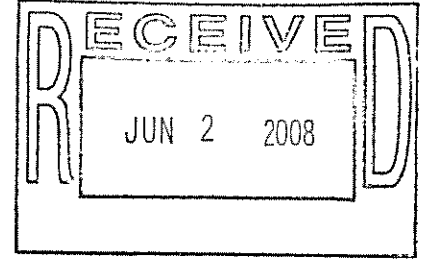


HUSCH
BLACKWELL
SANDERS
LLP

Hal Daub, Partner
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1620 DODGE STREET, SUITE 2100 · OMAHA, NE 68102-1504
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May 30, 2008



VIA E-MAIL

Mr. John Winkler
General Manager
Papio-Missouri River Natural Resources
District
8901 South 154th Street
Omaha, NE 68138-3621

Re: Terms of Engagement

Dear John:

Thank you for selecting Husch Blackwell Sanders LLP to provide legal services. This letter is to confirm our discussion about the engagement and to describe the terms under which our firm will provide the requested services.

Client And Scope of Representation. Our client for this engagement is Papio-Missouri River Natural Resources District. We have been retained as described in Exhibit A. In the event that we are asked to provide additional services, we will confirm such engagement in writing, but, absent specific modification, such services will be governed by the terms and conditions of this agreement.

Conflicts. As we have discussed, Husch Blackwell Sanders LLP has offices in a number of cities, and we represent many clients on a regional or national basis. It is possible that some of our present or future clients will have disputes with Papio-Missouri River Natural Resources District during the time we are providing legal services. Therefore, as a condition to our undertaking this engagement, you have agreed that our firm may continue to represent or undertake in the future to represent existing or new clients in matters, including litigation matters, that are not substantially related to our work for Papio-Missouri River Natural Resources District. You have agreed that the validity and enforceability of this unrelated matter conflict waiver is an essential condition to the firm's willingness to accept this engagement, and the firm would not have accepted the engagement but for this waiver. Accordingly, you agree that, if the validity or enforceability of this waiver is ever challenged or revoked, we may withdraw from representing you and continue to represent our other clients even in matters directly adverse to Papio-Missouri River Natural Resources District. We agree, however, that your prospective consent to conflicting representation shall not apply in any matter substantially related to a matter in which we have provided legal services to Papio-Missouri River Natural Resources District.

We will bill on a monthly basis for our professional fees and also for reimbursement of expenses incurred in connection with this engagement. A schedule of our charges for various services and incidental items is attached. Fees and expenses of other service providers, such as consultants, local counsel, deposition reporters, experts, and the like, generally will not be paid by us but will be billed directly to you.

Payment of our invoices is due upon receipt. It is our Firm's policy that if payment on a statement is not received within 60 days of the invoice date, we will not provide further services until the account is brought current or other satisfactory payment or security arrangements have been made. For invoices not paid within 60 days of the invoice date, we reserve the right to assess interest at the rate of one percent (1%) per month. If you believe that your payment will be delayed for any reason, please promptly discuss the matter with me.

Retainer. It is our standard practice to require a retainer from a new client and for each new significant matter. In connection with this engagement, your monthly retainer will be \$5,000, the first payment due upon the signing of this agreement. You have agreed to pay our monthly invoices on a current basis, and the retainer shall be applied to the outstanding balance upon the conclusion of our representation or, at our option, to satisfy delinquent monthly statements. We reserve the right to request further reasonable deposits or for restoration of the amount of the original retainer if used to satisfy prior invoices. Any unused portion of the retainer will be refunded at the conclusion of the representation.

The retainer will cover all consulting and advocacy work as detailed in the Scope of Work, to continue for twelve (12) consecutive months beginning July 1, 2008, and concluding on June 30th, 2009, unless canceled by written notice, at least 30 days prior to the desired termination of services date indicated in such written notice. In no event may this agreement, if terminated by notice, be terminated during any period of time in which the Nebraska Legislature is in session. This agreement may be extended on terms and conditions mutually agreed upon, in writing, by and between the parties. All additional work shall, not covered by this agreement, be negotiated, at hourly rates or by additional retainer fees.

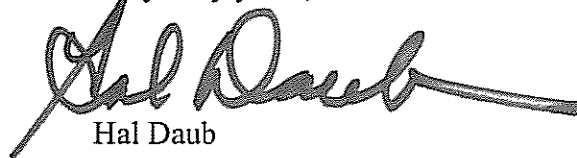
E-mail Correspondence. Our attorneys routinely send and receive information by e-mail. The internet does not provide a totally secure method of communication, and e-mail may be copied and held by any computer through which it passes. Persons not participating in the communication may intercept e-mails, and e-mails stored on computers may be accessed by unauthorized parties. If you would prefer that we not communicate with you via e-mail, please advise me immediately.

