

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting
June 8, 2017

The Twin Platte Natural Resources District (TPNRD) Board of Directors meeting was held at the Great Western Bank Meeting Room, Second Floor, 111 South Dewey Street, North Platte, Nebraska on June 8, 2017. Mr. Schilz called the meeting to order at 7:31 pm. A legal notice of the meeting was published in the NORTH PLATTE TELEGRAPH. A news release containing the agenda for the meeting and including the time and place was sent to the news media in the District.

BOARD MEMBERS PRESENT

David Colvin
Eric S Hansen
James Meisner
Robert L Petersen
Dennis Schilz
Douglas L Stack
Shane Storer
Joe Wahlgren
Jerry Weaver
Robert Wiseman

BOARD MEMBERS ABSENT

Judy Pederson

NRCS PERSONNEL PRESENT

None

STAFF PRESENT

Amy Mapes, Administrative Assistant
Kent Miller, General Manager

OTHERS PRESENT

Bruce Lefler, Ameritas
Mike Wheeler, Sargent Irrigation

ANNOUNCEMENTS

Nebraska Open Meeting Act – Mr. Schilz reported that the Nebraska Open Meeting Act requires public bodies to make available at least one current copy of the Open Meeting Act which may be posted in the meeting room at a location accessible to members of the public, and at the beginning of the meeting the public shall be informed about the location of the posted information. Mr. Schilz reported that the current Open Meeting Act was on the wall in the front of the meeting room and accessible to members of the public.

Report of Directors Excused – Mr. Schilz reported that Operating Policy Number 4: BOARD

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

OF DIRECTORS ABSENCES provides that a Director will be considered excused if the Director notifies the office prior to the meeting that he or she will be absent and that the minutes will reflect whether an absent Director is excused or unexcused. Mr. Schilz reported that Mrs. Pederson notified the office she would be absent and is therefore excused.

Information available for the Public – Mr. Schilz reported that on the table along the north wall of the meeting room is a notebook containing information each Board member has electronically. Mr. Schilz reported that the notebook is available for viewing by the public attending the meeting. Mr. Schilz reported this information is also available on the TPNRD website, and internet access is available in the room.

Other Announcements – None presented.

PUBLIC FORUM

Mr. Schilz opened the Public Forum. There were no comments. Mr. Schilz closed the Public Forum.

REQUESTS FOR ASSISTANCE

There were no requests for assistance.

COOPERATING AGENCIES REPORT

USDA Natural Resources Conservation Service (NRCS) – District Conservationist Report – Mr. Miller reported that information was available for the Directors that was prepared by Mary Reece, NRCS District Conservationist.

GENERAL INFORMATION

None presented.

BOARD OF DIRECTORS MINUTES

Minutes for the May 11, 2017 Meeting – Mr. Schilz reported that the Minutes for the May 11, 2017 Board of Directors meeting were available for the Directors’ and he asked if there were any corrections or additions.

Mr. Meismer moved that the Minutes of the May 11, 2017 Board of Directors meeting be approved. Mr. Petersen seconded the motion. The motion carried. (Motion #1)

Aye:	Colvin, Meismer, Petersen, Stack, Wahlgren, Weaver, Wiseman
Nay:	None
Abstain:	Schilz
Absent & Excused:	Pederson
Out of Room:	Hansen, Storer

FINANCIAL REPORT

Financial Statement - Mr. Meismer reported that the Financial Statement for May 2017 was available for the Directors.

Accounts Payable - Mr. Meismer reported that the Accounts Payable report was available for the Directors and that he had reviewed the Accounts Payable and found the report to be in order.

Mr. Meismer moved that the Financial Statement for May 2017 be received and placed on file for audit and to approve payment of the invoices presented on June 8, 2017 in the amount of \$2,521,658.91. Mr. Wahlgren seconded the motion. The motion carried. (Motion #2)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Wahlgren, Weaver, Wiseman
Nay: None
Absent & Excused: Pederson
Out of Room: Storer

Budget Status – Mr. Meismer reported that the Budget Status report was available for the Directors.

Bids/Proposals – None presented.

