



**PAPIO-MISSOURI RIVER
NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
May 11, 2017**

PLEDGE OF ALLEGIANCE

MEETING CALLED TO ORDER: A regular meeting of the Papio-Missouri River Natural Resources District Board of Directors was held at the Natural Resources Center, 8901 S. 154th Street, Omaha, NE on May 11, 2017. The meeting was called to order by Chairperson Rich Tesar at 7:00 p.m.

NOTIFICATION OF OPEN MEETINGS ACT POSTING AND MEETING PROCEDURE

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

- | | |
|-----------------|----------------|
| Larry Bradley | Ted Japp |
| Fred Conley | Patrick Leahy* |
| John Conley | Rich Tesar |
| Mark Gruenewald | Jim Thompson |
| | John Wiese |

Director Leahy was not present during quorum call. He arrived to the meeting at 7:26 p.m.

ADOPTION OF AGENDA:

•• **MOTION NO. 1:** It was moved by Director Conley (John) and seconded by Director Conley (Fred) that the meeting agenda be adopted.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea.

- | | | |
|-----------------|---|---|
| Voting Yea | - | Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Thompson, Wiese, Tesar |
| Voting Nay | - | None |
| Abstaining | - | None |
| Excused Absence | - | Fowler, Klug |
| Absent | - | Fowler, Klug |

ADOPTION OF CONSENT AGENDA:

Prior to the roll call vote of the Consent Agenda, the following individual addressed the Board:

- Shawn Melotz, 10404 N. 132nd Street, Omaha, NE 68142. A copy of her testimony is attached to the file copy of the meeting minutes.

- **MOTION NO. 2:** It was moved by Director Conley (Fred) and seconded by Director Thompson 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 Director(s) from the May 11, 2017, Board of Directors Meeting are excused:

Tim Fowler
David Klug.

Agenda Item 7. A. and Agenda Item 7.B.:

BE IT RESOLVED that the April 13, 2017, Papio-Missouri River NRD Board meeting minutes and the April 12, 2017, Dakota County Rural Water Advisory Board meeting minutes are approved as printed.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea.

Voting Yea	-	Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Thompson, Wiese, Tesar
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug
Absent	-	Fowler, Klug

PROOFS OF PUBLICATION OF MEETING NOTICE: Notice of the meeting was published in the Omaha World Herald on May 4, 2017. The District's March 10-April 13, 2017, expenditures were published in the Burt County Plaindealer on April 19, 2017. 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: Neil Jensen's written report is posted to the website and attached to the meeting minutes.
- B. Nebraska Association of Resources Districts: Director Tesar briefed the Directors on the upcoming NARD Board meeting and Northeast Nebraska NRD Basin Tour, being held on June 12-13, 2017, in Norfolk, Nebraska. He encouraged Directors to attend.

- C. Legislative Report – Husch Blackwell: Steve Grasz provided the Board an update on legislative bills and issues in the State Legislature. There was discussion by Directors. A copy of Tim Gay’s written report and status list of Legislative Bills is attached to the file copy of the meeting minutes.
- D. SilverStone Group Market Analysis Results Presentation: Ashley Thomalla, SilverStone Group and Jean Tait provided an update to the results of the P-MRNRD Market Analysis. Final results will be brought to the PLPA Subcommittee in October 2017 for their approval.
- E. USGS 2016 Groundwater Quality Monitoring Presentation: Amanda Flynn, USGS and Paul Woodward provided an update to the 2016 USGS Groundwater Quality Monitoring.

SUBCOMMITTEE REPORTS:

A. Finance, Expenditures and Legal Subcommittee: Director Rich Tesar reported that the FEL Subcommittee met on May 9, 2017, and gave a brief recap of the meeting.

- **MOTION NO. 3:** It was moved by Director Rich Tesar that the following recommendation be adopted:

FEL Recommendation #1.a.: Extension of Legal Services Agreement with Husch Blackwell: It is recommended that the Board approve the proposed legal services agreement with Husch Blackwell, per the terms and conditions outlined in said agreement, for a one-year period to begin upon execution of agreement from July 1, 2017 to June 30, 2018, subject to changes deemed necessary by the General Manager.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea	-	Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay	-	Gruenewald
Abstaining	-	None
Excused Absence	-	Fowler, Klug
Absent	-	Fowler, Klug

- **MOTION NO. 4:** It was moved by Director Rich Tesar that the following recommendation be adopted:

FEL Recommendation #1.b.: Extension of Government Relations Service Agreement with Husch Blackwell: It is recommended that the General Manager be authorized to execute the proposed contract, for a two year period, from July 1, 2017 through June 30, 2019, with Husch Blackwell, for the provision of intergovernmental and professional lobbying services per the terms and conditions outlined in the attached agreement as to form and with any changes deemed necessary by the General Manager.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 5:** It was moved by Director Rich Tesar that the following recommendation be adopted:

