

## PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT

### GENERAL MANAGER EMPLOYMENT AGREEMENT

This General Manager Employment Agreement "Agreement" is entered into by and between Papio-Missouri River Natural Resources District ("Employer" or "the District"), and John G. Winkler, an individual ("Winkler"), for the employment of Winkler by Employer, on the terms and conditions set forth herein. The parties agree as follows:

#### 1. EMPLOYMENT, TITLE AND DUTIES.

Employer hereby employs Winkler, and Winkler hereby accepts employment by Employer, on a full-time basis, in the capacity of General Manager, under the terms provided for in this Agreement.

Winkler shall report to Employer's Board of Directors. The Board of Directors shall retain and have the responsibility to formulate and adopt the policies of Employer and make such determinations and perform such acts as required of it by law. Winkler shall be the chief administrative officer of Employer, and shall be responsible for the selection, placement, organization, transfer and discharge of Employer's personnel (subject to the Board's employee grievance procedures), and, with the assistance of the Employer's personnel, Winkler shall administer the District and its business affairs and carry out the policies and determinations of the Board. Winkler agrees to devote his full-time skill, labor and attention to his duties as General Manager and not to engage in any outside activities that would prevent him from carrying out the duties of General Manager. Winkler and the Board of Directors agree to not interfere with or usurp the duties and responsibilities of the other. The members of the Board, individually and collectively, will promptly refer all criticisms, complaints and suggestions to the attention of Winkler for action, study and recommendations, as appropriate. Winkler shall satisfactorily meet written performance standards mutually agreed to by and between the Board of Directors and Winkler for each fiscal year. The parties shall establish such written performance standards prior to the commencement of the fiscal year for which they apply.

#### 2. COMPENSATION.

During the period of employment under this Agreement, Winkler shall be compensated as follows:

a. Exempt Status. Winkler shall be classified as an exempt employee under the Fair Labor Standards Act and shall not be entitled to overtime pay or other compensation except as set forth in this Agreement.

b. Salary. For all services rendered by Winkler in any capacity during his employment under this Agreement, Employer shall pay Winkler a base salary at the rate of not less than One hundred and ten thousand dollars (\$110,000.00) per annum, payable according to Employer's standard payroll procedures. Unless otherwise agreed, the base salary shall increase immediately on July 1, 2007, and again on each July 1 thereafter, in

direct proportion to the increase for the preceding 12 months in the Consumer Price Index-Seasonally Adjusted U.S. City Average for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor, or if such index does not exist, the most comparable consumer price index.

c. Expenses. Within limits established by the Board of Directors from time to time, Winkler is authorized to incur reasonable expenses on behalf of Employer in promoting the goals and objectives of the District, including reasonable expenses for business entertainment, business travel, and similar items. Employer will reimburse Winkler for all such reasonable expenses upon presentation to the Board of Directors by Winkler, from time to time, of an itemized account and satisfactory proof of such expenditures. Upon termination of employment, Winkler authorizes Employer to deduct from any amounts due Winkler the reasonable value of Employer property not returned to Employer such as cell phones, books, materials and computer equipment, as well as any debt on Employer credit cards or accounts for expenses which have been reimbursed to Winkler but not paid by Winkler to the creditor.

### 3. BENEFITS.

In addition to the compensation set forth in Section 2, Winkler shall be entitled, during the term of employment under this Agreement, to participate in the benefits offered to other employees of Employer, subject to all eligibility requirements, qualifications and conditions of such benefit plans. Benefits to which Winkler may be entitled include, but are not limited to, group insurance, sick leave, vacation (13 days of annual leave/vacation in 2007) and retirement plan benefits. Employer may, at its complete discretion, amend, eliminate or add to existing benefit plans from time to time. In addition, Winkler shall receive the following benefits:

a. Full-time use of a vehicle of the employer's choosing, subject to proper recording and reporting for tax purposes of business use and personal use.

### 4. TERM AND TERMINATION.

This Agreement and Winkler's employment by the District shall be for a term commencing December 1, 2006, and continuing for four (4) years ending November 30, 2010, unless earlier terminated as provided herein. No later than one year prior to the end of the term, the parties will meet to discuss the possible execution of a contract for a new term commencing December 1, 2009.