Bids/Proposals Scheduled to be Presented for Consideration during the July 6, 2017 Board of Directors Meeting – Mr. Miller reported that the District Policy provides that “The staff will notify the Board during the Board meeting immediately prior to the Board meeting at which bids will be presented for consideration”. Mr. Miller reported that no bids/proposals would be presented for the July 6, 2017 Board of Directors meeting.

SUBCOMMITTEE MEETINGS REPORT
Land Resources SubCommittee

No report presented.

SUBCOMMITTEE MEETINGS REPORT
Water Resources SubCommittee

Mr. Meismer, Water Resources Subcommittee Chairperson, presented a report for the Subcommittee meeting held on June 8, 2017.

Variiances – No report presented.

Violations – No report presented.

Offset Water - NCORPE Project (#2) – Financing - Consider Resolution authorizing the issuance of an amended Limited Obligation Occupation Tax Supported River Flow Enhancement Refunding Bond to replace the 2017 Bond previously issued by the TPNRD to NCORPE – Mr. Meisner reported that Bruce Lefler from Ameritas was at the meeting to explain the necessity for the Board of Directors to consider amending the 2017 District Bond.

A discussion was held concerning the recent refunding of the permanent financing for a portion of the river flow enhancement project of the Nebraska Cooperative Republican Platte Enhancement Project (the "Agency") as authorized by resolutions of the Board of Directors on October 13, 2016 and December 8, 2016, which refunding closed on May 1, 2017. Mr. Meisner stated that it was necessary for the Board of Directors to consider amending the 2017 District Bond.

Mr. Meisner moved the adoption of the following resolution:

RESOLUTION NO. 1-060817

A RESOLUTION OF THE TWIN PLATTE NATURAL RESOURCES DISTRICT, IN THE STATE OF NEBRASKA, AUTHORIZING THE ISSUANCE OF AN AMENDED LIMITED OBLIGATION OCCUPATION TAX SUPPORTED RIVER FLOW ENHANCEMENT REFUNDING BOND, SERIES 2017, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWENTY-ONE MILLION ONE HUNDRED NINETY-FOUR THOUSAND EIGHT HUNDRED TWENTY DOLLARS AND 06/100 (\$21,194,820.06), AND PRESCRIBING THE FORM, TERMS AND DETAILS OF SAID BOND; AND AUTHORIZING THE OFFICERS OF THE DISTRICT TO EXECUTE AND DELIVER SAID BOND.

BE IT RESOLVED by the Board of Directors (the "Board") of the Twin Platte Natural Resources District, in the State of Nebraska (the "District"), as follows:

Section 1. The Board hereby finds and determines as follows:

- (a) At meetings of the Board duly called and conducted on October 13, 2016 and December 8, 2016, the Board passed and approved resolutions (collectively, the "Prior Resolutions"; capitalized terms used herein and not otherwise defined shall have the meanings provided in the Prior Resolutions) authorizing the issuance by the District of its Limited Obligation Occupation Tax Supported River Flow Enhancement Refunding Bond, Series 2016, in the maximum stated principal amount of Twenty-Three Million Seven Hundred Fifty Thousand Dollars (\$23,750,000), which bond was to be issued to provide security for and a source of payment for the Agency Bonds (described below); and

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

(b) On May 1, 2017, the Agency issued its River Flow Enhancement Revenue Refunding Bonds, Series 2017, in the original principal amount of Eighty-Six Million Sixty Thousand and No/100 Dollars (\$86,060,000) (the "Agency Bonds"), and in connection with the issuance of the Agency Bonds, the District issued its Limited Obligation Occupation Tax Supported River Flow Enhancement Refunding Bond, Series 2017, in the original principal amount of Twenty-One Million Six Hundred Ninety-Three Thousand Eight Hundred Twenty Dollars and 07/100 (\$21,693,820.07) (the "2017 District Bond"), consistent with the terms of the Prior Resolutions; and

(c) Immediately after the May 1, 2017 closing, the Agency purchased certain of the Agency Bonds, maturing on December 15, 2035 (the "Purchased Bonds"), at a private sale, and such Purchased Bonds were immediately credited by the Trustee at 100% of the principal amount thereof against the obligation of Agency and thereafter canceled by the Trustee; and

(d) The purchase by the Agency of the Purchased Bonds decreased the aggregate principal amount of the Agency Bonds outstanding by \$1,980,000, thereby reducing the aggregate principal amount of the 2017 District Bond as well as the aggregate principal amounts of the District Bonds issued by the other Member Districts; and

(e) The District desires to amend and restate the 2017 District Bond to reflect the reduction in the principal amount of such bond and related maturities.