Document Retention. Some materials related to our representation of you (e.g. administrative records, time and expense reports, personnel materials, and credit and accounting records belong to us and will be handled in accordance with our document retention policy.

Other materials (i.e. documents provided to us by you and the final version of documents that you retain us to create) are considered client files and belong to you. We will retain your client file for ten years or such longer period as required by statute or our firm's document retention policy. At your request, we will return your file to you or any other person designated by you. If, at your request, we retain your client files beyond their normal period of retention, such long-term storage will be at your cost. If you have not requested that we return your file or made arrangements for long-term storage, we may destroy or otherwise dispose of your client files after the retention period .

It is understood that the terms of this letter and its enclosures constitute the terms under which we have undertaken this representation. If you find the proposed engagement terms acceptable, please execute and return a copy of this letter our file. If you do not agree or accept any of the terms of this letter and its enclosures, please call me as soon as possible within the next 10 days to discuss. If I do not hear from you, it is understood that these are the terms of our representation. Thank you again for selecting us for this engagement. We look forward to working with you.

Very truly yours,



Hal Daub

Hjd:jlhw

AGREED:

Papio-Missouri River Natural Resources District

By: _____

Name:

Title:

Dated: _____

SCHEDULE OF CHARGES FOR INCIDENTAL SERVICES
Effective 1/1/2008

This schedule identifies charges that will be added to our invoices for incidental services we provide and costs we incur in connection with our legal services. If we have reached a separate written agreement with you concerning any of these charges, the terms of that separate agreement will prevail over any conflicting provisions of this schedule.

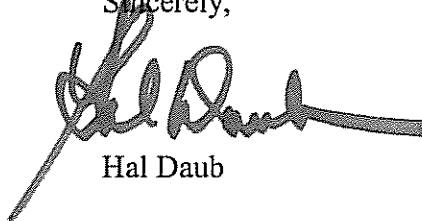
Long distance telephone calls	Not to exceed 50% of the AT&T prevailing standard tariff on all long distance calls based on measured use
Outgoing faxes	\$1.00 per page, plus long distance charges if applicable
Incoming faxes	No Charge
Postage	No Charge for mailings under \$1.00
Internal Messengers/Couriers/Delivery	In-House Messengers charges are billed at \$60 per hour, in 6 minute increments
3rd party couriers and delivery	Charges to client is billed to client at courier's standard charge
Secretarial overtime	Secretaries will be billed at a rate of \$35.00 per hour
Computer-assisted legal research Westlaw and Lexis	Charge amount not to exceed 95% of the standard Lexis or Westlaw transactional rates
Hosting of internal databases	No Charge
Paper and electronic file storage during engagement	No Charge
Paper file storage following conclusion of engagement	\$0.17 per bankers' box per month

Electronic file storage following conclusion of engagement	\$50.00 per gigabyte per year
Practice Support/General Services Scanning	
Black & White, Letter & Legal Paper	
Light Handling	\$0.06 per page
Medium Handling	\$0.09 per page
Extensive Handling	\$0.13 per page
Color	\$0.25 per page
Electronic Bates Numbering	\$0.02 per page
Electronic Document Production	\$0.09 per page
OCR Processing	\$0.02 per page
CD/DVD loading and update to Summation or Concordance database	\$75.00 per CD/DVD
Electronic Document Processing	\$0.10 per page
Format Conversion (Example: TIF to PDF)	\$0.02 per page
Printing Services	
Black and White	\$0.06 per page
Color	\$0.25 per page
Copying Services	
Black and White	Not to exceed \$0.20 per page for Black & White or \$0.75 per page for Color. Pricing dependent on the level of manual handling required.
Color	
Media Services	
Digitizing of Video	\$35.00 per tape/DVD/CD
Synchronizing of Text to Video	\$25.00 per Video Hour (pro-rated)
CD Creation/Duplication	\$15.00 per CD
DVD Creation/Duplication	\$30.00 per DVD
VHS Duplication	\$10.00 per VHS

Video Conferencing	
Husch initiated; 2 locations	\$100 per hour/per location: charges passed directly to client
Husch initiated; each additional location	\$100 per hour/per location: charges passed directly to client
Non Husch Initiated – each additional location	No Charge

In certain circumstances, we receive and retain discounts from our third-party contractors based on our volume use of their services.

Sincerely,



Hal Daub

HD
Attachments

EXHIBIT A

1. Advise the General Manager of the District of Legislative and other intergovernmental matters affecting the District.
1. Present the District's position on such matters to cities, counties and other governmental subdivisions, to the Legislature and committees and members thereof, and to the executive branch of State Government.
3. Attend such meetings and project verbal and written reports as may be requested by the General Manager.
4. Coordinate the District's legislative and intergovernmental project with the programs of the Nebraska Association of Resources Districts and of the cities, counties and other governmental subdivisions of the State.
5. Provide advice and counsel to the District as necessary to promote and advance the District's intergovernmental and legislative program and interests.