

**Finance, Expenditure and Legal  
Subcommittee Meeting Minutes  
December 8, 2015**

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 154<sup>th</sup> Street, Omaha, NE, on December 8, 2015. The meeting was called to order by Chairperson Tesar at 8:33 p.m.

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

<b>Subcommittee Present</b>	<b>Members</b>	<b>Subcommittee Members Absent</b>	<b>Other Directors Present</b>	<b>Others in Attendance</b>
John Conley			Patrick Bonnett	John Winkler
Curt Frost			Scott Japp	Marlin J. Petermann
Ron Woodle				Dave Newman
Jim Thompson (Vice-Chair)				Jean Tait
Rich Tesar (Chairperson)				Martin Cleveland
				Carey Fry
				Zach Nelson
				Eric Williams
				Gene Farrelts, HSMC Orizon

- \* Absence
- \*\* Alternate Voting Member

**ADOPTION OF AGENDA:**

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

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

Voting Yea: J. Conley, Frost, Woodle, Thompson, Tesar  
 Voting Nay: None  
 Abstaining: None  
 Excused Absence: 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 3, 2015. The proof of publication affidavit is included with the file copy of these minutes.

**1. Review and Recommendation on the Fiscal Year 2015 Audit – Carey Fry and Gene Garrelts, HSMC Orizon:**

There was no discussion directly related to this topic.

- **It was moved by Director Thompson and seconded by Director Woodle that the Subcommittee recommends to the Board of Directors that the FY2015 Audit Report, prepared by 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 and 0-nay.

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

**2. Review and Recommendation on Elkhorn River 240<sup>th</sup> Street Bank Stabilization Project Long Term Solution, ROW Acquisition Eric Williams:**

Eric Williams explained to the Subcommittee that following the 2010 flood of the Elkhorn River, the District and Sarpy County signed an Interlocal Agreement to cooperate on a stream bank stabilization project along the Elkhorn River to protect 240<sup>th</sup> Street. He furthered explained that it is necessary for the District to purchase tract #1 in order to proceed forward with a pilot channel project that will help protect 240<sup>th</sup> Street.

- **It was moved by Director Woodle and seconded by Director J. Conley that the Subcommittee recommends to the Board of Directors that the General Manager be authorized to execute a purchase agreement for Elkhorn River 240th Street Project Tract 1 in the amount of \$117,000 for a channel easement containing an area of 12.37 acres and an access easement containing an area of 0.686 acres, and such other terms and conditions as the General Manager deems necessary and approved 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: J. Conley, Frost, Woodle, Thompson, Tesar  
Voting Nay: None  
Abstaining: None  
Excused Absence: None  
Absent: None

**3. Review and Recommendation on King Lake Buyout Program – Lori Laster:**

Lori Laster provided a summary of the District’s Floodway Purchase Program. She explained that the District has two willing sellers that are willing to participate in the program and sell properties located at 24235 King Lakeside Drive, 24115 Lakeside Place, and 24535 King Lake Road.

- **It was moved by Director J. Conley and seconded by Director Tesar that the Subcommittee recommends to the Board of Directors that the General Manager be authorized to execute for and on behalf of the District the Purchase Agreements in the form as presented to this meeting providing for the purchase by the District from Richard A. Johnston, of property located at 24235 King Lakeside Drive for the purchase price of \$8,000, the purchase by the District from Richard A. Johnston, of property located at 24115 Lakeside Place for \$5,000, and the purchase by the District from Jerome Alukonis of property located at 24535 King Lake Road for \$40,000, subject to changes deemed necessary by the General Manager and approved as to form by District Legal Counsel.**

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

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

**B. Agreement with Waterloo Volunteer Fire Department:**

Lori Laster presented to the Subcommittee a summary of an agreement between the District and Waterloo Volunteer Fire Department. The agreement will allow the Waterloo Volunteer Fire Department to burn down the District’s acquired properties at 24235 King Lakeside Drive, 24115 Lakeside Place, and 24535 King Lake Road.