Section 2. The District hereby approves an amended and restated 2017 District Bond in the principal amount of Twenty-One Million One Hundred Ninety-Four Thousand Eight Hundred Twenty Dollars and 06/100 (\$21,194,820.06), and in substantially the form attached hereto as Exhibit A (the "Amended 2017 District Bond"). The Amended 2017 District Bond hereby amends, restates, and replaces the 2017 District Bond in its entirety. The 2017 District Bond shall be canceled upon surrender by the registered owner or the Trustee, as applicable, to the District's Paying Agent and Registrar.

Section 3. The Amended 2017 District Bond shall be executed on behalf of the District with the manual or facsimile signatures of the Chairman and Secretary of the Board of Directors of the District. The Amended 2017 District Bond shall be issued in fully registered form only. In case any officer whose signature or facsimile thereof shall appear on the Amended 2017 District Bond shall cease to be such officer before the delivery of the Amended 2017 District Bond (including any bond certificate delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery

of such bond. The Amended 2017 District Bond shall not be valid and binding on the District until authenticated by the Paying Agent and Registrar. The Amended 2017 District Bond shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the Amended 2017 District Bond, it shall be delivered to the District Treasurer, who is authorized to deliver it to the Agency, as the initial registered owner thereof with notation of pledge in favor of the Trustee, to be held by the Trustee, as security for and in consideration for the issuance by the Agency of the Agency Bonds.

Section 4. This resolution shall be in force and take effect from and after its adoption as provided by law. Except as expressly modified hereby, the Prior Resolutions hereby are ratified and affirmed in all respects as of the date of this resolution.

Exhibit A
UNITED STATES OF AMERICA
STATE OF NEBRASKA
TWIN PLATTE NATURAL RESOURCES DISTRICT
Limited Obligation Occupation Tax
Supported River Flow Enhancement Refunding Bond
Series 2017

No. R-1 (Amended and Restated) \$21,194,820.06

<u>Interest Rate for Maturity</u>	<u>Final Maturity Date</u>	<u>Date of Reissue</u>
See table below.	December 15, 2035	May 1, 2017

Registered Owner: Nebraska Cooperative Republican Platte Enhancement Project, subject to pledge in favor of Union Bank & Trust Company, as Trustee under Trust Indenture and Security Agreement dated as of September 1, 2013, as supplemented on December 1, 2013, November 1, 2015, and May 1, 2017

Principal Amount: Twenty-One Million One Hundred Ninety-Four Thousand Eight Hundred Twenty Dollars and 06/100

KNOW ALL PERSONS BY THESE PRESENTS: That the Twin Platte Natural Resources District, in the State of Nebraska, (the “District”) hereby acknowledges itself to owe and for value received promises to pay, but only from the special taxing source hereinafter described and other sources lawfully available to the District, to the registered owner specified above, or registered assigns (including the Trustee for the Agency Bonds, as registered pledgee), the principal amount specified above in lawful money of the United States of America in separate principal installments on the dates of maturity specified in the following table and with interest on the amount of each principal installment as specified in the following table:

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

<u>Maturing December 15 of Year</u>	<u>Principal Amount Maturing</u>	<u>Interest Rate Per Annum</u>
2017	\$623,535.68	2.000%
2018	850,115.25	3.000%
2019	846,968.57	4.000%
2020	876,898.69	4.000%
2021	927,403.81	3.000%
2022	976,758.47	4.000%
2023	1,017,202.19	4.000%
2024	1,067,745.09	4.000%
2025	1,088,364.61	4.000%
2026	1,089,143.00	4.000%
2027	1,138,611.47	4.000%
2028	1,214,559.30	3.250%
2029	1,260,157.78	4.000%
2030	1,302,539.84	4.000%
2031	1,350,129.00	3.500%
2032	1,401,484.72	3.625%
2033	964,919.19	4.000%
2034	1,608,023.88	4.000%
2035	1,590,259.52	4.000%

