



**PAPIO-MISSOURI RIVER  
NATURAL RESOURCES DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES  
September 8, 2016**

**PLEDGE OF ALLEGIANCE**

**NOTIFICATION OF OPEN MEETINGS ACT POSTING AND MEETING PROCEDURE**

**MEETING CALLED TO ORDER:** A regular meeting of the Papio-Missouri River Natural Resources District Board of Directors was held at the Dakota County Service Center, 1505 Broadway, Dakota City, NE on September 8, 2016. The meeting was called to order by Chairperson, John Conley at 7:00 p.m.

**QUORUM CALL:** The following Directors were present for the Quorum Call:

Patrick Bonnett	Patrick Leahy
Fred Conley	Bill Rhea
John Conley	Jim Thompson
Curt Frost	

**ADOPTION OF AGENDA:**

- **MOTION NO. 1:** It was moved by Director Fred Conley and seconded by Director Patrick Leahy that the meeting agenda be adopted.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

**ADOPTION OF CONSENT AGENDA:**

- **MOTION NO. 2:** It was moved by Director Jim Thompson and seconded by Director Fred Conley that the following resolution be adopted:

BE IT RESOLVED that the following resolutions on the consent agenda are hereby adopted.

Agenda Item 3.A.:

BE IT RESOLVED that the absences of the following Directors from the September 8, 2016, Board of Directors Meeting are excused: Tim Fowler, David Klug, Rich Tesar, and Ron Woodle.

Agenda Item 7. A. & B.:

BE IT RESOLVED that the August 11, 2016, Papio-Missouri River NRD Board meeting minutes, and the August 10, 2016, Dakota County Rural Water Advisory Board meeting minutes, are approved as printed.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

**PROOFS OF PUBLICATION OF MEETING NOTICE:** Notice of the meeting was published in the Omaha World Herald on September 1, 2016. The District's July 15-August 11, 2016, expenditures were published in the Dakota County Star on August 18, 2016. The Chairperson ordered the Proofs of Publication recorded in the minutes of this meeting. (They are contained as part of the file copy of these minutes.)

**AGENCY AND ASSOCIATION REPORTS:**

A. Natural Resources Conservation Service Report: Tony Lockhart, Resource Conservationist for Dakota County, briefed the Board on NRCS activities. Neil Jensen's report is posted to the website.

B. Nebraska Association of Resources Districts: Director Jim Thompson noted that the NARD Annual Meeting will be held September 25-27, 2016 in Kearney, NE. Directors Bonnett, Tesar and Thompson; and staff members Egr, Laster, Novak, Petermann, Schumacher, Winkler and Woodward will be representing the District.

C. Lower Platte River Corridor Alliance Report: Meghan Sittler's written report is posted to the website.

D. Report on South Sioux City Activities: Councilman Bruce Davis welcomed the Board of Directors and staff to Dakota City and updated the Board on the current events and activities going on in South Sioux City. He closed by thanking the Board and staff for all the great work that they do.

E. Nebraska Natural Resources Commission Report: Jim Thompson, Nebraska Natural Resources Commission member for the Missouri River Basin Tributary, gave an update on the events of the Nebraska Natural Resources Commission.

**PUBLIC HEARING – Adoption of Fiscal Year 2017 Budget:**

Chairperson John Conley appointed GM Winkler as the Hearing Officer. GM Winkler called the hearing to order at 7:13 p.m. Hearing Officer Winkler submitted the following exhibits for the record:

- Exhibit 1** Agenda
- Exhibit 2** Proof of Publication of Hearing Notice
  - ◆ Omaha World Herald – September 1, 2016 – Public Hearing Notice
  - ◆ Omaha World Herald – September 3, 2016 – Notice of Budget Hearing and Budget Summary
- Exhibit 3** Fact Sheet – FY 2017 Budget
- Exhibit 4** Pie Charts – FY 2017 Adopted Revenues and Expenditures
- Exhibit 5** FY 2017 Budget Worksheets
- Exhibit 6** Resolution to Set Property Tax Request for FY 2017 at \$22,828,010.57 with a tax levy of 0.038034/\$100

General Manager Winkler briefed the audience on the purpose of the Public Hearing. The District has received Final Valuations from the county offices. The tax requirement is \$22,828,010.57 with a tax levy of 0.038034/100. He also presented the FY 2017 Budget Fact Sheet. Winkler opened the floor to the public. There were no comments. Hearing Officer Winkler closed the Public Hearing at 7:17 p.m. and returned the floor to Chairperson John Conley.

