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 154th Street, Omaha, NE, on February 7, 2017. The meeting was called to order by Chairperson Tesar at 7:21 p.m.

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

<table>
<thead>
<tr>
<th>Subcommittee Members Present</th>
<th>Subcommittee Members Absent</th>
<th>Other Directors Present</th>
<th>Others in Attendance</th>
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<tbody>
<tr>
<td>Rich Tesar, Chairperson</td>
<td>Tim Fowler</td>
<td>John Winkler</td>
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<td>Jim Thompson, Vice-Chairperson</td>
<td>Ted Japp</td>
<td>Marlin J. Petermann</td>
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<tr>
<td>Larry Bradley</td>
<td>David Klug</td>
<td>Brent Meyer</td>
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<td>John Conley</td>
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<td>Martin Cleveland</td>
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<td>John Wiese</td>
<td></td>
<td>Lori Laster</td>
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<tr>
<td>Fred Conley - Alternate</td>
<td></td>
<td>Amanda Grint</td>
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<td>Other Staff Members</td>
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</tbody>
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* Absence
** Alternate Voting Member

ADOPTION OF AGENDA:

- It was moved by Director Thompson and seconded by Director Bradley that the agenda be adopted.

Roll call was taken on the motion. The motion carried on a vote of 5-yea and 0-nay.

Voting Yea: Bradley, Conley (John), Thompson, Wiese, Tesar
Voting Nay: None
Abstaining: None
Absent: None

PROOF OF PUBLICATION: Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on February 2, 2017. The proof of publication affidavit is included with the file copy of these minutes.

1. **Review and Recommendation on Union Dike Indemnification and Hold Harmless Agreement with NEBCO, Inc. - Martin Cleveland:**

   Martin Cleveland described the two ingress/egress routes across Western Sand and Gravel (aka NEBCO) property to Union Dike near Fremont. The first route is through the Western Sand and Gravel sandpit area and is well maintained. The second route is a dirt road that is west of the sandpit
area and is not well maintained. In order to keep using the Western Sand and Gravel sandpit area access, NEBCO, Inc. is requiring that an indemnification agreement be signed by the District. It was noted by Director Tesar that the sandpit area access should be a short term solution and that the dirt road ingress/egress access should be improved and used as the permanent access route.

- It was moved by Director Thompson and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute the proposed Indemnification and Hold Harmless Agreement for Union Dike Access with NEBCO, Inc., subject to terms and conditions 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 and 0 nay.

Voting Yea: Bradley, Conley (John), Thompson, Wiese, Tesar
Voting Nay: None
Abstaining: None
Absent: None

2. Review and Recommendation on Account over 110% 02-01-555-4400 Dam Site 15A Professional Services – Lori Laster:

Lori Laster noted that in October 2016, the Board approved an extension to the construction contract with McArdle and the construction observation contract with HDR. These project delays were mainly weather related. At the time the contracts were approved, the accounts were not approved to go over budget and now an approval is needed to allow this year’s budget for professional services to be exceeded.

- It was moved by Director J. Conley and seconded by Director Bradley that the Subcommittee recommend to the Board of Directors that Account # 02-01-555-4400 (Dam Site 15A – Professional Services) be allowed to exceed 110% of the budgeted amount, with a maximum not-to-exceed amount of $800,000 without further Board approval.

Roll call was taken on the motion. The motion carried on a vote of 5 yea and 0 nay.

Voting Yea: Bradley, Conley (John), Thompson, Wiese, Tesar
Voting Nay: None
Abstaining: None
Absent: None

ADJOURNMENT: Being no further business, the meeting adjourned by acclamation at 7:37 p.m.

Minutes were prepared by Amanda Grint.