with such interest applying for the related principal maturity, until the related maturity date (or earlier redemption) from the date of original issue or most recent Interest Payment Date to which interest has been paid or provided for, whichever is later, at the rate per annum specified above, with all such interest payable on December 15, 2017 and semiannually thereafter on June 15 and December 15 of each year (each, an “Interest Payment Date”). Such interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of this bond due at final maturity together with interest thereon unpaid and accrued at maturity (or earlier redemption in whole) is payable upon presentation and surrender of this bond to the Treasurer of the District, as Paying Agent and Registrar, at the District’s administrative offices in North Platte, Nebraska (with such payments to be made to Union Bank & Trust Company, as Trustee for the Agency Bonds described below). Principal falling due prior to final maturity and interest on this bond due prior to maturity or earlier redemption will be paid on each Interest Payment Date and/or principal payment date by a check or draft mailed by the Paying Agent and Registrar to the registered owner of this bond (with such payments to be made to the pledgee in the case that a pledge has been noted above), as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the fifteenth day immediately preceding the Interest Payment Date, and/or principal payment date, to such owner’s address as shown on such books and records. Any such principal or interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

This bond is the sole bond of its issue, in fully registered form, which is issued by the District to provide security for and a source for the payment of the River Flow Enhancement Revenue Refunding Bonds, Series 2017, issued by the Nebraska Cooperative Republican Platte Enhancement Project (a public body corporate and politic established under the Interlocal Cooperation Act of the State of Nebraska, the “Agency”) in the original principal amount of \$86,060,000 (the “Agency Bonds”) pursuant to the Interlocal Agreement and in consideration of the Agency’s refinance and redemption of \$71,675,000 of the Agency's River Flow Enhancement Revenue Bonds, Series 2013A, date of original issue – September 10, 2013, and \$11,885,000 of the Agency's River Flow Enhancement Revenue Bonds, Series 2013B (Federally Taxable Interest), date of original issue – September 10, 2013, and payment of certain costs of issuance. The issuance of this bond has been authorized by proceedings duly had and a resolution legally adopted by the Board of Directors of the District (the “Resolution”). The terms of the Resolution are hereby incorporated by reference. This bond is an obligation of the District only and is not a debt of the State of Nebraska or any other political subdivision thereof or any other entity related to the District.

This bond is subject to redemption prior to maturity at the option of the District, in whole or in part, prior to maturity, at any time at par plus accrued interest on or after the earlier to occur of: (a) the fifth (5th) anniversary of the delivery of the 2017 District Bond, or (b) such time as the Agency Bonds have been called for redemption under the terms of the Indenture. Notice of redemption (together with such other documentation as may be required under the Resolution) shall be given by mail to the registered owner of this bond (and any pledgee noted above) at said registered owner’s address in the manner specified in the Resolution. This bond may be redeemed in part in any principal amount designated by the District, subject to the limitations set forth in the Resolution.

This bond is transferable by the registered owner (or any pledgee upon enforcement of such pledgee’s security rights) or such owner’s or pledgee’s attorney duly authorizing in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond of the same outstanding principal amount, interest rate and maturity will be issued to the transferee as provided in the Resolution, subject to the limitations therein prescribed. The District, the Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered (and any pledgee) as the absolute owner hereof for the purpose of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

If the date for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the State of Nebraska are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

For the prompt payment of the principal and interest on this bond, the District hereby covenants and agrees that it shall cause to be levied and collected annually the occupation tax authorized by Section 2-3226.05, R.R.S. 2012, as amended, in such amounts, within the statutory limitation, as will provide funds sufficient to make payment of the principal of and interest on this bond (and all other bonds or obligations of the District payable from said occupation tax) as the same fall due.