**PUBLIC HEARING – To Set Property Tax Levy for Fiscal Year 2017:**

Chairperson John Conley appointed GM Winkler as the Hearing Officer. GM Winkler called the hearing to order at 7:17 p.m. Hearing Officer Winkler submitted the following exhibits for the record:

- Exhibit 1** Agenda
- Exhibit 2** Proof of Publication of Hearing Notice
  - ◆ Omaha World Herald – September 1, 2016 – Public Hearing Notice
  - ◆ Omaha World Herald – September 3, 2016 – Notice of Budget Hearing and Budget Summary
- Exhibit 3** Fact Sheet - FY 2017 Budget
- Exhibit 4** Pie Charts – FY 2017 Adopted Revenues and Expenditures
- Exhibit 5** FY 2017 Budget Worksheets
- Exhibit 6** Resolution to Set Property Tax Request for FY 2017 at \$22,828,010.57 with a tax levy of 0.038034/\$100

General Manager Winkler stated that the purpose of the Public Hearing was to set the tax levy for Fiscal Year 2017. The tax levy requirement is \$22,828,010.57 which is an overall increase of \$852,306.44 from last year with a tax levy of 0.038034. Winkler opened the floor to the public.

There was no public comment. Hearing Officer Winkler closed the Public Hearing at 7:18 p.m. and returned the floor to Chairperson John Conley.

**PUBLIC HEARING – Construction of the Washington County Rural Water System – Lakeland Connection Project:**

Chairperson John Conley appointed GM Winkler as the Hearing Officer. GM Winkler called the hearing to order at 7:18 p.m. Hearing Officer Winkler submitted the following exhibits for the record:

- Exhibit 1**      Agenda
- Exhibit 2**      Proof of Publication of Hearing Notice
  - ◆ Omaha World Herald – July 22, 2016 – Public Hearing Notice
  - ◆ Omaha World Herald – September 1, 2016
- Exhibit 3**      Statement of Purpose of Hearing
- Exhibit 4**      Washington County Rural Water System - Proposed Lakeland Water Main Connection Project - Public Hearing Power Point Presentation - September 8, 2016
- Exhibit 5**      Lakeland Connection Project Map

Brent Meyer, Husch Blackwell, stated the purpose of the Public Hearing was to discuss the Preliminary Engineering Report for construction of the Washington County Rural Water System – Lakeland Connection Project, including any potential impact on existing water rates. Zach Nelson, Project Manager gave a presentation of the project. Winkler opened the floor to the public. There was no public comment. Hearing Officer Winkler closed the Public Hearing at 7:26 p.m. and returned the floor to Chairperson John Conley.

**SUBCOMMITTEE REPORTS:**

A. Personnel, Legislative and Public Affairs Subcommittee: Director Fred Conley reported that the PLPA Subcommittee met on September 6, 2016, and gave a brief recap of the meeting.

- **MOTION NO. 3:**      It was moved by Director Fred Conley that the following resolution be adopted:

*PLPA Recommendation #1:*      Resolutions to be considered at the NARD Annual Conference: Be it resolved that the Papio-Missouri River NRD Voting Delegate and/or Alternate should be and are hereby authorized to vote to support resolution 2016-1, Water Well Professionals Resolution and resolution 2016-2, Funding Eligibility for Public Water Systems Resolution at the 2016 NARD Annual Conference.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

- Voting Yea      -      Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
- Voting Nay      -      None
- Abstaining      -      None
- Excused Absence -      Fowler, Klug, Tesar, Woodle

Absent - Fowler, Klug, Tesar, Woodle

B. Programs, Projects and Operations Subcommittee: Chairperson John Conley reported that the PPO Subcommittee met on September 6, 2016, and gave a brief recap of the meeting.

The Chairperson turned the floor over to General Manager Winkler, who updated the Board on the Project Financing for the Washington County Rural Water System Main Extension – Lakeland Estates. During the discussion, Winkler stated that the approval of the SRF Loan and the Washington County Bank Loan Refinancing requires the concurrence of two thirds of all members of the Board and noted that only seven members of the Board are in attendance; therefore, no Board action was taken on the SRF Loan or the Washington County Bank Loan Refinancing. He added that after consulting with both District Legal Counsel and Bond Counsel, their recommendation (and at the Board’s discretion), is to move this project forward, provide the contractor the notice to proceed, pay the project related expenses with District funds and reimburse the expenditures incurred with the SRF Loan funds. He asked that a motion be made to proceed with the water main extension, as the bid received for this project expires 50 days from bid receipt.

