

N-CORPE

Nebraska Cooperative Republican Platte Enhancement Project

Board of Directors Meeting Minutes

July 15, 2015 10 a.m.

Twin Platte NRD, 111 S. Dewey, North Platte, Neb.

Agendas were sent to all Board Members and all others requesting agendas. Agendas were posted in the following offices: Twin Platte NRD; Lower Republican NRD; Middle Republican NRD; and Upper Republican NRD.

Board Members Present: Brad Randel (Middle Republican NRD); Terry Martin (Upper Republican NRD); Jerry Weaver (Twin Platte NRD); and Bill Bose (Lower Republican NRD).

Others Present: Kyle Shepherd, Jasper Fanning, Nate Jenkins, Jim Meismer, Kent Miller, Bob Merrigan, Jack Russell, Brian Cummins, Dan Estermann, Joe Estermann, Robert Peterson, Lynn Fredericks, Scott Dicke.

Information Sent to Board Members: Agenda, payables, financial report

Information Available at Board Meeting: Agenda; minutes of June 17, 2015 meeting; June 2015 payables; June 2015 profit and loss statement; June 2015 balance sheet by class; draft 2016 budget; Agricultural Property Management Plan; Employee Policy Manual.

Chairman Terry Martin called the meeting to order at 10:08 a.m. and designated NCORPE Manager Kyle Shepherd to run the meeting. It was noted a copy of the Open Meetings Act was in the back of the room. Roll call was taken. Voting representatives from URNRD (Terry Martin); Middle Republican NRD (Brad Randel); Twin Platte NRD (Jerry Weaver); and Lower Republican NRD (Bill Bose) were present.

Minutes:

- Martin moved to approve the minutes of the June 17, 2015 meeting as presented. Seconded by Randel. Roll call vote: 4-yes. 0-no. Motion approved.

Financial Report:

- a.) **Payables:** Board members asked questions about NCORPE's insurance provider.
- Bose moved to approve the payables as presented. Seconded by Weaver. Roll call vote: 4-yes. 0-no. Motion approved.
- b.) **Financial Statement:** Fanning discussed the bond issue for construction costs. Construction costs will be apportioned between the NRDs differently than in the original bank note to accurately reflect construction costs for which each NRD was responsible. Districts need to decide whether they want portions of construction expenses they have paid refinanced. Fanning asked that the NRD managers review a document that specifies what costs are attributable to different classes of NRDs – Republican NRDs and Twin Platte. Shepherd noted that employee wages are split based on time they spend on Republican work, Twin Platte work, or work for both sets of NRDs.
- c.) **Budget:** Shepherd said the only changes he had made to the draft budget presented in June were minor changes in income. Fanning described preliminary discussions between the Republican NRDs that could mitigate fluctuations in pumping costs for the individual NRDs.

Project Update: Mike Keller provided an update on work on crossings along Medicine Creek. He said the work was mostly complete. Issues that are making it difficult for Midwest Public Power District to remotely read electric meters are being investigated. Shepherd provided a detailed report on what other employees were doing, including site cleanup.

Property Management/Operations

- a.) **Open Meetings Act Information:** Shepherd provided an update on a complaint registered with the Attorney General's office about a previous NCORPE meeting notice not being published in the North Platte Telegraph. Shepherd responded to the complaint by writing a letter to the AG's office stating that NCORPE had provided the notice to the Telegraph. The letter included email correspondence to the Telegraph proving that legal notice publication had been requested. Shepherd and Telegraph staff have communicated to resolve issues that prevented the Telegraph from receiving NCORPE emails.
- b.) **Information Request:** Shepherd noted that he had been responding to multiple information requests from Sen. Mike Groene's office. A legislative hearing on NCORPE requested by Sen. Groene had not yet been scheduled.
- c.) **Security Issues:** Shepherd said some trespassing and minor vandalism had occurred on NCORPE property. Some neighbors were also worried about fires. Therefore, he had locked some gates to prevent entry by unauthorized people. That action had concerned some neighbors. The gate is now open so Dan Estermann can travel across NCORPE property to easily access his property. The Board agreed Shepherd should be able to limit entry as he saw fit.
- d.) **Wellfleet Lake Improvements:** Engineering firm HDR had provided estimates of the cost of constructing a shoefly so NCORPE water could bypass the dam. No bids had yet been received from contractors. A meeting was tentatively scheduled for Aug. 4 to discuss improvements with Nebraska Board of Educational School Lands, Game and Parks, HDR, the Department of Natural Resources, and members of the Wellfleet community. One option would be for some of entities including NCORPE to help pay to repair longstanding, pre-NCORPE problems with the dam that could preclude the need for a shoefly.
- e.) **Legal Update:** NCORPE legal counsel Don Blankenau described possible issues associated with selling NCORPE lands and holding easements for water rights or continuing to own the land. Blankenau said rules associated with bond issuance allow for land sales. But in regards to project operations, he said state statute clearly indicates that one's ability to use water is proportional to the amount of land he owns. A person with 1,000 acres, for example, can use more water than someone who owns 100 acres. Legal scholars suggest a city must control the surface land to pump a proportional amount of water. He said that alternatively it may be possible that NCORPE could sell land and hold easements that give it access to the water, but that approach is untested.
- f.) **Official Address:** The Board discussed whether NCORPE's official address should be its physical address or continue to be the address of the Upper Republican NRD.
 - Bose moved to make the NCORPE physical address the official NCORPE address. Seconded by Weaver. Roll call vote: 4-yes. 0-no. Motion approved.
- g.) **Open Forum:** No comments.

Executive Session:

- Weaver moved to enter executive session to conduct personnel reviews and receive an update on litigation, with people in the executive session to include NCORPE board members, NRD staff, NCORPE staff and the NCORPE attorney. Seconded by Bose. Roll call vote: 4-yes. 0-no. Motion approved. Executive session began at 12:27 p.m.
 - Martin moved to exit executive session and enter open session. Seconded by Bose. Roll call vote: 4-yes. 0-no. Motion approved. Open session was entered into at 1:38 p.m.
- No action was taken and the meeting was adjourned at 1:38 p.m.