

N-CORPE

Nebraska Cooperative Republican Platte Enhancement Project

Board of Directors Meeting Minutes

April 17, 2019

Twin Platte NRD Office, 111 South Dewey Street, North Platte, NE

Agendas were sent to board members and others requesting agendas, Agendas were posted at www.ncorpe.org and in the following offices: Twin Platte NRD; Lower Republican NRD, Middle Republican NRD; and Upper Republican NRD.

Board Members Present: Terry Martin (Upper Republican NRD); Jerry Weaver (Twin Platte NRD) Benjie Loomis (Middle Republican NRD); Nelson F. Trambly (Lower Republican NRD)

Others Present: Kyle Shepherd (NCORPE); Jasper Fanning (Upper Republican NRD); Dean Large (Upper Republican NRD); Jack Russell (Middle Republican NRD); Scott Dicke (Lower Republican NRD); Jim Meismer (Twin Platte NRD); Nate Jenkins (Upper Republican NRD); Todd Siel (Lower Republican NRD); Jay Schilling (Middle Republican NRD); Pierre Dean (NCORPE); Lynn Frederick (North Platte); Mike Keller (NCORPE); Bill Sellers (NCORPE); Robert Meyer (RJ Meyer); Kent O. Miller (Twin Platte NRD); Don Blankenau

Information Sent to Board Members: Agenda; Minutes from February 27, 2019 meeting; NCORPE 2018 Annual Report; April 13, 2019 Balance Sheets; Accounts Payable up to April 13, 2019; NCORPE Budget draft.

Information available at meeting: Agenda; Minutes from February 27, 2019 meeting; NCORPE 2018 Annual Report; April 13, 2019 Balance Sheets; Accounts Payable up to April 13, 2019; NCORPE Budget draft.

Terry Martin called the meeting to order at 10:01 a.m. and pointed out that there were copies of the Open Meeting Act posted in the back of the room.

Roll call was taken. Voting representatives from the Upper Republican NRD (Terry Martin); Middle Republican NRD (Benjie Loomis); Twin Platte NRD (Jerry Weaver); Lower Republican NRD (Nelson F. Trambly) were represent.

Public Hearing on the NCORPE Annual Report

There were no comments or questions from the public. Thus, Mr. Martin moved to go into Open Forum of the NCORPE meeting.

Open Forum

There were no comments or questions during the allocated open forum time.

Minutes of February 27, 2019 Meeting:

Nelson Trambly moved to approve the minutes of February 27, 2019 meeting with the correction of spelling errors of “counsel and earmark” the motion was seconded by Jerry Weaver.

Roll Call, Upper Republican- Yes; Middle Republican- Yes; Lower Republican- Yes; Twin Platte- Yes. Vote: 4-Yes, 0- No. Motion Approved.

Financial Report

Payables – Terry Martin presented the payables to the board and opened the floor to questions. Jay Schilling said that there are no detailed records of deposits originations and that should be added. Schilling also asked about payments to Olson and Associates and how much more is expected to be spent. Kyle Shepherd responded that NCORPE has a \$50,000 contract with them. Jerry Weaver had questions on Dawson’s Power augmentation and demand billing. Bill Sellers was explained how the billing has been done. Jasper Fanning further explained the billing. Jay Schilling wanted to know if it could be split between power and demand. Todd Siel and Jay Schilling both said that the payments could be split between demand and power. Jerry Weaver asked about the payroll. Kyle Shepherd replied and gave a short presentation of a software that would be used to itemize hours by tasks. Jerry Weaver asked if the grass seed had been delivered. Kyle Shepherd replied that they have but with some obstacles.

Jerry Weaver moved the motion to accept the payables as presented and was seconded by Benjie Loomis.?????????????>>>?????????

Roll Call, Lower Republican – Yes; Middle Republican – Yes; Upper Republican – Yes; Twin Platte – Yes. Vote 4- Yes, 0 – No – Motion Approved.

Financial Statements

Terry Martin presented the financial statements to the board and opened the floor to questions. Todd Siel asked if the checking account balance was correct. Kyle Shepherd replied that the balance was incorrect. Jasper Fanning asked if the checks were posted yet. Shepherd responded that not have been posted. Jerry Weaver asked about line improvements to pipelines and well fields. Jasper fanning answered his concerns. Jay Schilling asked about the depreciation on the vehicles and he feels that the salvage value should be added to the vehicles. Jasper Fanning said that that’s a question for the accountants. Robert Meyer stated that it is considered fair market value and would go in another report. He continued that it would be misleading on a financial report. Jasper Fanning asked about contributions and Robert Meyer answered.

Nelson Trambly moved to approve the Financial Statement and was seconded by Jerry Weaver.

Roll Call, Upper Republican- Yes; Middle Republican- Yes; Lower Republican- Yes; Twin Platte- Yes. Vote: 4-Yes, 0- No. Motion Approved.

Annual Audit

Robert Meyer gave a summary of the annual audit to the board.

Jay Schilling asked about total assets and the bonds. Robert Meyer answered his question. Jasper Fanning added on the sale of the bonds.????????

Benjie Loomis moved a motion to accept the Annual Audit as presented and was seconded by Jerry Weaver.