- **MOTION NO. 4:** It was moved by Director Fred Conley and seconded by Director Patrick Bonnett to provide the contractor a notice to proceed with the construction of the Washington County Rural Water System Main Extension – Lakeland Estate Construction Project.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)  
Voting Nay - None  
Abstaining - None  
Excused Absence - Fowler, Klug, Tesar, Woodle  
Absent - Fowler, Klug, Tesar, Woodle

- **MOTION NO. 5:** It was moved by Chairperson John Conley that the following recommendation be adopted:

*PPO Recommendation #1:* Phase VII of Engineering Contract with Olsson Associates for Professional Services for Pigeon/Jones Site 12: Recommendation that the General Manager be authorized to execute an amendment to increase the maximum, not-to-exceed amount of the professional services contract with Olsson Associates for the Pigeon Jones Site 15 Project, to \$2,264,853.00, subject to changes deemed necessary by General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)  
Voting Nay - None  
Abstaining - None  
Excused Absence - Fowler, Klug, Tesar, Woodle  
Absent - Fowler, Klug, Tesar, Woodle

- **MOTION NO. 6:** It was moved by Chairperson John Conley that the following recommendation be adopted:

*PPO Recommendation #2:* Bids Received for Pigeon/Jones Creek Grade Control Structure PJ-16: Recommendation that the General Manager be authorized to execute a contract with Mathers Construction for the construction of Pigeon/Jones Creek Grade Control Structure PJ-16 in the bid amount of \$219,879.43, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

- **MOTION NO. 7:** It was moved by Chairperson John Conley that the following recommendation be adopted on the Missouri River Levee System R-613 and R-616 Certification Project Funding Agreement:

*PPO Recommendation #3.a.:* State of Nebraska Critical Facilities Infrastructure Case Fund Contract with NDNR: Recommendation that the General Manager be authorized to execute the proposed contract with the Nebraska Department of Natural Resources for the Critical Infrastructure Facilities Cash Fund for the Missouri River R-613/R-616 Federal Levee Certification Project, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

- **MOTION NO. 8:** It was moved by Chairperson John Conley that the following recommendation be adopted on the Missouri River Levee System R-613 and R-616 Certification Project Funding Agreement:

*PPO Recommendation #3.b.:* Interlocal Cooperation Act Agreement with City of Omaha, City of Bellevue, and Sarpy County: Recommendation the General

Manager be authorized to execute the proposed Interlocal Agreement with the City of Omaha, City of Bellevue, and Sarpy County to fund the Missouri River R-613/R-616 Federal Levee Certification Project, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)  
Voting Nay - None  
Abstaining - None  
Excused Absence - Fowler, Klug, Tesar, Woodle  
Absent - Fowler, Klug, Tesar, Woodle

C. Finance, Expenditures and Legal Subcommittee: Director Jim Thompson reported that the FEL Subcommittee met on September 6, 2016, and gave a brief recap of the meeting.

•• **MOTION NO. 9:** It was moved by Director Jim Thompson that the following recommendation be adopted:

*FEL Recommendation #1:* Adoption of the FY 2017 Budget and Set Property Tax Levy at 0.038034 for the FY 2017 Budget: Recommendation that the following resolution be adopted:

BE IT RESOLVED by the Board of Directors of the Papio-Missouri River Natural Resources District that the attached budget document incorporated herein by reference, showing Total Requirements of \$70,560,023 as follows:

Operating Budget	\$70,510,023
Uninsured Liability Sinking Fund	\$50,000

and Property Tax Requirement of \$22,828,010.57 be and is hereby adopted as the Fiscal Year 2017 budget of the Papio-Missouri River Natural Resources District.

WHEREAS, Nebraska Revised Statute § 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the Governing Body of the Papio-Missouri River NRD passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and,

WHEREAS, a special public hearing was held on September 8, 2016, as required by law, to hear and consider comments concerning the property tax request; and,

WHEREAS, it is in the best interest of the Papio-Missouri River NRD that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Papio-Missouri River Natural Resources District by a majority vote, resolved that:

1. The FY 2017 property tax request be set at \$22,828,010.57 with a tax levy of 0.038034/\$100.
2. And, that a copy of this resolution be certified and forwarded to the County Clerks for the Counties within the District prior to September 20, 2016

*Amended Motion #1:* Director Bill Rhea made a motion to transfer \$142,322 from account 283 Glacier Creek Wetland Construction to project account 17 Elk-Pigeon Creek Drainage project. The motion was seconded by Director John Conley.