- **It was moved by Director Thompson and seconded by Director Frost that the Subcommittee recommends to the Board of Directors that the General Manager be authorized to execute for and on behalf of the District a Waiver, Release, and Hold Harmless Agreement with the Waterloo Volunteer Fire Department for the King Lake properties located at 24535 King Lake Road, 24235 King Lakeside Drive, and 24115 Lakeside Place, subject to changes deemed necessary by the General Manager and approved 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: J. Conley, Frost, Woodle, Thompson, Tesar  
 Voting Nay: None  
 Abstaining: None  
 Excused Absence: None  
 Absent: None

**4. Review and Recommendation on Papio Creek Watershed PL 566 Structure W-3, John F. Camden Family Trust [Executive Session – if needed] – Martin Cleveland:**

- **It was moved by Director Thompson and seconded by Director J. Conley that the Subcommittee go into Executive Session at 8:47p.m. for the purpose of discussing the right-of-way for Papio Creek Watershed PL 566 Structure W-3, that involves the John F. Camden Family Trust Right of Way Acquisition and associated Washington County Board of Appraisers Award.**

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

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

- **It was moved by Director Thompson and seconded by Director J. Conley that the Subcommittee return to General Session at 8:57 p.m.**

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

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

**A. Washington County Court Board of Appraisers Award:**

Martin Cleveland explained to the Subcommittee that on November 13, 2015 the Washington County Board of Appraisers awarded the John F. Camden Family Trust an amount of

\$172,671.00. Martin further explained that the District Board could appeal the award of the Washington County Board of Appraisers, but it was not recommended that the District Board do so. Martin explained that Budget Account #01035904430, Maintenance, Dams-Land Rights expenses will exceed the Fiscal Year 2016 budget by over 110% with the Court Deposit and Management recommends that this account be allowed to exceed 110% of budgeted amount.

- **It was moved by Director J. Conley and seconded by Director Thompson that the Subcommittee recommends to the Board of Directors that the General Manager be authorized to make a deposit of \$172,671.00 with the Washington County Court for Papillion Creek Watershed Structure W-3 Camden Land Rights; and furthermore that the District not appeal this Board of Appraisers award to John F. Camden Family Trust; and furthermore that financial account #01035904430, Maintenance, Dams-Land Rights, be allowed to exceed 110% of the budgeted amount.**

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

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

**B. Camden Proposal:**

Martin Cleveland explained to the Subcommittee that on October 5, 2015 the District received a written proposal from John Camden’s attorney with a request for multiple modifications to the Papiro Creek Watershed PL566 W-3 Structure on Mr. Camden’s property. Martin outlined that many of the proposed modifications are not feasible and completing them would cost in excess of \$1,000,000. He noted that Management recommended that the proposal be rejected.

- **It was moved by Director J. Conley and seconded by Director Thompson that the Subcommittee recommends to the Board of Directors that Mr. Camden’s October 5, 2015 written proposal for modifying the Papillion Creek Watershed PL 566 Structure W-3 project be rejected.**

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

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

**C. Account Over 110% - Account 01-03-590-4392 Maintenance Dams – Attorney Fees:**

Martin Cleveland provided a summary of the ongoing litigation on the Papillion Creek Watershed PL 566 Structure W-3. He indicated that ongoing legal efforts have resulted in legal fees in excess of the \$20,000 budget for the account, so that budget account #01-03-590-4392, Maintenance, Dams – Attorney Fees will be exceed 110% of budget with December payments. Management recommends that the budget amount be allowed to exceed 110% of budget.

- **It was moved by Director Thompson and seconded by Director J. Conley that the Subcommittee recommends to the Board of Directors that the following account be allowed to exceed 110% of the budgeted amount: #01-03-590-4392, Maintenance, Dams – Attorney Fees.**

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

Voting Yea: J. Conley, Woodle, Thompson, Tesar

Voting Nay: None

Abstaining: Frost

Excused Absence: None

Absent: None

**ADJOURNMENT:** Being no further business, the meeting adjourned by acclamation at 9:12 p.m.

Minutes were prepared by Zach Nelson.