This Agreement and Winkler's employment may be terminated prior to the end of the term, as follows:

a. Upon written notice by Employer to Winkler, if Winkler materially breaches any provisions of this Agreement or performs any act which substantially inhibits his ability to discharge his duties as General Manager, including, but not limited to, misconduct, incompetence, conviction of a felony, neglect of duties, general neglect of the business of the District, or unprofessional conduct, conduct which reflects poorly on the image of the General Manager or the District, or conduct which interferes substantially with the continued performance of the duties of the General Manager; or

- b. Upon three (3) months' written notice from Winkler to Employer; or
- c. Upon written notice by Employer to Winkler in the event that Winkler is unable, due to illness or disability, to fully perform the essential functions of his job pursuant to this Agreement, with reasonable accommodation, for a cumulative period of one hundred eighty (180) or more calendar days in any 12-month period. After ninety (90) continuous days of disability, the base monthly salary otherwise payable to Winkler for the period of his entitlement to any disability insurance benefits, whether or not application for benefits is made, shall be reduced by the amount of such disability insurance benefit entitlement; or
- d. Automatically in the event of Winkler's death; or
- e. At any time pursuant to written agreement of the parties, on such terms as may be set forth in such agreement.

**5. MISCELLANEOUS PROVISIONS.**

This Agreement may not be assigned by Winkler. This Agreement consists of severable and independent undertakings; therefore the invalidity or unenforceability of any part or parts thereof shall not render any other part or parts invalid or unenforceable. Any waiver by Employer of any part of this Agreement shall not be construed as Employer's waiver of any other parts of this Agreement, or as a waiver of Employer's right to subsequently enforce the same part of this Agreement. Only a written instrument duly executed by Winkler and an authorized representative of the District may modify this Agreement. The laws of the State of Nebraska shall govern this Agreement and the exclusive venue for the pursuit of any legal proceeding or remedy arising out of this Agreement shall be in Douglas County, Nebraska. This Agreement supersedes and replaces all prior agreements or understandings, whether oral or written, with respect to the subject matter hereof. This Agreement shall not be effective until approved by the District's Board of Directors.

**PAPIO-MISSOURI RIVER NATURAL  
RESOURCES DISTRICT**

**JOHN G. WINKLER**

By: 

Signed: 

Title: Chairperson

Date: 10-12-06

Date: 10/12/06

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**FIRST ADDENDUM  
TO  
PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT  
GENERAL MANAGER EMPLOYMENT AGREEMENT**

This Addendum ("this Addendum") amends section 3 of the General Manager Employment Agreement ("the Agreement") entered into on October 10, 2006 by and between Papiro-Missouri River Natural Resources District ("the District") and John G. Winkler ("Winkler"), for the employment of Winkler as General Manager of the District.

A. For full and adequate consideration and their mutual covenants herein contained the parties hereby agree that Section 3 of the Agreement should be, and it is hereby, amended as follows, to-wit:

3. BENEFITS.

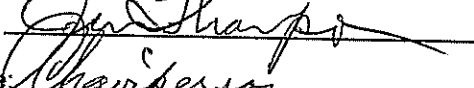
In addition to the compensation set forth in Section 2, Winkler shall be entitled, during the term of employment under this Agreement, to participate in the benefits offered to other employees of Employer, subject to all eligibility requirements, qualifications and conditions of such benefit plans. Benefits to which Winkler may be entitled include, but are not limited to, group insurance, sick leave, vacation (13 days of annual leave/vacation in 2007) and retirement plan benefits. Employer may, at its complete discretion, amend, eliminate or add to existing benefit plans from time to time. ~~In addition, Winkler shall receive the following benefits: a. Full time use of a vehicle of the employer's choosing, subject to proper recording and reporting for tax purposes of business use and personal use~~ In order to enable Winkler to respond promptly to District emergencies, the District shall provide Winkler with a vehicle of the District's choice ("the Vehicle"), which he shall use for commuting but which he shall not use for other personal purposes other than *de minimus* personal uses.

B. The Agreement is hereby ratified and confirmed in all respects, except as so amended by this Addendum.

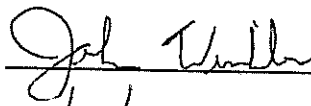
C. Winkler represents to the District that, to-date, he has not made any personal use of the Vehicle other than commuting and *de minimus* personal uses.

D. This Addendum shall be effective upon its execution by both parties.

PAPIO-MISSOURI RIVER NATURAL  
RESOURCES DISTRICT

By:   
Title: Chairperson  
Date: 12/14/06

JOHN G. WINKLER

Signed:   
Date: 12/14/06