MEMORANDUM

TO THE BOARD:

SUBJECT: General Manager’s Report

DATE: March 1, 2018

FROM: John Winkler, General Manager

A. INFORMATION/EDUCATION HIGHLIGHTS: The Information and Education Department highlights for the month of February 2018 are attached for your review.

B. PERSONNEL/MISCELLANEOUS ITEMS:

1. Great news for the NRD and the taxpayers of the District. We learned this week that S&P Global Ratings raised the District’s bond rating to “AA” from “AA-.” This means not only lower interest rates but also increased opportunity for federal funds as creditworthiness and stability will play a major role in the infrastructure funding. A copy of the S&P’s news release is included.

2. The American Council of Engineering Companies recently awarded Kramper Lake with the Merit Award - Category Winner for Engineering Excellence in Water Resources Engineering Excellence Award. Congratulations to all involved. A photo from the awards ceremony is attached.

3. The District hosted a blood drive last Wednesday on behalf of the American Red Cross. Tremendous thanks to those who donated and the incredible results: 42 potential lives saved! Thank you also to Nicole Gust for coordinating the drive.

4. Christine Jacobsen resigned her position as Education Programs Supervisor for the Papio NRD on February 15. We would like to thank her for her service and wish her luck in her future endeavors. We have filled the vacancy by promoting from within the District, with Austen Hill taking over the Education Programs Supervisor role.

C. REPORT ON PURCHASES – CONSTRUCTION SERVICES, PROFESSIONAL SERVICES AND PERSONAL PROPERTY: Pursuant to Board direction, the report indicating construction services, professional services and personal property purchases from the month of February 2018 is attached for your review. Please review this report and contact me if you have any questions.

D. CURRENT AND ON-GOING PROJECTS – P-MRNRD LEGAL COUNSEL: A copy of current and on-going projects for District Legal Counsel, Husch Blackwell, as of February 12, 2018, is attached for your review. I would ask each Director to review this report. If you have any questions, please feel free to contact me.

E. PAPILLION CREEK WATERSHED PARTNERSHIP REPORT: The next Papillon Creek Watershed Partnership Subcommittee meeting is scheduled for March 22, 2018.
20+ TEAMS!

METRO REGIONAL ENVIROTHON

TWO CONCORDIA TEAMS WIN!

INFORMATION & EDUCATION REPORT

MARCH 8, 2018
Papio-Missouri River Natural Resources District, NE Debt Rating Raised To 'AA' On Application Of Criteria

Primary Credit Analyst:
Blake E Yocom, Chicago (I) 312-233-7056 blake.yocom@spglobal.com

Secondary Contact:
Eric J Harper, Chicago (I) 312-233-7094; eric.harper@spglobal.com

CHICAGO (S&P Global Ratings) Feb. 28, 2018—S&P Global Ratings raised its long-term rating to 'AA' from 'AA-' on Papio-Missouri River Natural Resources District (NRD), Neb.'s previously rated bonds. The outlook is stable.

"The upgrade reflects the application of our 'Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness' criteria (Ratings Linked; published Jan. 22, 2018, on RatingsDirect)." said S&P Global Ratings credit analyst Blake Yocom.

"We previously rated the bonds under our Special Tax Bonds criteria that the Ratings Linked criteria fully superseded. The district's debt is secured solely by the property tax revenues generated from a 1-cent property tax levy (per $100 of taxable valuation) dedicated to debt service. We consider this a general operating pledge and in accordance with our criteria, we generally rate these obligations on par with the obligor's general creditworthiness.

"The rating reflects our view of the district's extremely large, diverse, and growing property tax base and good incomes and very strong reserves," said Mr. Yocom, "along with its proactive management and low-to-moderate overall debt burden."

Papio-Missouri River NRD is one of 23 natural resources districts in Nebraska and it is responsible for the proper conservation and management of water.
soil, forest, and rangeland natural resources in its service area. It serves all of Washington, Douglas, Sarpy, and Dakota counties and portions of Burt, Thurston, and Dodge counties. These counties are all along Nebraska’s northeastern boundary. The length of the district spans roughly 100 miles, from South Sioux City at the northernmost point to Omaha at the southern point.

"The stable outlook reflects our expectation that the rating will not change within the two-year timeframe of the outlook given our view that the district's finances will remain very strong and stable," added Mr. Yocon. The size, stability, and diversity of the property tax base further supports rating stability.

