

**PAPIO-MISSOURI RIVER
NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING
May 18, 2006
MINUTES**

PLEDGE OF ALLEGIANCE

MEETING CALLED TO ORDER: A regular meeting of the Papio-Missouri River Natural Resources District Board of Directors was held at the Natural Resources Center, 8901 S. 154th Street, Omaha, NE on May 18, 2006. The meeting was called to order by Chairperson Rich Jansen at 8:00 p.m.

QUORUM CALL: The following Directors were present for the Quorum Call:

John Conley	Joe Neary
Fred Conley	John Schwope
Dick Connealy	Rich Tesar
Tim Fowler	Jim Thompson
Rick Kolowski	Rich Jansen
Dorothy Lanphier	

ADOPTION OF AGENDA:

- **MOTION NO. 1:** It was moved by Director Tesar and seconded by Director Schwope that Agenda Item 10 Personnel Matters [Executive Session] be moved to the end of the meeting.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea	-	Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay	-	None
Abstaining	-	None
Absent	-	None

- **MOTION NO. 2:** It was moved by Director John Conley and seconded by Director Fred Conley that that the agenda be adopted as amended.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

ADOPTION OF CONSENT AGENDA:

- **MOTION NO. 3:** It was moved by Director John Conley and seconded by Director Fred Conley that the following resolution be adopted:

BE IT RESOLVED that the following resolutions on the consent agenda are hereby adopted.

Agenda Item 2.A.:

BE IT RESOLVED that the following Director(s) have an excused absence from the May 18, 2006, Board of Directors Meeting:

None to date

Agenda Item 6 A&B.:

BE IT RESOLVED that the April 13, 2006, Papio-Missouri River NRD Board meeting minutes, the April 20, 2006, Special Board meeting minutes and the April 12, 2006 Dakota County Rural Water Advisory Board meeting minutes be approved as printed.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

PROOFS OF PUBLICATION OF MEETING NOTICE: Notice of the meeting was published in the Omaha World Herald on May 11, 2006. The District's March, 2006, expenditures were published in the Douglas County Gazette on May 2, 2006. The Chairperson ordered the Proofs of Publication recorded in the minutes of this meeting. (They are contained as part of the file copy of these minutes.)

AGENCY AND ASSOCIATION REPORTS:

A. Natural Resources Conservation Service: The Chairperson noted that Verlon Barnes was not yet here and would give his report later on in the meeting.

B. Nebraska Association of Resources District Report: Director Tesar reported that the NARD Board would be meeting on June 19, 2006 in Sidney, NE. He also reported that the NARD is sponsoring a Basin Tour of the western reaches June 19-21, 2006. The tour will be leaving from Sidney immediately following the NARD Board meeting. He also indicated that he had attended the funeral of NARD Executive Director Dean Edson's father in Gothenburg, NE.

SUBCOMMITTEE REPORTS:

A. Finance, Expenditures and Legal Subcommittee: Director Thompson reported that the FEL Subcommittee met on May 16, 2006 and gave a brief recap of the meeting.

- **MOTION NO. 4** It was moved by Director Thompson and seconded by Director Fred Conley that the following recommendation be adopted:

FEL Recommendation #1 Financing of Washington County Rural Water #2 – Recommendation that the Board adopt the resolution recommended by the District's bond underwriter authorizing the issuance of Water Project Revenue Bonds in the amount of \$3,400,000, and for other purposes; and, the resolution recommended by the District's bond underwriter authorizing the issuance of a Junior Lien Water Project Revenue Bond in the amount of \$1,150,000, and for other purposes, both issuances for Washington County Rural Water #2.

Phil Lorenzen provided updated information on the interest rate for the revenue bonds and the junior loan regarding the financing of Washington County Rural Water #2. He spoke also on current market conditions. Two resolutions were presented for approval by the Board of Directors. The above-mentioned resolutions are attached to the file copy of these minutes and incorporated herein by reference. Closing is expected to occur on May 26. Dick Sklenar reminded the Board that a 2/3rds majority was needed to vote in favor of the resolutions for this transaction to occur.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea	-	Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay	-	None
Abstaining	-	None
Absent	-	None

- **MOTION NO. 5** It was moved by Director Thompson and seconded by Director Fred Conley that the following recommendation be adopted:

FEL Recommendation #2 Proposals for Professional Auditing Services – Recommendation that the Acting General Manager be authorized to execute a contract for auditing services with Bland & Associates for 2006 through 2010, subject to approval as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
 Voting Nay - None
 Abstaining - None
 Absent - None

•• **MOTION NO. 6** It was moved by Director John Conley and seconded by Director Fred Conley that the following recommendation be adopted:

FEL Recommendation #3 Amendments to District Policies – Recommendation that the following amendments to the District Policy Manual lay on the table for one month pursuant to District Policy 1.5, with final consideration at the June 8, 2006 Board Meeting:

- a. 1.1 Policy Manual – Definitions
- b. 2.3 Directors – Compensation and Expenses
- c. 14.1 Financial – Investments
- d. 14.2 Financial – Disbursements
- e. 14.3 Financial – Accounting
- f. 14.5 Financial – Fidelity Bonds

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope Tesar, Thompson, Jansen
 Voting Nay - None
 Abstaining - None
 Absent - None

•• **MOTION NO. 7** It was moved by Director Fred Conley and seconded by Director Kolowski that the following recommendation be adopted:

FEL Recommendation #4 Purchase Agreement with Dial Land Development Corp for Property Acquisition at Papio Dam Site 8A – Recommendation that the Acting General Manager be authorized to execute the proposed Purchase Agreement with Dial – Ridgewood, L.L.C. for the purchase price of \$256,100.00 to acquire 9.85 acres of land needed for the Papio Reservoir Site 8A project, subject to changes deemed necessary by the Acting General Manager and approved as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried on a vote of 10-yea and 1-nay.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Neary, Schwope, Tesar, Thompson, Jansen
 Voting Nay - Lanphier
 Abstaining - None

Absent - None

Verlon Barnes, NRCS District Conservationist at the NRC office in Omaha, reported on Natural Resources Conservation Service activities for the past month. The NRCS Report is posted to the District website.

B. Programs, Projects and Operations Subcommittee: Director John Conley reported that the PPO Subcommittee met on May 16, 2006 and gave a brief recap of the meeting.

•• **MOTION NO. 8** It was moved by Director John Conley and seconded by Director Tesar that the following recommendation be adopted:

PPO Recommendation #1 Professional Services Contract with BCDM for Design of West Dodge Road Public Access Site on the Elkhorn River – Recommendation that the Acting General Manager be authorized to execute a professional services contract with BCDM, Inc. for the Elkhorn River West Dodge Road public canoe access site, for a fee not to exceed \$55,000.00, subject to changes deemed necessary by the Acting General Manager and approved as to form by District Legal Counsel.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

•• **MOTION NO. 9** It was moved by Director John Conley and seconded by Director Fowler that the following recommendation be adopted:

PPO Recommendation #2: Papio-Missouri River NRD All-Hazards Mitigation Plan – Recommendation that the May 2006, Draft All-Hazards Mitigation Plan for the Papio-Missouri River Natural Resources District prepared by the U.S. Army Corps of Engineers and the Nebraska Department of Natural Resources be adopted, subject to changes deemed necessary by the Acting General Manager.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

Director John Conley reported that the PPO Subcommittee had discussed the adoption of Papillion Creek Watershed Partnership policies and that such item had been tabled by the Subcommittee until the next PPO meeting

- **MOTION NO. 10** It was moved by Director John Conley and seconded by Director Neary that the following recommendation be adopted:

PPO Recommendation #4: Equipment Purchases/Replacements for FY 2007 – Recommendation that the FY 2007 Equipment Requirements as presented to the Subcommittee be approved subject to FY 2007 Budget, with the following amendments:

- ➔ Cut replacement for 1997 Chevy S10 4WD
- ➔ Cut NRC office renovation from \$100,000 to \$25,000
- ➔ Cut NRC/O&M shop security system from \$30,000 to \$10,000

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

C. Personnel, Legislative and Public Affairs Subcommittee: Director Fred Conley reported that the PLPA Subcommittee met on May 16, 2006 and he gave a brief recap of the meeting.