Roll call vote was held on the amended motion. The amended motion passed on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

Roll call vote was held on the original motion as amended. The motion passed on a vote of 6-yea and 1-abstention.

Voting Yea	-	Bonnett, Conley (Fred), Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	Frost
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

**TREASURER'S REPORT:**

- **MOTION NO. 10:** It was moved by Chairperson John Conley and seconded by Director Fred Conley that the following resolution be adopted:

BE IT RESOLVED that the Treasurer is authorized to expend general funds to pay: (1) claims listed in the August, 2016, financial report; and, (2) any claims made prior to the next Board meeting for (a) earned salaries of District employees, (b) withholding taxes, (c) social security payments, (d) retirement program contributions, (e) utilities, (f) registration fees and expenses for upcoming meetings and conferences, (g) certified completed CAP and Special Project Area applications, (h) invoices which offer a credit or discount for payment made prior to the next Board meeting, (i) postage, and, (j) building and grounds contract expenses.

BE IT FURTHER RESOLVED that the Treasurer is authorized to pay, from the respective operating accounts of the Dakota County, Thurston County and Washington County Rural Water System, the Elkhorn River Bank Stabilization Project, the Elkhorn Breakout



Project, the Elk/Pigeon Creek Drainage Project, and the Western Sarpy Drainage District, the project bills listed on the August, 2016, financial report, and future claims for project utilities.

BE IT FURTHER RESOLVED that the financial reports be affixed to and made a part of the minutes.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea	-	Bonnett, Conley (Fred), Frost, Leahy, Rhea, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

**LEGAL UPDATE:** Brent Meyer, Husch Blackwell, briefed the Board on the status of current litigation.

**APPOINTMENT OF BILL RHEA TO THE PERSONNEL, LEGISLATIVE, AND PUBLIC AFFAIRS SUBCOMMITTEE:**

•• **MOTION NO. 11:** It was moved by Director Fred Conley and seconded by Director Bonnett that the following resolution be adopted:

BE IT RESOLVED that Bill Rhea's appointment to the Personnel, Legislative and Public Affairs Subcommittee is hereby approved.

Roll call vote was held on motion. The motion carried on a vote of 5-yea and 1-abstention.

Voting Yea	-	Bonnett, Conley (Fred), Leahy, Thompson, Conley (John)
Voting Nay	-	None
Abstaining	-	Rhea
Excused Absence	-	Fowler, Klug, Tesar, Woodle
Absent	-	Fowler, Klug, Tesar, Woodle

\*Director Frost was out of the room during the roll call vote.

**CHAIRPERSON'S REPORT:** The Chairperson thanked the audience and Dakota City for their hospitality in hosting the Board meeting.

**GENERAL MANAGER'S REPORT:** General Manager Winkler offered his thanks to Vince and Dorothy Kramper for their hospitality for hosting the dinner at Kramper Farm. The GM reviewed his written report with the Board and noted that the report had been posted to the website.

**INFORMATIONAL ITEMS:**

A. Future Meetings:

September 22, 2016 Papillion Creek Watershed Partnership Meeting,  
10:00 a.m., NRC

September 25-27, 2016 NARD Annual Conference, Kearney, NE

October 11, 2016 P-MRNRD Subcommittee Meetings

October 13, 2016 P-MRNRD Board Meeting

October 25, 2016 LPRCA Summit, Oak Ballroom, Schuyler, NE

October 27, 2016 Papillion Creek Watershed Partnership Meeting,  
10:00 a.m., NRC

B. Next Meeting – October 13, 2016, at the NRC

**ADJOURNMENT:** Being no further business, the Chairperson declared that the meeting was adjourned at 7:50 p.m.

**NOTE:** These minutes reflect the actions and votes taken at the September 8, 2016 Board of Directors Meeting of the Papio-Missouri River Natural Resources District and are not an official transcript of the meeting. The audio cast of this meeting can be found on our website at [www.papionrd.org](http://www.papionrd.org).

I, the undersigned, Secretary of the Papio-Missouri River Natural Resources District, hereby certify that the foregoing are true and correct minutes of a meeting of the Board of Directors of the District held on September 8, 2016, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the District; that such subjects were contained in said agenda at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; and, that all news media requesting notification of the meeting of said body were provided advance notification of the time and place of said meeting.

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Richard Tesar  
District Secretary