IT IS HEREBY CERTIFIED AND WARRANTED that the proceeds of this bond, in the form of proceeds realized by the Agency from issuance of its Agency Bond, are being used to finance the costs of the augmentation of river flows consistent the authority granted under Chapter 2, Article 32, R.R.S. Neb. 2012, as amended and further that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law and that the indebtedness of said District, including this bond, does not exceed any limitation imposed by law.

This bond shall not be valid and binding on the District until authenticated by the Paying Agent and Registrar.

Mr. Wiseman seconded the motion. The motion carried. (Motion #3)

Aye:	Colvin, Hansen, Meisner, Petersen, Schilz, Stack, Wahlgren, Weaver, Wiseman
Nay:	None
Absent & Excused:	Pederson
Abstain:	Storer

Offset Water - NCORPE Project – North Pipeline – Mr. Meisner reported that construction of the North Pipeline began April 4, 2017. Mr. Miller reported that available for the Directors’ is a map showing the construction schedule. Mr. Meisner reported that one additional easement has been obtained along the Miller School road due to deep cuts and lack of location to safely place material. Mr. Meisner reported that the TPNRD will pay the landowner \$500/year for 7 years and the contractor will pay for new fence and seeding.

Mr. Meisner reported that the TPNRD will have available an additional \$2,052,600.00 from the State of NE Water Resources Cash fund in the 2018FY that will be used for North

TWIN PLATTE NATURAL RESOURCES DISTRICT
 Board of Directors Meeting Minutes – June 8, 2017

Pipeline construction. Mr. Meisner reported that these funds are 60% of a project cost with the TPNRD matching 40%. Mr. Meisner reported on the available funds for the TPNRD from the Water Resources Cash fund that the TPNRD has been able to use for the NCORPE Project.

	60%	40%
Years 1-3	\$ 922,500.00	\$ 615,000.00 (Land purchase)
Years 4-6	\$2,595,106.66	\$1,730,071.10 (North Pipeline)
Year 7 (2018FY)	<u>\$2,052,600.00</u>	<u>\$1,368,400.00</u> (North Pipeline)
TOTAL	\$5,570,206.66	\$3,713,471.10

Mr. Miller showed a video from a Drone taken by personnel from The Flatwater Group of the outlet at the NPPD canal.

Mr. Miller reported that if any Board member would like to see the construction, contact Glen Bowers at our office, and he will schedule a time to take you to the construction area. Mr. Miller reported that it is better if Board members do not attempt to go to the construction site on your own, as there is large equipment operating.

Offset Water - NCORPE Project – Wellfield Operation – No report presented.

Offset Water - NCORPE Project – Ground Water Levels – Mr. Meisner reported that available for the Directors’ was an aerial photo of the NCORPE property showing the locations of ground water monitoring wells, and graphs for the monitoring wells. Mr. Meisner reported that the Subcommittee requested that the staff add to the graphs, where available, ground water levels prior to the NCORPE Project beginning.

Offset Water - NCORPE Project – Model – No report presented.

Offset Water - NCORPE Project – Sponsors Meetings – Mr. Weaver reported that the NCORPE Board is continuing to consider the possibility of Wind Generation on the NCORPE property and have retained HDR to facilitate seeking developers and analyzing proposals. Mr. Weaver reported that wind generation on the property would provide for tax payments that would be more than the tax payments lost when NCORPE purchased the land and would provide payments to NCORPE that could be used for payments on the bonds made by each of the NRDs. Mr. Weaver reported that the next sponsors meeting would be on June 21, 2017 at Curtis, NE.

Offset Water - Irrigation Districts (#1) – North Platte River Irrigation Districts Project - Olsson Associates Sub-Regional Ground Water Model – Mr. Meisner reported that available for the Directors was a proposed Scope of Services from Olsson Associates to prepare a Sub-Regional Ground Water Model for the Irrigation Districts along the North Platte River within the TPNRD. Mr. Meisner reported that on March 9, 2017, the Board approved a Scope of Services from Olsson Associates to prepare a Sub-Regional Ground Water Model for the Western Irrigation District. Mr. Meisner reported that this was needed to calculate the

