

**Finance, Expenditure and Legal  
Subcommittee Meeting Minutes  
December 6, 2016**

A meeting of the Papio-Missouri River Natural Resources District’s Finance, Expenditure and Legal Subcommittee was held at the Natural Resources Center, 8901 South 154<sup>th</sup> Street, Omaha, NE, on December 6, 2016. The meeting was called to order by Vice-Chairperson Thompson at 6:48 p.m.

**QUORUM CALL:** Quorum call was taken. The following subcommittee members were in attendance.

<b>Subcommittee Members Present</b>	<b>Subcommittee Members Absent</b>	<b>Other Directors Present</b>	<b>Others in Attendance</b>
Jim Thompson, Vice-Chairperson	Rich Tesar *	Tim Fowler	John Winkler
Fred Conley **		David Klug	Marlin J. Petermann
John Conley		Patrick Leahy	Brent Meyer
Curt Frost		Bill Rhea, Jr.	Jean Tait
Ron Woodle			Martin Cleveland
			Carey Fry
			Zach Nelson
			Other Staff Members
			Gene Garrelts, HSMC Orizon

\* Absence

\*\* Alternate Voting Member

**ADOPTION OF AGENDA:**

- **It was moved by Director J. Conley and seconded by Director F. Conley that the agenda be adopted.**

Roll call was taken on the motion. The motion carried on a vote of 5 yea.

Voting Yea: Conley (John), Conley (Fred), Frost, Woodle, Thompson  
 Voting Nay: None  
 Abstaining: None  
 Absent: Tesar

**PROOF OF PUBLICATION:** Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on December 1, 2016. The proof of publication affidavit is included with the file copy of these minutes.

**1. Review and Recommendation on the Fiscal Year 2016 Audit – Carey Fry and Gene Garrelts, HSMC Orizon:**

Gene Garrelts with HSMC Orizon provided a summary of the District’s Fiscal Year 2016 audit. Gene mentioned that no audit adjustments were made, which is a testament to how well the District’s accounting department operates.

- **It was moved by Director F. Conley and seconded by Director J. Conley that the FEL Subcommittee recommend to the Board of Directors that the FY2016 Audit Report, prepared by HSMC Orizon, LLC, be accepted and that the General Manager be directed to file an authenticated copy of the audit report with the Nebraska Auditor of Public Accounts and the Nebraska Natural Resources Commission.**

Roll call was taken on the motion. The motion carried on a vote of 5-yea.

Voting Yea: Conley (John), Conley (Fred), Frost, Woodle, Thompson  
Voting Nay: None  
Abstaining: None  
Absent: Tesar

**2. Review and Recommendation on the West Branch Channel Project, Ashford Hollow (SID 238) Trail Easement Agreement – Martin Cleveland:**

Martin Cleveland discussed that Ashford Hollow (SID 238) had approached the District about obtaining an easement on the District’s West Branch Project property for the proposed Ashford Hollow Trail. He explained that he had been informed earlier in the day that the agreement would now be with Sarpy County and not with SID 238. Due to right-of-way constraints, the trail would need to be built on District property.

- **It was moved by Director J. Conley and seconded by Director F. Conley that the Subcommittee recommend to the Board that the General Manager be authorized to execute the proposed Easement Agreement with Sarpy County for the construction of Ashford Hollow Trail on West Branch Levee/Channel Project right-of-way near 42<sup>nd</sup> Street, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.**

Roll call was taken on the motion. The motion carried on a vote of 5-yea.

Voting Yea: Conley (John), Conley (Fred), Frost, Woodle, Thompson  
Voting Nay: None  
Abstaining: None  
Absent: Tesar

**3. Review and Recommendation on Account Over 110% Maintenance, Dams – Attorney Fees (01-03-590-4392) [Executive Session – if needed] - Martin Cleveland:**

Martin Cleveland provided a brief summary on the attorney fees spent in FY 2017 related to the litigation involving John Camden and the Papio Creek Watershed Structure W-3. He explained that he anticipates the budget account going over 110% in December and that preparation for the trial in January could result in additional attorney’s fees in excess of \$46,000.

Director John Conley made a friendly amendment to the motion to add the language “not to exceed \$100,000” without further action from the Board.

- **It was moved by Director F. Conley and seconded by Director Woodle that the Subcommittee recommend to the Board of Directors that Account # 01-03-590-4392 (Maintenance, Dams – Attorney Fees) be allowed to exceed 110% of the Fiscal Year 2017 budgeted amount, not to exceed \$100,000 unless approved by the Board.**

Roll call was taken on the motion. The motion carried on a vote of 5 –yea.

Voting Yea: Conley (John), Conley (Fred), Frost, Woodle, Thompson  
Voting Nay: None  
Abstaining: None  
Absent: Tesar

**ADJOURNMENT:** Being no further business, the meeting adjourned by acclamation at 7:00 p.m.