson Lake Development, Inc. as presented. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, and Soneson. Fowler and Rowe abstained from voting. Absent: Petersen. None voted no and the motion was declared carried.

IRRIGATION WATER MANAGEMENT SPECIALIST REPORT: Curtis Scheele, Irrigation Water Management Specialist for the Natural Resources Conservation Service, presented his annual conservation report summarizing activity related to the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CStwP), and UNL's Testing Ag Performance Solutions (TAPS).

2021 IRRIGATION RATES: Devin Brundage presented the following rates, representing a 1.0% increase over the prior year's rates:

Incremental Pricing Program, 9" base fee	\$34.96 per acre
IPP Acre-inch fee from 9" to 18" of use	\$1.22 per inch
Non IPP rate 12" contracts	\$38.62 per acre
Non IPP rate 18" contracts	\$45.94 per acre
Use over 18" rate	\$45.94 per acre-foot

It was moved by Director Bogle and seconded by Director Fowler to approve the 2021 Irrigation Rates as presented. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Mueller, David Nelson, and Rowe. Dahlgren, Knoerzer, Dudley Nelson, R. Olson, S. Olson, and Soneson abstained from voting. Absent: Petersen. None voted no and the motion was declared carried.

WAGE SCALE ADJUSTMENTS: Devin Brundage proposed a 1.5% wage increase for hourly employees represented by IBEW #2185 and for exempt and confidential employees.

It was moved by Director R. Olson and seconded by Director Dudley Nelson to approve a 1.5% wage scale adjustment for all District employees 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, Rowe, and Soneson. Absent: Petersen. None voted no and the motion was declared carried.

2021 KINGSLEY HYDRO BUDGET: Eric Hixson presented NPPD's letter dated December 3, 2020 containing their comments about the budget. He stated the primary concern for NPPD is legal costs.

It was moved by Director Bogle and seconded by Director Soneson to approve the 2021 Kingsley Hydro Budget 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, Rowe, and Soneson. Absent: Petersen. None voted no and the motion was declared carried.

2021 BUDGET: Rochelle Jurgens presented and reviewed the final 2021 Fiscal Budget Management Letter highlighting major planned expenditures and capital project purchases.

It was moved by Director Dahlgren and seconded by Director Knoerzer to approve the 2021 Budget 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, Rowe, and Soneson. Absent: Petersen. None voted no and the motion was declared carried.

OIL AND GAS LEASE (SECTION 19, TOWNSHIP 6 NORTH, RANGE 17 WEST, PHELPS COUNTY): Charles Brewster sought the advice of Morgan Farquhar of Farquhar Law Office for assistance with the oil and gas lease. Jim Brown will continue to negotiate the terms of a potential agreement with representatives of J. Fred Hambright, Inc. and report the results at a later date.

David Bargaen joined the meeting via Zoom at 9:48 a.m.

SOUTHWEST POWER POOL – COST OF SERVICE STUDY: Eric Hixson presented contracts with Charles River Associates (consulting) and Duncan & Allen (legal services) to assist in preparation of a required update to its annual transmission revenue requirement.

Erik Sonju joined the meeting via Zoom at 9:56 a.m.

A break was taken at 9:57 a.m. The meeting resumed at 10:07 a.m.

INTEGRATION STUDY: Devin Brundage introduced David Bargaen from Rembolt Ludtke, LLP and Erik Sonju from Power System Engineering, Inc. (PSE). David Bargaen conducted research of public power statutes and provided information regarding framing of Nebraska statutes that provide for consolidations or mergers of public power entities. Brundage then introduced Erik Sonju with PSE whom staff is recommending conduct a joint study to determine the feasibility of a potential consolidation with Dawson Public Power District and to determine what benefits could be realized for the customers and stakeholders of both entities. Brundage noted that Dawson Public Power District's board approved conducting the study with PSE last week. The two districts would equally share the costs of the study.

It was moved by Director Bogle and seconded by Director Dudley Nelson to approve the proposal from Power System Engineering, Inc. to conduct an evaluation of integration with Dawson Public Power District with the cost of the study to be shared equally between the districts. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent: Petersen. None voted no and the motion was declared carried.

LEGISLATION: Jeff Buettner reported the legislature will convene on January 6, 2021 and he expects the senators to immediately establish safety guidelines for the session due to COVID-19.

WORKSHOPS, SEMINARS AND CONFERENCES: None.

PERSONNEL: This was discussed in Closed Session.

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

BOARD COMMENTS: None.

LEGAL UPDATE: Charles Brewster has been working with staff on lease issues, collections and a bridge damage claim.

MANAGEMENT REPORTS: The following management reports were presented:

- a. Cory Steinke reported the dredge was removed from the Diversion Dam and crews will conduct repairs on the machine to prepare for next season. He thanked the Gothenburg crew for working hard the past several months while trying to stay healthy and slow the spread of COVID-19.
- b. Tyler Thulin reported Lake McConaughy is at elevation 3,243.5 1,168,000 acre feet, and 67.1% capacity. Inflows are around 1,100 cfs and outflows are 450 cfs.
- c. Dave Ford displayed photos of crews repairing road crossings and concrete sections of the canals. He displayed a mock-up for a new sign at the entrance of Elwood Reservoir.
- d. Rochelle Jurgens explained how to interpret the Other Post-Employment Benefits (OPEB) report that was posted to the board website.
- e. Eric Hixson reported on the dewatered inspection that was completed at J-2.
- f. Dust Way commented that this is the last week for irrigators to sign-up for the Water Leasing Program for 2021.
- g. Devin Brundage announced that Tim Long retired on November 27, 2020 and thanked him for his many years of dedicated service to the District.

At 11:35 AM it was moved by Director S. Olson and seconded by Director Knoerzer to enter into Closed Session. Upon voting on the motion, the following Directors voted therefore: Bogle, Dahlgren, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent: Petersen. None voted no and the motion was declared carried. The reason for entering into Closed Session was to discuss the following agenda item: Personnel. The purpose of entering into Closed Session for this item was to discuss a personnel matter.

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

Director Dahlgren exited the meeting at 11:48 a.m.

At 11:51 AM it was moved by Director Dudley Nelson and seconded by Director Knoerzer to 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, Rowe, and Soneson. Absent: Dahlgren and Petersen. None voted no and the motion was declared carried. Board President Rowe stated the item discussed in Closed Session was Personnel.

PERSONNEL: It was moved by Director Soneson and seconded by Director R. Olson to approve the addition of Alex Linden to the payroll as the Public Relations Specialist and to approve General Manager contract terms for 2021 as discussed. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent: Dahlgren and Petersen. None voted no and the motion was declared carried.

ADJOURNMENT: It was moved by Director David Nelson and seconded by Director S. Olson to adjourn the Regular Business Meeting of the Board at 11:53 A.M. Upon voting on the motion, the following Directors voted therefore: Bogle, Fowler, Knoerzer, Mueller, David Nelson, Dudley Nelson, R. Olson, S. Olson, Rowe, and Soneson. Absent: Dahlgren and Petersen. 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