Roll call Lower Republican NRD – Yes, Upper Republican NRD – Yes, Middle Republican NRD – Yes, Twin Platte NRD – Yes. Vote 4- Yes, 0 – No. Motion Approved.

Project Update

Managers' Report

Bill Sellers (Range Manager) worked on haying, seeding, seed bed preparations, met with NET for documents for the grant, organized two thousand head spring grazing, worked on equipment maintenance and did a Prairie Chicken presentation.

Mike Keller (Operations Manager) worked on building repairs, roads, worked with Dawson Power on load control, snow removal, equipment maintenance, finished cleaning up North Pipeline, erosion issues and repairs on the grain bins.

Kyle Shepherd (General Manager) prepared for the April board meeting and worked on the land trade; Cleaned up dead trees on Kason; worked on the annual report; worked on public information request; researched and prepared new policies.??????????????

Jack Russell asked about the tumble weeds. Bill Sellers said that preventive measures like grazing and mowing are in place. Scott Dickie asked about the amount of Prairie Chickens on site. Bill Sellers replied about every mile and a half.

Long Range Planning

Kyle Shepherd said that the managers suggested having a meeting in May or a retreat to discuss the long-term goals of NCORPE. Kent O. Miller said that the board needs to indeed discuss its long-term goals for usage of the property which may or may not include sale or staffing, and continue leasing the property for grazing, solar energy or wind energy. Mr. Miller said that a retreat would be a good setting for that discussion. Terry Martin agreed that it would be good to just sit around and have a discussion on these concerns as it would not be a public meeting as no business would be conducted. Don Blankenau felt that anything that could result in business decision down the road like long-term planning could be subject to open meeting laws.

Property Management / Operations

Legislative update – Blankenau

Don Blankenau said that there were two bills that could affect NCORPE. The First is LB302 about the Department of Energy. The bigger part of that bill that was not discussed is moving the 404 permitting under the clean water act from the Army Corp of Engineers to DEQ which the clean water act allows for the state to take over. The hope is that anybody trying to get a permit would go more smoothly. The other bill is LB606 which Senator Groene has been working with the Attorney General's office to get a draft that provides the minimal state's requirement. The amendments done by the Attorneys Generals office were submitted to committee and the bill remains in committee.

Long Time Goals of Section 26 Kyle Shepherd asked the board to make a decision what will become of the newly acquired section 26 after the current lease is up. That is if the boards wants to continue to lease it or retire the acres. The Board was unable to come to a decision on section 26 and will consider revisiting it again maybe during a retreat as suggested by Jerry Weaver.

Budget Kyle Shepherd presented a copy of a revised draft format to the board and opened the floor to questions and suggestions. Jasper Fanning suggested that a draft be sent in June prior to the meeting and then approved in August.

Lower Republican NRD Policy Adoption for NCORPE Kyle Shepherd presented a copy of a policy for conditions for sale of NCORPEs property to the board and opened the floor for questions and possible approval.

Nebraska Cooperative Republican Platte Enhancement Project NCORPE Board of Directors policy on Conditions of Sale of the NCORPE Property:

I. NCORPE is an essential project for ensuring the goals and objectives of its member NRDs' Integrated Management Plans are achieved. NCORPE is also essential to Nebraska's compliance with the Republican River Compact. II. NCORPE members are working to evaluate the appropriate conditions under which NCORPE can dispose of some of its real estate associated with the project. NCORPE members believe, as a public body, it should not retain ownership to more real estate than is necessary to serve the purposes and interests of NCORPE members. III. NCORPE members recognize that multiple parties have threatened litigation, and litigation has the potential to limit NCORPE's operations and the amount of water for use. This threatened litigation requires NCORPE to exercise great caution in the disposal of any real estate held by NCORPE. ACCORDINGLY, NCORPE believes that the following conditions must be met before NCORPE disposes of any of its real estate:

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1. Legislation must expressly convey the authority to natural resources districts and interlocal bodies comprised of natural resources districts, who are engaged in augmentation projects, absolute discretion in determining the rate and volume of water to pump without regard to the amount of real property owned by either of those entities; 2.

Legislation shall expressly recognize or convey the power of sovereign immunity to natural resources districts and interlocal bodies comprised of natural resources districts, who are engaged in augmentation projects, for all claims associated with the operation and use of the augmentation projects. 3. Legislation will require the State of Nebraska to indemnify and make whole each natural resources district and/or interlocal body's member, in the event the operation of an augmentation project is disrupted or limited in any way for reasons associated with the ownership of real property or the failure to own sufficient amounts of real property relative to the rates and volumes of water desired to be pumped. 4. The development of any legislation should be accomplished using a collaborative process that includes all interested stakeholders. Policy approved by NCORPE Board of Directors on April 17, 2019

Jerry Weaver moved to approve the policy on Conditions of Sale of the NCORPE Property. The motion was seconded by Nelson Trambly. Roll call; Twin Platte – Yes; Upper Republican – Yes; Middle Republican – No; Lower Republican – Yes. Vote 3 – Yes, 1 – No motion Approved.

The meeting was adjourned at 12:38 pm as there were no further matters to discuss.

Benjie Loomis, Board Secretary Date