

**Finance, Expenditure and Legal  
Subcommittee Meeting Minutes  
December 11, 2018**

A meeting of the Pappio-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 11, 2018. The meeting was called to order by Chairperson Tesar at 7:29 p.m.

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

Subcommittee Members Present	Subcommittee Members Absent	Other Directors Present	Others in Attendance
Rich Tesar, Chairperson		Fred Conley	John Winkler
David Klug, Vice-Chairperson		Tim Fowler	Marlin Petermann
Larry Bradley		Mark Gruenewald	Brent Meyer, Legal Counsel
John Conley		Ted Japp	Nicole Gust
John Wiese		Jim Thompson	Carey Fry
			Paul Woodward
			Other Staff Members
			Gene Garrelts, BerganKDV (formerly HSMC Orizon, LLC)
			Kathy Iske
			Chris Trost
			Maria Rodriguez, Midwest ROW

- \* Absent
- \*\* Alternate Voting Member

**ADOPTION OF AGENDA:**

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

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

Voting Yea: Bradley, J. Conley, Klug, 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 December 6, 2018. The proof of publication affidavit is included with the file copy of these minutes.

**1. Review and Recommendation on the Draft Fiscal Year 2018 Audit – Carey Fry and Gene Garrelts, BerganKDV (formerly HSMC Orizon, LLC):**

Gene Garrelts, BerganKDV (formerly HSMC Orizon, LLC), provided a summary of the District’s 2018 audit. Gene commented on the accounting staff’s good internal controls and said the 2018 Audit reflected favorably on staff.

- **It was moved by Director J. Conley and seconded by Director Klug that the FEL Subcommittee recommend to the Board of Directors that the FY2018 Audit Report, prepared by BerganKDV (formerly 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: Bradley, J. Conley, Klug, Wiese, Tesar  
 Voting Nay: None  
 Abstaining: None  
 Absent: None

**2. Review and Recommendation on Land Acquisition for Missouri River Levee R613/R616 Levee Improvement Project [Executive Session if Needed] – Paul Woodward:**

The following individuals addressed the Subcommittee:

- Kathy Iske, 16505 Iske Drive, Bellevue, NE
- Chris Trost, 17711 Iske Drive, Bellevue, NE

- **It was moved by Director Bradley and seconded by Director J. Conley that the Subcommittee move into Executive Session for the purpose of discussing land acquisition for the Missouri River R613/R616 Levee Improvement Project.**

Roll call was taken on the motion. The motion carried on a vote of 5-yea. The Subcommittee went into Executive Session at 8:03 p.m.

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
 Voting Nay: None  
 Abstaining: None  
 Absent: None

- **It was moved by Director J. Conley and seconded by Director Klug that the Subcommittee come out of Executive Session.**

Roll call was taken on the motion. The motion carried on a vote of 5-yea. The Subcommittee came out of Executive Session at 8:47 p.m.

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
 Voting Nay: None  
 Abstaining: None  
 Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with Twenty Club Corp, a Nebraska corporation, in the amount of \$5,800.00 for an area containing 2.346 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar

Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a permanent easement purchase agreement with Salvation Army, an Illinois non-profit corporation, in the amount of \$131,700.00 for an area containing 26.798 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with Rita F. Hurlbutt Revocable Trust, dated September 27, 2004 in the amount of \$62,600.00 for an area containing 5.607 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with Wendl Properties, LLC, a Nebraska limited liability company, in the amount of \$80,000.00 for an area containing 7.11 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with BCR Properties Limited Partnership, a Nebraska limited partnership, in the amount of \$34,000.00 for an area containing 3.192 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with Jason Hagen in the amount of \$24,000.00 for an area containing 2.024 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a purchase agreement with Dowd Grain Company, Inc. et al in the amount of \$41,000.00 for an area containing 0.833 acres of land for the Missouri River R613/R616 Levee Improvement Project, subject to such other terms and conditions as the General Manager determines necessary and District Legal Counsel approves as to form.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

- **It was moved by Director Klug and seconded by Director J. Conley that the Subcommittee recommend to the Board of Directors to authorize District Legal Counsel to initiate the filing of a petition in the County Court of Sarpy County, Nebraska, on behalf of the District, pursuant to the procedures governing eminent domain provided by Neb. Rev. Stat. § 76-701, et seq., for the appointment of appraisers to ascertain and determine the damages that will be sustained by the following landowners:**

**PCS Nitrogen Fertilizer LP/Nutrien, Ltd.- R-613 Tracts 6, 7  
PCS Nitrogen Fertilizer LP/Nutrien, Ltd.- R-613 Tract 8  
Farmers Daughter, LLC- R-613 Tracts 12 & 16  
Horse Creek Farms, LLC- R-613 Tract 15  
1904 Farms, LLC- R-613 Tracts 18-19  
Pete Ciacco- R-613 Tracts 29-30  
Paddington Wilson, LLC- R-616 Tract 9  
Eric S. Dawson- R-616 Tracts 13-15**

**from the District's acquisition of the necessary land right for the Missouri River R613/R616 Levee Improvement Project.**

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

Voting Yea: Bradley, J. Conley, Klug, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

**3. Review and Recommendation on Expense Claim Reimbursements for Director Gruenewald – Director Mark Gruenewald:**

No action was taken by the Subcommittee.

**ADJOURNMENT:** Being no further business, the meeting adjourned by acclamation at 8:59 p.m.