- **MOTION NO. 11** It was moved by Director Fred Conley and seconded by Director Thompson that the following recommendation be adopted:

PLPA Recommendation #1: Affirmative Action Plan – Recommendation that the proposed revisions to the District’s Affirmative Action Plan be adopted.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea - Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay - None
Abstaining - None
Absent - None

- **MOTION NO. 12** It was moved by Director Fred Conley and seconded by Director Thompson that the following recommendation be adopted:

PLPA Recommendation #2: Process for Hiring General Manager – Recommendation that the Personnel, Legislative and Public Affairs Subcommittee finalize

the job description/qualifications for the position of General Manager; and, that the Board Chairperson appoint an ad-hoc subcommittee of five Board members to advertise the position, review submissions, interview no less than five candidates, and present to the full Board a recommendation for selection, including a salary estimate and duration of contract.

Director Fred Conley informed Directors that a packet of information would be sent to Directors. He asked that each Director to review the information and provide recommendations regarding the GM's job description by May 30th so the information can be compiled and reviewed at the June 8, 2006 PLPA Subcommittee meeting. There was discussion regarding the process to be used in hiring a General Manager.

Amendment
No 1 to
Motion No. 12

It was moved by Director Kolowski and seconded by Director Lanphier that the motion be amended as follows:

Process for Hiring General Manager – Recommendation that the Personnel, Legislative and Public Affairs Subcommittee finalize the job description/qualifications for the position of General Manager; and, that the Board Chairperson appoint an ad-hoc subcommittee of five Board members ~~to advertise the position, review submissions, interview no less than five candidates, and present to the full Board a recommendation for selection, including a salary estimate and duration of contract.~~ to recommend to the full Board the process that will be followed for the advertising and hiring of the General Manager.

Director Kolowski stated that he felt the amendment would give the Board the latitude to include the possibility of hiring a consultant. There was discussion regarding the duties of the Ad Hoc Committee versus the PLPA Subcommittee. Director Connealy pointed out that the PLPA Subcommittee should set up the process and make the decision whether an outside consultant should be hired. He asked the Chairperson for a clarification. Chairperson Jansen stated that his intent was to have the PLPA Subcommittee determine the GM's job description and the process to be used in hiring the GM. The duties of the Ad Hoc Subcommittee would be to handle the advertisement, review of applicants, interview applicants and to forward a recommendation for selection to the full Board.

Director Kolowski withdrew his Amendment. Director Lanphier withdrew her second.

Roll call vote was on the original motion. The amendment carried unanimously.

Voting Yea	-	Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay	-	None
Abstaining	-	None
Absent	-	None

TREASURER'S REPORT:

- **MOTION NO. 13:** It was moved by Director John Conley and seconded by Director Kolowski that the following resolution be adopted:

BE IT RESOLVED that the Treasurer is authorized to expend general funds to pay: (1) claims listed in the April, 2006, financial report; and, (2) any claims made prior to the next Board meeting for (a) earned salaries of District employees, (b) withholding taxes, (c) social security payments, (d) retirement program contributions, (e) utilities, (f) registration fees and expenses for upcoming meetings and conferences, (g) certified completed CAP and Special Project Area applications, (h) invoices which offer a credit or discount for payment made prior to the next Board meeting, (i) postage, and, (j) building and grounds contract expenses.

BE IT FURTHER RESOLVED that the Treasurer is authorized to pay, from the respective operating accounts of the Dakota County, Thurston County and Washington County #1 and Washington County #2 rural water supply projects, the Elkhorn River Bank Stabilization Project, the Elkhorn Breakout Project, the Elk/Pigeon Creek Drainage Project, and the Western Sarpy/Clear Creek Project, the project bills listed on the April, 2006, financial report, and future claims for project utilities.

BE IT FURTHER RESOLVED that the financial reports be affixed to and made a part of the minutes.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea	-	Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwope, Tesar, Thompson, Jansen
Voting Nay	-	None
Abstaining	-	None
Absent	-	None

CHAIRPERSON’S REPORT:

A. Resignation of Director Joe Neary: Chairperson Jansen reported that Director Joe Neary (Subdistrict #3) had submitted his letter of resignation from the Board as of May 31, 2006. A memo outlining the procedure to be followed to replace Mr. Neary was distributed. Director Neary was then recognized for his years of services with the District.

B. Special Presentation: Cammie Watkins, Earth Day Omaha Chair, presented the Board with a framed photograph by Dave Mangelsen for the District’s continued support of Earth Day Omaha on April 22, 2006. She reported that over 4,000 people attended and thanked P-MRNRD Intern Sonya Jungjohann for her efforts at the Children’s’ Tent.

