

**Finance, Expenditure and Legal
Subcommittee Meeting Minutes
May 6, 2014**

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 May 6, 2014. The meeting was called to order by Chairperson Tesar at 8:52 p.m.

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

Subcommittee Present	Members	Subcommittee Members Absent	Other Directors Present	Others in Attendance
John Conley			Patrick Bonnett	John Winkler
Curt Frost			Scott Japp	Marlin J. Petermann
Ron Woodle			Patrick Leahy	Paul Peters
Jim Thompson (Vice-Chair)				Jean Tait
Rich Tesar (Chairperson)				Heather Borkowski
				Ross Hoppock
				Barb Sudrla
				Carey Fry
				Amanda Grint
				Lori Laster
				Zach Nelson
				Terry Schumacher
				Eric Williams
				Shawn Melotz
				Marie Rodriguez, Midwest ROW

* Absence

** Alternate Voting Member

Adoption of Agenda

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

Roll call was taken on the motion. The motion carried on a vote of 4-yea, 0-nay, and 1 abstention.

Voting Yea: Conley, Thompson, Woodle, Tesar
 Voting Nay: None
 Abstaining: Frost
 Absent: None
 Excused Absence: None

Proof of Publication: Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on May 1, 2014. The proof of publication affidavit is included with the file copy of these minutes.

1. **Review and Recommendation on Refinance of the Washington County Rural Water #2 System Bank Loan – Zach Nelson:**

Staff member Zach Nelson reviewed his memo with the subcommittee and summarized the details to refinance a portion of the Washington County Rural Water #2's System debt. The proposed loan with Washington County Bank would be at a fixed rate of 4.12% for a period of 3 years with monthly principal and interest payments based on an 18-year amortization, decreasing the debt by \$35,375.

There was discussion concerning total payment amounts, the possibility of fees associated with the loan, and interest rates following the initial fixed term.

- **It was moved by Director Conley and seconded by Director Thompson that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute a loan agreement with Washington County Bank to refinance a portion of the Washington County Rural Water #2 System debt.**

Roll call was taken on the motion. The motion carried on a vote of 4-yea, 0-nay, and 1 abstention.

Voting Yea:	Thompson, Woodle, Conley, Tesar
Voting Nay:	None
Abstaining:	Frost
Absent:	None
Excused Absence:	None

2. **Review and Recommendation on Excess Property Located at WP-5 – Amanda Grint:**

Staff member Amanda Grint briefed the Subcommittee on the land acquired for the WP-5 flood control reservoir and why the District purchased several of the tract owners' entire parcels for the project. There are currently 76 acres of property that staff is asking to be declared as excess District property and is further requesting permission to take the necessary steps in order to sell it.

There was discussion weighing the use of the proceeds to fund additional projects against the inherent value of green space.

- **It was moved by Director Conley and seconded by Director Woodle that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to declare the proposed 76 acres of the WP-5 project lands as excess District property and to bring to the Subcommittee in following months a recommendation on the sale of the excess property, subject to such other terms and conditions as the General Manager determines necessary and approval as to form by District Legal Counsel.**

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

Voting Yea: Woodle, Frost
Voting Nay: Conley, Thompson, Tesar
Abstaining: None
Absent: None
Excused Absence: None

3. Review and Recommendation on Missouri River Floodway Purchase Program – Lori Laster:

a. Amendment to the Interlocal Agreement with City of Bellevue for 1600 Front Street:

Staff member Lori Laster updated the Subcommittee on the Interlocal Agreement the District and the City of Bellevue approved in January, 2013, in order to purchase the 1600 Front Street property. Although the Hazard Mitigation Grant Program will cover 75% of the costs, an additional \$15,000 is needed to cover the expenses related to closing costs and demolition of the property, which requires an additional \$1,875 for both the District and the City of Bellevue.

- **It was moved by Director Thompson and seconded by Director Conley that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute the proposed Amendment 1 to the Interlocal Agreement with the City of Bellevue for the Missouri River Floodway Purchase of the 1600 Front Street property in Bellevue, Nebraska, in an amount not to exceed \$60,500, subject to changes 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: Conley, Frost, Thompson, Woodle, Tesar
Voting Nay: None
Abstaining: None
Absent: None
Excused Absence: None

b. Acquisition of 1600 Front Street:

Staff member Lori Laster briefed the Subcommittee on the FEMA Hazard Mitigation Grant Program that authorized the District to purchase properties affected by the 2011 Missouri River Flooding. The project is a voluntary program based on a willing seller and willing buyer basis with 75% of the project cost to be paid by grant funds, the remaining costs to be split equally between the District and the City of Bellevue. The District has received an appraisal of the property owned by Steven Wright at 1600 Front Street for \$45,000 and Mr. Wright has accepted the District's offer of the appraised value.

- **It was moved by Director Conley and seconded by Director Woodle that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute for and on behalf of the District the Purchase Agreement, in the form as presented to this meeting, providing for the purchase by the District**

from Steven Wright of his property located at 1600 Front Street in Sarpy County, Nebraska, for the purchase price of \$45,000, subject to the adoption of the amended Interlocal Agreement by the City of Bellevue, subject to changes 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: Frost, Thompson, Woodle, Conley, Tesar
Voting Nay: None
Abstaining: None
Absent: None
Excused Absence: None

4. Review and Recommendation on Dam Site 15A Land Acquisition – Lori Laster:

Subcommittee Chairperson Rich Tesar recommended the Subcommittee go into executive session for the purpose of discussing Dam Site 15A land acquisitions.

- **It was moved by Director Thompson and seconded by Director Conley that the Subcommittee to go into executive session at 9:30 p.m.**

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

Voting Yea: Thompson, Woodle, Conley, Frost, Tesar
Voting Nay: None
Abstaining: None
Absent: None
Excused Absence: None

- **It was moved by Director Thompson and seconded by Director Conley that the Subcommittee to come out of executive session at 9:57 p.m.**

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

Voting Yea: Woodle, Conley, Frost, Thompson, Tesar
Voting Nay: None
Abstaining: None
Absent: None
Excused Absence: None

- **It was moved by Director Thompson and seconded by Director Conley that the Subcommittee recommend that the Board of Directors reject the following counteroffers received from landowners for Papio Dam Site 15A Project tracts, that is, the counteroffer for Tract 1 in the amount of \$144,285; the counteroffer for Tract 2 in the amount of \$1,929,600; the counteroffer for Tract 4 in the amount of \$3,266,935; the counteroffer for Tract 7 in the amount of \$140,736; the counteroffer for Tracts 3 and 8 in the amount of \$2,532,972; the counteroffer for Tract 9 in the amount of \$15,200; the counteroffer for Tracts 13 and 15 in the amount of \$7,000,000; and, the counteroffer for Tract 19 in the amount of \$36,450.**

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

Voting Yea: Conley, Thompson, Woodle, Tesar
Voting Nay: Frost
Abstaining: None
Absent: None
Excused Absence: None

Adjournment: Being no further business, the meeting adjourned by acclamation at 9:58 p.m.