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

benefits from ground water recharge that will occur during the Western Irrigation Pilot Project this year and will be used when excess flows are available in the Spring or Fall. Mr. Meismer reported that the TPNRD also needs a Sub-Regional Ground Water Model to calculate the benefit to the River from ground water recharge from excess flows in the Spring or Fall that are passed through an Irrigation District along the North Platte River within the TPNRD. Mr. Meismer reported that previously, the offset water for the TPNRD would be calculated by Landon Shaw, the former TPNRD Hydrologist, using spreadsheets to determine the benefit to the river. Mr. Meismer reported that the CPNRD has retained Olsson Associates to prepare a Sub-Regional Ground Water Model to calculate the benefit to the River from excess flows for the Irrigation Districts within the CPNRD. Mr. Meismer reported that the TPNRD requested a proposal from Olsson Associates in March for the Western Irrigation District, that was needed immediately, and a proposal for the Irrigation Districts along the North Platte River within the TPNRD, that could be done later in 2017 or the first part of 2018. Mr. Meismer reported that the cost for this scope of work is \$91,000 and would be done August 1, 2017 through March 31, 2018. Mr. Meismer reported that the Sub-Regional Ground Water Model for the Western Irrigation District is being developed from COHYST and is being prepared such that any TPNRD staff could run the model as conditions change by simply making changes or additions in a spreadsheet. Mr. Meismer reported that the proposed Sub-Regional Ground Water Model for the Irrigation Districts along the North Platte River within the TPNRD would also be developed from COHYST and would also be prepared such that any TPNRD staff could run the model as conditions change by simply making changes or additions in a spreadsheet.

Mr. Meismer moved the Water Resources Subcommittee’s recommendation to the Board of Directors to approve the Scope of Services from Olsson Associates to prepare a Sub-Regional Ground Water Model for the Irrigation Districts along the North Platte River within the TPNRD. Mr. Wahlgren seconded the motion. The motion carried. (Motion #4)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Storer, Wahlgren, Weaver, Wiseman
Nay: None
Absent & Excused: Pederson

Offset Water – Irrigation Districts – Western – No report presented.

Offset Water – Irrigation Districts – Cody-Dillon – Mr. Miller reported that available for the Directors’ for information was a Cody-Dillon letter to water users. Mr. Miller reported that TPNRD Board action on March 9, 2017 approved Emergency Repairs along the North Platte River adjacent to the Cody-Dillon Ditch Company canal with 50% reimbursement from the Cody-Dillon Ditch Company over the next five years. Mr. Miller reported that this letter to water users will provide Cody-Dillon Ditch Company with the funds to reimburse the TPNRD. Mr. Miller reported that this letter may also get more landowners to relinquish Cody-Dillon water rights to the TPNRD.

Mr. Miller showed a video from a Drone taken by personnel from The Flatwater Group of the

diversion area and the emergency repair.

Mr. Miller reported that the TPNRD is offering agreements to landowners with Cody-Dillon Irrigation District water rights for long-term 30 years' relinquishments of Cody-Dillon water rights to the TPNRD for \$510.00 / acre and for short-term 10 years' relinquishments of Cody-Dillon water rights to the TPNRD for \$110.00 / acre. Mr. Miller reported that the landowner or TPNRD applies surface water to the land for one year. Mr. Miller reported that in 2015 there were three contracts approved for relinquishments of 199.5 acres of Cody-Dillon water rights to the TPNRD and the landowner applied the surface water to the land. Mr. Miller reported that in 2016 there were 15 contracts approved for relinquishments of 496.5 acres of Cody-Dillon water rights to the TPNRD. Mr. Miller reported that the TPNRD applied surface water to 330.6 of the acres and the landowner applied surface water to 165.9 acres. Mr. Miller reported that for 2017, the TPNRD has arranged for relinquishments of 100 to 150 acres of Cody-Dillon water rights to the TPNRD, all of which the TPNRD will apply the surface water. Mr. Miller reported on the process to obtain an instream flow:

- Step 1 Work with Cody-Dillon Irrigation District to relinquish and reassign the irrigated acres in the correct locations. During 2015 to 2017, the TPNRD submitted the appropriated forms and maps to NE DNR for approval. On May 2, 2017, the NE DNR approved an Order granting approval.
- Step 2 TPNRD or landowner physically irrigates the acres that are to be leased to the TPNRD, which is on-going.
- Step 3: Apply to NE DNR to transfer the Cody-Dillon leased water right to the TPNRD for an instream flow water right.

