

**Finance, Expenditure and Legal  
Subcommittee Meeting Minutes  
May 13, 2020**

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 May 13, 2020. The meeting was called to order by Chairperson Tesar at 6:27 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 Present
Rich Tesar, Chairperson		Fred Conley	John Winkler
Danny Begley		Ted Japp	Marlin Petermann
Larry Bradley, Vice-Chair		Keyvn Sopinski	Brent Meyer, Legal Counsel
Tim McCormick		Jim Thompson	Tracy Thompson
John Wiese			Jim Becic
			Paul Woodward
			Hal Daub, Husch Blackwell

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

**ADOPTION OF AGENDA:**

- **It was moved by Director McCormick and seconded by Director Begley that the agenda be adopted.**

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

Voting Yea: Begley, Bradley, McCormick, 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 May 7, 2020. The proof of publication affidavit is included with the file copy of these minutes.

**1. Review and Recommendation on the Extension of District Legal Counsel Contract (Husch Blackwell) – John Winkler:**

General Manager John Winkler presented the proposed agreement from Husch Blackwell that would renew the engagement and terms for District Legal Services from June 30, 2020 to July 1, 2023. John reminded the Directors that the District first contracted with Husch Blackwell in May of 2014 for legal services and has extended the contract multiple times over the last six years. John and Brent Meyer answered Directors questions.

The following individuals addressed the Subcommittee:

- Hal Daub, Husch Blackwell, 13330 California St., Omaha, NE
- Jean Tait, Administrative Coordinator, Papio-Missouri River NRD

- **It was moved by Director McCormick and seconded by Director Tesar that the Subcommittee recommend to the Board of Directors, that the Board approve the proposed legal services agreement with Husch Blackwell, per the terms and conditions outlined in said agreement, for a period to begin upon execution of agreement from July 1, 2020 to June 30, 2023 subject to changes deemed necessary by the General Manger and approval as to form by District Legal Counsel.**

Director Begley made an amended motion to layover the Husch Blackwell contract extension for 30 days and request a cost-benefit analysis of District in-house legal counsel. Director Bradley seconded the motion. After lengthy discussion, Director McCormick made a motion to call the question to end discussion.

Roll call was taken to call the question. The motion to call the question to end discussion carried on a vote of 4-yea and 1-nay.

Voting Yea: Bradley, McCormick, Wiese, Tesar  
Voting Nay: Begley  
Abstaining: None  
Absent: None

After the question was called, Director Begley withdrew his amendment to the original motion. Director Bradley withdrew his second.

After lengthy discussion, Director McCormick made a motion to call the question to end discussion on the original motion.

Roll call was taken to call the question. The motion to call the question failed on a vote of 3-yea and 2-nay.

Voting Yea: McCormick, Tesar  
Voting Nay: Begley Bradley, Wiese  
Abstaining: None  
Absent: None

After the vote to end discussion on the original motion failed, Director Begley made another amended motion to extend the Husch Blackwell legal service contract by one year, request a cost benefit analysis of District in-house counsel from the General Manager and formulate an RFQ process for in-house legal counsel to give other outside legal firms an opportunity to submit proposals. Director Wiese seconded the motion.

Roll call was taken on the amended motion. The amended motion carried on a vote of 4-yea and 1-nay.

Voting Yea: Begley, Bradley, Wiese, Tesar  
Voting Nay: McCormick  
Abstaining: None  
Absent: None

Director Begley made a motion to approve the original motion as amended. Director Wiese seconded the motion.

Roll call was taken on the original motion as amended. The original motion as amended carried on a vote of 3-yea and 2-nay.

Voting Yea: Begley, Bradley, Wiese  
Voting Nay: McCormick, Tesar  
Abstaining: None  
Absent: None

**2. Review and Recommendation on Summit Lake State Recreation Area Account Contributions, Reimbursements, Cost Shares (01-06-006-4195) over 110% - Jim Becic:**

Environmental Coordinator Jim Becic reviewed the lease agreement with the Nebraska Game and Parks Commission (NGPC) for the operation and maintenance of Summit Lake State Recreation Area that requires an annual payment from the District of \$40,000 to NGPC. Jim reported that the District needs to make a catch-up payment of \$40,000 for a missed payment in FY 2018. Jim answered Directors questions.

- **It was moved by Director McCormick and seconded by Director Wiese that the Finance, Expenditure and Legal Subcommittee recommend to the Board that Account # 006-01-06-006-4195 be allowed to exceed 110% up to a maximum of \$80,000 for payment to the Nebraska Game and Parks Commission to comply with the terms of the Lease between Papio-Missouri River Natural Resources District and Nebraska Game and Parks Commission of Summit Lake Recreation Area.**

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

Voting Yea: Begley, Bradley, McCormick, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

**3. Review and Recommendation on ENWRA: UNL-CSD Test Hole Drilling, Account 01-05-191-4400 over 110% - Paul Woodward:**

Project Manager Paul Woodward reviewed the agreement with UNL-CSD to complete new testholes along the Missouri River Valley over a three-year period beginning in 2017 for a total cost of \$78,100. Paul reported that the District has paid yearly invoices to UNL based on the amount of feet drilled for each testhole. Invoices for 12 testholes drilled in Washington, Burt and Thurston counties in 2017 and 2018 totaled \$31,240. He also stated that this past year, the invoice amount for 5 deeper testholes drilled in Dakota County was \$39,147.56 which is roughly 130% above the \$30,000 budgeted in FY20. Paul indicated that the total project cost to date is \$70,387.56 and that one remaining testhole will be drilled in Dakota County with the budget remaining in the agreement. Paul answered Directors questions.

- **It was moved by Director McCormick and seconded by Director Begley that the Subcommittee recommend to the Board of Directors that Account 01-05-191-4400 (Eastern Nebraska Water Resources Assessment (ENWRA) Professional Services) be allowed to exceed 110% of the budgeted amount, up to a maximum of \$39,148.**

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

Voting Yea: Begley, Bradley, McCormick, Wiese, Tesar  
Voting Nay: None  
Abstaining: None  
Absent: None

**ADJOURNMENT:** Being no further business, the meeting adjourned by acclamation at 7:58 p.m.