RELATED RESEARCH
• Credit FAQ: Financial Management Assessment In U.S. Public Finance, June 27, 2006

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.
# Report on Purchases

**Construction Services, Professional Services, Personal Property**

**February 2018**

<table>
<thead>
<tr>
<th>Date</th>
<th>Project Name</th>
<th>Item / Task</th>
<th>Company</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1-28, 2018</td>
<td>Project maintenance</td>
<td>Gravel rip rap</td>
<td>Martin Marietta</td>
<td>$18,887.98</td>
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<tr>
<td>February 20, 2018</td>
<td>Big Papis Levee and Little Papis Channel Projects</td>
<td>Tree Maintenance</td>
<td>Dredg Tree Service</td>
<td>$5,766</td>
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<tr>
<td>February 23, 2018</td>
<td>Survey Equipment</td>
<td>Digital Level</td>
<td>A&amp;D Technical Supply</td>
<td>$7,884.40</td>
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</table>
Current and On-Going Projects
P-MRNRD Legal Counsel

Ø = Top Priority  
F = Future Work – No Assignment  
N = New Assignment  
O = Others Handling  
W = Work in Progress  
P = Counsel Portion Completed  
B = Next Board Meeting

• Little Papio: (Cleveland)
• Big Papio: (Cleveland)
• West Branch: (Cleveland)
  o Land Exchange with Sarpy Co. (96th St.) (P)
• Western Sarpy Dike: (Cleveland/Petermann)
  o NRDs/NE-ARNG Interlocal for Camp Ashland Property (F)
• Floodway Purchase Program: (Laster/Grint)
  o Arlington Purchase Agreements, Deeds, etc. (P)
  Ø King Lake lot transfer from ENCAP (B)
• Trail Projects: (Williams)
  o West Papio Trail, Giles to Millard – Potential Tyson Access License Agreement (F)
  Ø MoPac Trail, Chalco to Hwy 50 – Amendment to LRA Professional Services Contract (W)
• Missouri River Corridor Project: (Becic)
  o Draft Purchase Agreement with Reserved Easement for MUD (Platte River/Missouri River (W)
• USDA PL 566 Projects, Silver Creek and Pigeon/Jones Watershed: (Schumacher/Cleveland/Grint)
  o Papio PL 566 Site W-2 Issues (F)
  Ø Papio PL 566 Sites S-21/Lincoln Road Easements to Sarpy County (P)
  Ø Summit Lake SRA Amended Agreement with NGPC (B)
- Danish Alps SRA Amended Agreement with NGPC (B)
- Danish Alps SRA Fish Cleaning Station Contract (B)

- Papio Watershed Dam Sites: (Grint/Laster/Williams)
  - ROW Acquisition Documents for WP6 & WP7 (W)
  - City of Omaha Interlocal Agreement for ZB-2 (W)
  - WP6 & WP7 Interlocal Agreement with Papillion and Sarpy Co. (B)
  - Purchase Agreements and ROW Documents for Z-B2 (W)
  - WP6 & WP7 Professional Services Contract Amendment with FYRA Eng. (W)
  - DS15A ROW Transfer to City of Omaha/Douglas County (W)
  - Hearing and ROW Documents for WP1 (W)
  - WP2 Amendment to Interlocal on Sewer w/Gretna (B)

- Papio Creek Watershed Partnership (Stormwater): (Grint)

- Southern Sarpy Watershed Partnership (Stormwater): (Laster)

- Missouri River R-613 and R-616 Leves: (Cleveland/Woodward)
  - Offutt AFB Storm Sewer Outlets O&M Agreement (B)
    - ROW Acquisition Documents (F)

- Rural Water Projects: (Nelson)
  - DCRW Main Easements (N)

- Other:
  - Union Dike – Trench Drain Construction Contract (Cleveland) (W)
  - Chalco O&M Shed Construction Contract (Cleveland) (W)
  - Lower Platte River Weed Management Area Association and Bylaws (Woodward) (W)
  - Amendment to Cole Creek Interlocal Agreement w/Omaha (Grint) (F)
  - Agreement for Wellhead Protection Plan w/Springfield (Woodward) (B)
  - 3D Geoscene Agreement with USGS (Woodward) (B)
  - Chalco O&M Shed Tree Mitigation Contract (Cleveland) (B)
  - Nebraska Land Trust Agreement Amendment (Bacic) (B)

Legal Projects project list 2018/Feb