

**Finance, Expenditure and Legal
Subcommittee Meeting Minutes
January 11, 2011**

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 January 11, 2011. The meeting was called to order by Chairperson Tesar at 7:52 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	Larry Bradley *	Rick Kolowski	John Winkler
Jim Thompson		Gus Erickson	Marlin J. Petermann
Dorothy Lanphier		Scott Japp	Carey Fry
John Conley		Tim Fowler	Gerry Bowen
Fred Conley **		David Klug	Trent Heiser
			Jean Tait
			Amanda Grint
			Lori Laster

* Absence

** Alternate Voting Member

Adoption Of Agenda

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

Roll call was taken on the motion. The motion carried on a vote of 5 to 0.

Voting Yea: Thompson, Lanphier, John Conley, Fred Conley, Tesar

Voting Nay: None

Abstaining: None

Absent: Bradley

Proof Of Publication: Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on January 6, 2011. The proof of publication affidavit is included with the file copy of these minutes.

Authorization of Construction Financing for Washington County Service Center: Director Japp asked about the total amount of the proposed loan, which was confirmed at \$1,900,000. Director Lanphier inquired about the term of the loan.

- **It was moved by Director John Conley and seconded by Director Thompson that the Subcommittee recommend to the Board of Directors that they approve the following resolution.**

Whereas, the Papio-Missouri River Natural Resources District is constructing a 10,125 square foot office building in the City of Blair, intended as a service center for the convenience of the Public in the northern portion of the District, such project (“the Project”), being constructed on a parcel of land owned by the District, and having an estimated construction cost of \$1,900,000; and,

Whereas, it is necessary that the District provide financing of the construction cost of the Project by borrowing the amount thereof pursuant to the authority provided by Sec. 2-3228(1) Neb. Rev. Stat.

Whereas, Sec.2-3252(3) Neb. Rev. Stat., provides that projects having a predominantly general benefit to a district with only an incidental special benefit, as determined by the Board of Directors, may be developed and executed using any available funds of the District, and should be financed by a District borrowing of the construction cost thereof pursuant to the authority provided by Sec. 2-3228(1) Neb. Rev. Stat. (“Each district shall have the power and authority to :.. (e) Borrow money to carry out its authorized purposes.”)

Now, therefore, be it resolved by the Board of Directors of the Papio-Missouri River Natural Resources District (1) that the Board of Directors hereby determines that the Project has a predominantly general benefit to the District with only an incidental special benefit; (2) and that the Project should be financed by borrowing the construction cost thereof from a bank within the District; and, (3) that the General Manager of the District should be and is hereby authorized and directed to (a) obtain loan proposals from at least two banks within the District; (b) execute a promissory note for and on behalf of the District with one of such banks, in the amount he determines necessary to finance the construction cost of the Project, and on such terms and conditions as he determines most favorable for the District; (c) renegotiate such borrowings in the future on such terms and conditions as he determines most favorable for the District should he determine that it would be advantageous for the District; and, (d) execute for and on behalf of the District such other and further documents, approved as to form by District Legal Counsel, as he determines necessary to effectuate such borrowing for such purpose.

- **It was moved by Director Lanphier that the Subcommittee recommend to the Board of Directors that they approve the following substitute resolution.**

WHEREAS, the Papio-Missouri River Natural Resources District is constructing a 10,125 square-foot office building in the City of Blair, intended as a service center for the convenience of the public in the northern portion of the District, such project (“the Project”), being constructed on a parcel of land owned by the District, and having an estimated construction cost of \$1,900,000; and

WHEREAS, it is necessary that the District provide financing for the construction cost of the Project by borrowing the amount thereof pursuant to the authority provided by Sec. 2-3228(1) Neb. Rev. Stat.

WHEREAS, Sec. 2-3252(3) Neb. Rev. Stat., provides that projects having a predominantly general benefit to a District with only an incidental special benefit, as determined by the Board of Directors, may be developed and executed using any available funds of the District, and should be financed by a District borrowing of the construction cost thereof pursuant to the authority provided by Sec. 2-3228(1) Neb. Rev. Stat. (“Each District shall have the power and authority to: . . . (e) Borrow money to carry out its authorized purposes.”)

Now, therefore, be it resolved by the Board of Directors of the Papio-Missouri River Natural Resources District that:

- 1) the Board of Directors hereby determines that the Project has a predominantly general benefit to the District with only an incidental special benefit.
- 2) the Project should be financed by borrowing the construction cost thereof from a bank within the District;
- 3) the General Manager of the District should be and is hereby authorized and directed to:
 - a. obtain loan proposals from at least five banks within the District, including any banks identified by the Finance, Expenditures and Legal Subcommittee; and
 - b. forward the loan proposals to the Finance, Expenditures and Legal Subcommittees for consideration and recommendation to the Board of Directors;
- 4) the Finance, Expenditures and Legal Subcommittee should consider the loan proposals and select two finalist loan proposals to recommend to the Board of Directors:
- 5) the Board of Directors should consider the two finalist loan proposals recommended by the Finance, Expenditures and Legal Subcommittee, then determine which loan proposal, terms, and conditions would be the most favorable for the District and determine what loan amount is necessary to finance the construction cost of the Project; and
- 6) the General Manager of the District should be and is hereby authorized and directed to:
 - a. execute, for and on behalf of the District, a promissory note containing the terms and conditions approved by the Board of Directors with the bank selected by the Board of Directors;
 - b. inform the Board of Directors if any such borrowings may need to be renegotiated in the future and supply the Board of Directors with any related information so that the Board of Directors may determine any new terms and conditions; and
 - c. execute, for and on behalf of the District, such other and further documents, approved as to form by District Legal Counsel, as he determines necessary to effectuate such borrowing for such purpose.

The substitute motion died due to lack of a second.

Roll call was taken on the original motion. The motion carried on a vote of 5 to 0.

Voting Yea: Thompson, Lanphier, John Conley, Fred Conley, Tesar
Voting Nay: None
Abstaining: None
Absent: Bradley

Director Lanphier's Motions regarding Fixed Assets and Accounts Payable:

- **It was moved by Director Lanphier that the Subcommittee recommend to the Board of Directors that they direct management to physically inventory all tangible property (equipment and vehicles) as listed on the District's schedule of Fixed Assets.**

There was discussion.

The motion died due to lack of a second.

- **It was moved by Director Lanphier that the Subcommittee recommend to the Board of Directors that they direct management to present the unpaid invoices to the Board each month for approval.**

There was discussion.

The motion died due to lack of a second.

- **It was moved by Director Lanphier that the Subcommittee recommend to the Board of Directors that they direct management to include the Project Cost Reports for Pigeon Jones, Western Sarpy Clear Creek, Waterloo Levee, WPRB-5, Dam Site 15A and Zorinsky Basin 1 in the GM report beginning January 2011.**

There was discussion.

The motion died due to lack of a second.

Adjournment: Being no further business, the meeting adjourned by acclamation at 8:19 p.m.

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