FEL Recommendation #2.: Account over 110% - General Attorney Fees (01-01-000-4392): It is recommended that account 01-01-000-4392 – General and Administrative Legal Fees be allowed to exceed 110% of budget, up to \$160,000 without further approval from the Board.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 6:** It was moved by Director Rich Tesar that the following recommendation be adopted:

FEL Recommendation #3.: Account over 110% - Office Equipment (01-01-000-4804): It is recommended that account # 01-01-000-4804 - Office Equipment be allowed to exceed the 110% of the budgeted amount, with a maximum not-to-exceed amount of \$85,000 without further Board approval.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 7:** It was moved by Director Rich Tesar that the following recommendation be adopted:

FEL Recommendation #4.: Zorinsky Basin No. 2 Land Acquisition: It is recommended that the General Manager be authorized to execute a purchase agreement with Jennifer and William Pospichal for the purchase of 28.074 acres for a purchase price of \$1,538,736, and a purchase agreement

with Backhaus Family Limited Partnership for the purchase of approximately 19.4 acres, to be verified by survey, for \$54,810 per acre, both for the construction of the Zorinsky Water Quality Basin 2 project, subject to such other terms and conditions deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

B. Ad Hoc Consultant Selection Subcommittee for the Papillion Creek Watershed Regional Detention Basin: Director Rich Tesar reported that the Ad Hoc Consultant Selection Subcommittee for the Papillion Creek Watershed Regional Detention Basin met on May 9, 2017, and gave a brief recap of the meeting.

•• **MOTION NO. 8:** It was moved by Director Rich Tesar that the following recommendation be adopted:

Ad Hoc Recommendation #1.a.: FYRA Engineering - WP2 Project: It is recommended that the General Manager be authorized to execute a Professional Services Agreement with FYRA Engineering for Preliminary Design of the WP2 Project in an amount not to exceed \$593,239.00, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Director Japp stated for the record his concerns about land acquisition cost and the financial strain it might put on the District. The General Manager stated he would present a schedule that will be presented at budget time. He added that this action does not commit the District to buy land.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

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

Ad Hoc Recommendation #1.b.: HDR Engineering, Inc. - WP4, DS12, and DS19 Projects: It is recommended that the General Manager be authorized to execute

a Professional Services Agreement with HDR Engineering, Inc. for Preliminary Design of the WP4, DS19, and DS12 Projects in an amount not to exceed \$2,043,823, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 10:** It was moved by Director Rich Tesar that the following recommendation be adopted:

Ad Hoc Recommendation #1.c.: Olsson Associates – WP1 and DS7 Projects: It is recommended that the General Manager be authorized to execute a Professional Services Agreement with Olsson Associates for Preliminary Design of the WP1 and DS7 Projects in an amount not to exceed \$1,219,255, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

C. Programs, Projects and Operations Subcommittee: Director John Conley reported that the PPO Subcommittee met on May 9, 2017, and gave a brief recap of the meeting.

- **MOTION NO. 11:** It was moved by Director John Conley that the following recommendation be adopted:

PPO Recommendation #1.a.: ENWRA Interlocal Agreement Amendment #5: It is recommended that the General Manager be authorized to execute Amendment #5 to the Eastern Nebraska Water Resources Assessment Interlocal Cooperative Agreement with five other Natural Resources Districts to extend the term of the Agreement to 2022, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

•• **MOTION NO. 12:** It was moved by Director John Conley that the following recommendation be adopted:

PPO Recommendation #1.b.: UNL-CSD Cooperative Agreement for Missouri River Valley Geologic Testholes: It is recommended that the General Manager be authorized to execute a Cooperative Agreement with the University of Nebraska Lincoln Conservation and Survey Division to complete geological testholes in the Missouri River Valley for a cost to the District not to exceed \$78,100, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

•• **MOTION NO. 13:** It was moved by Director John Conley that the following recommendation be adopted:

PPO Recommendation #2.: Bids Received for Platte Landing Phase 5 Project: It is recommended that the General Manager be authorized to execute a contract with Dostal Construction Company for the construction of the Platte River Landing Recreation Improvements Phase 5 with alternates for the bid amount of \$130,000, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 14:** It was moved by Director John Conley that the following recommendation be adopted:

PPO Recommendation #3.: FY 2018 Equipment Requirements: It is recommended that Directors approve the FY 2018 Equipment Requirements, as presented to the Subcommittee, subject to funding in the FY 2018 budget.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

- **MOTION NO. 15:** It was moved by Director John Conley that the following recommendation be adopted:

PPO Recommendation #4.: 2017 Amended Lower Platte River Corridor Alliance Interlocal Agreement: It is recommended that the General Manager be authorized to execute the 2017 Amended Interlocal Agreement for the Lower Platte River Corridor Alliance, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel, and that the Chairman be authorized to appoint the District's two representatives to the Alliance Board.