C. Appointment of Ad Hoc General Manager Selection Subcommittee: Chairperson Jansen appointed the following Directors to the Ad Hoc Manager Selection Subcommittee:

Rick Kolowski, Chairperson
Rich Tesar, Vice-Chairperson
Fred Conley
John Conley
Tim Fowler

GENERAL MANAGER'S REPORT:

Assistant GM Petermann noted that his report had been posted to the website and asked Directors to contact him if there were any questions.

Larry Foster, City of Omaha, reported that contracts for the Missouri River Pedestrian Bridge had been awarded. HNTB of Kansas City, MO, is the designer and APAC is the general contractor. He stated that, based on the Notice to Proceed, work could start July, 2006 with completion in late fall of 2008. He then showed a computer-generated design of the bridge.

Christine Jacobsen, Education/Volunteer Specialist, showed a PowerPoint presentation regarding P-MRNRD education activities.

Mr. Petermann then showed slides of his recent trip to New Orleans to assist in the relief efforts in that city.

PERSONNEL MATTERS

- **MOTION NO. 14:** It was moved by Director Thompson and seconded by Director Fred Conley that the Board go into Executive Session to discuss personnel matters.

Roll call vote was held on the motion. The motion carried unanimously.

Voting Yea	-	Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Neary, Schwoppe Tesar, Thompson, Jansen
Voting Nay	-	None
Abstaining	-	None
Absent	-	None

The Board went into Executive Session at 10:10 p.m.

The Board returned to Regular Session at 11:15 p.m.

- **MOTION NO. 15** It was moved by Director Tesar and seconded by Director John Conley that the Board of Directors of the Papio-Missouri River Natural Resources District direct and authorize McGrath North Mullin and Kratz PC, LLO, to prepare a written response to Mr.

Oltmans' counsel denying his request for severance pay and benefits and finalizing any amounts owed Mr. Oltmans for accrued annual leave and the deferred compensation provision of his employment agreement.

Roll call vote was held on the motion. The motion carried on a vote of 8-yea and 3-nay.

Voting Yea: Conley (Fred), Conley (John), Connealy, Fowler, Kolowski, Lanphier, Tesar,
Jansen
Voting Nay: Neary, Schwope, Thompson
Abstaining: None
Absent: None

INFORMATIONAL ITEMS:

A. Future Meetings: The Chairperson reviewed the following upcoming meetings with the Directors:

May 23, 2006	Lower Platte River Corridor Alliance Quarterly Meeting, 9:30 a.m., Lower Platte South NRD Offices
May 29, 2006	Memorial Day - P-MRNRD Offices Closed
June 6, 2006	P-MRNRD Subcommittee Meetings
June 8, 2006	P-MRNRD Board Meeting
June 8, 2006	Papillion Creek Watershed Partnership Meeting
June 19, 2006	NARD Board Meeting, Holiday Inn, Sidney, NE
June 19-21, 2006	NARD/NRDs Basin Tour – Western Reaches (departing immediately following the NARD Board Meeting)
June 22, 2006	Reservoir Sites 1 & 3C Preliminary Study Steering Committee Meeting, 7:00 p.m. at Blair City Offices
July 4, 2006	4 th of July Holiday – P-MRNRD Offices Closed
July 11, 2006	P-MRNRD Subcommittee Meetings
July 13, 2006	P-MRNRD Board Meeting
July 14, 2006	LPRCA Platte River Airboat Tour
July 18-20, 2006	Nebraska Water Tour, Missouri River Upstream of Omaha

B. Next Meeting: The next regularly scheduled meeting of the P-MRNRD Board of Directors will be held on June 8, 2006, at the NRC.

ADJOURNMENT: Being no further business, at 11:18 p.m. the Chairperson declared that the meeting was adjourned.

I, the undersigned, Secretary of the Papio-Missouri River Natural Resources District, hereby certify that the foregoing are true and correct minutes of a meeting of the Board of Directors of the District held on May 18, 2006, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the District; that such subjects were contained in said agenda at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; and, that all news media requesting notification of the meeting of said body were provided advance notification of the time and place of said meeting.

Richard Tesar
District Secretary