Director Bradley inquired on how the Chairperson would solicit names to fill the two representative positions. The General Manager instructed Directors to contact the Chairperson if they have an interest to serve. The General Manager reminded the Board that this Interlocal Agreement must be approved by the Lower Platte South NRD, Lower Platte North NRD, and Papio-Missouri River NRD for the Alliance to survive. There was additional discussion by Directors.

Roll call vote was held on the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea - Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay - None
Abstaining - None
Excused Absence - Fowler, Klug
Absent - Fowler, Klug

TREASURER'S REPORT:

- **MOTION NO. 16:** It was moved by Director John Conley and seconded by Director Thompson 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 April, 2017, 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 April, 2017, 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 the motion. The motion carried on a vote of 9-yea and 0-nay.

Voting Yea	-	Bradley, Conley (Fred), Conley (John), Gruenewald, Japp, Leahy, Thompson, Wiese, Tesar
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Fowler, Klug
Absent	-	Fowler, Klug

LEGAL UPDATE: Brent Meyer, Husch Blackwell stated he had nothing to report.

CHAIRPERSON’S REPORT - REVIEW AND RECOMMENDATION TO WAIVE DISTRICT POLICY 2.3.E. DIRECTORS - COMPENSATION and EXPENSES, DIRECT DEPOSIT FOR DIRECTOR GRUENEWALD: Chairperson Rich Tesar

The General Manager briefed the Board on Director Gruenewald’s request to waive the District’s Policy regarding direct deposit and submission of a W-4 to withhold taxes. The General Manager instructed District Legal Counsel to research the request and added that he (as General Manager), does not have the authority to waive or change any of the District’s Policies. Director Mark Gruenewald, Sub-District 9, read his testimony into the record. District Legal Counsel briefed his determination to the Board. Chairman Tesar asked Director Gruenewald for a motion regarding this issue. Director Gruenewald made a motion that, “you owe me money, pay me my money.” The Chairperson stated that the District is willing to pay him his money but by direct deposit. The General Manager stated there are two separate issues, direct deposit and the submitting of a W-4. The District must receive a W-4 to withhold taxes; if not, the District could be liable for unpaid taxes, in the event the taxes are not paid, in addition to 100% of the penalty. The District has a fiduciary responsibility to comply with Federal/State/Local laws and ensure that the taxes get paid.

Director Leahy made a motion to waive the District Policy to allow Directors and Staff to receive a paper check in lieu of direct deposit. The motion was seconded by Director Wiese. The following individual addressed the Board:

- Patrick Bonnett, 5175 S. 150th Plaza, Omaha, NE 68137 Representing Old Millard Homeowners Association.

Director Gruenewald stated for the record that his address is 4957 S. 149th Street, Omaha, NE. The Directors continued their discussion. The General Manager asked Directors Leahy and Wiese to amend their motion to remove staff from their original motion and gave reasons for his recommendation. Directors Leahy and Wiese both agreed to amend their motion accordingly.

- **MOTION NO. 17:** A motion was made by Director Conley (John) and seconded **MOTION TO TABLE** by Director Thompson to table this item.

Roll call vote was held on the motion to table. The motion to table carried on a vote of 5-yea and 4-nay.

Voting Yea	-	Bradley, Conley (Fred), Conley (John), Leahy, Thompson
Voting Nay	-	Gruenewald, Japp, Wiese, Tesar
Abstaining	-	None
Excused Absence	-	Fowler, Klug
Absent	-	Fowler, Klug

GENERAL MANAGER'S REPORT: John Winkler reviewed the GM Report with the Board. He informed the Board that he was conducting interviews for the Public Relations/Education Coordinator and hopes to have the selection completed by the end of the month.

INFORMATIONAL ITEMS:

A. **Future Meetings:** The Chairperson reviewed the following upcoming meetings with the Directors:

May 16, 2017	Lower Platte River Consortium Workshop, 8:30 a.m.-noon, Lower Platte South NRD, 3125 Portia Street, Lincoln, NE
May 25, 2017	Lower Platte River Corridor Alliance Meeting, 9:00 a.m., Lower Platter South NRD, 3125 Portia Street, Lincoln, NE
May 25, 2017	Papillion Creek Watershed Partnership Meeting, 10:00 a.m., NRC
May 29, 2017	Memorial Day – P-MRNRD Offices Closed
June 6, 2017	P-MRNRD Subcommittee Meetings
June 8, 2017	P-MRNRD Board Meeting

B. Next Meeting – June 8, 2017, at the NRC

ADJOURNMENT: Being no further business, the Chairperson declared that the meeting was adjourned at 9:15 p.m.

NOTE: These minutes reflect the actions and votes taken at the May 11, 2017, 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.

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 May 11, 2017, 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.

Richard Tesar
District Secretary