Offset Water – Irrigation Districts – Excess Flow – Mr. Meisner reported that the NE DNR has told the TPNRD that there will not be any excess flows available this Spring for diversions into the Irrigation Districts canals and adjacent pits for ground water recharge. Mr. Meisner reported that the TPNRD has obtained from NE DNR the necessary temporary permits if excess flows are available later in the year. Mr. Meisner reported that the TPNRD applications for permanent water rights is still pending at the NE DNR.

Offset Water – Irrigation Districts – Engineering Analysis – No report presented.

Drone – No report presented.

Offset Water – Non-Irrigated Certified Acres – Mr. Miller reported that as of May 31, 2017, 1,794.61 acres are enrolled in the temporarily non-irrigate program. Mr. Miller reported that the payout will be \$20,137.18 in October. Mr. Miller reported that 13 landowners chose the short term (1 year @ \$10/ac) for 704.57 acres with 11.18 to 193.83 acres for each landowner. Mr. Miller reported that 30 landowners chose the long term (4 year @ \$12/ac) for 1,090.04 acres with 2.00 to 124.32 acres for each landowner.

Offset Water - Storage Analysis – No report presented.

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

Offset Water – J2 Project – No report presented.

Offset Water – CPNRD Agreement – No report presented.

Offset Water – Conservation Tillage Measures – No report presented.

Ground Water Management Plan – Control Area at NCORPE – Mr. Meismer reported that the Middle Republican Natural Resources District (MRNRD) currently has a Control Area for all of the MRNRD with a 12” annual allocation over 5 years. Mr. Meismer reported that the MRNRD currently exempts the wells in the MRNRD at NCORPE. Mr. Meismer reported that the MRNRD plans to place a 12” annual allocation over 10 Years for the wells in the MRNRD at NCORPE.

Mr. Meismer moved the Water Resources Subcommittee’s recommendation to the Board of Directors to approve that the TPNRD begin the process of setting an allocation for the wells in the TPNRD at NCORPE, similar to the MRNRD planned allocation for the wells in the MRNRD at NCORPE, that will implement for the TPNRD the original intent of the TPNRD participating in NCORPE which was to provide water for the implementation of the TPNRD IMP, while maintaining the historical consumptive use all of the originally irrigated acres over all of the NCORPE area. Mr. Weaver seconded the motion. The motion carried. (Motion #5)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Storer, Wahlgren, Weaver, Wiseman

Nay: None

Absent & Excused: Pederson

Ground Water Management Plan – Red Willow Creek Basin Model – No report presented.

Subcommittee Priorities – Mr. Meismer reported that the following is the current list of the Subcommittee priorities for offset water.

- 1 Irrigation Districts in TPNRD (2016FY Budget)
- 2 N-CORPE Project (2016FY Budget)
- 3 CPNRD Agreement (2016FY Budget)
- 4 J-2 Project (2016FY Budget)
5. Non-Irrigated Certified Acres (2016FY Budget)
- 6 Conservation tillage measures (2016FY Budget)
- 7 South Platte River Compact Coalition (2016FY Budget)

Mr. Meismer reported that available for the Directors was the IMP accounting shown on a graph and a chart.

Platte Basin Over-Appropriated Plan – Mr. Wahlgren reported on the stakeholders meeting held on May 17, 2017. Mr. Wahlgren reported that the next stakeholders meeting will be July 17, 2017 at 10:30 am at the Holiday Inn Express in North Platte, Nebraska.

Platte River Recovery Implementation Program – No report presented.

South Platte River Compact Coalition – No report presented.

SUBCOMMITTEE MEETINGS REPORT
Wildlife Habitat & Urban Affairs Subcommittee

No report presented.

DIRECTORS REPORTS

Nebraska Association of Resources Districts (NARD) – Board of Directors – Mr. Meismer reported that he will be attending the NARD Northeast Nebraska NRD Basin Tour, June 12-13, 2017.

Sandhills Resources, Conservation & Development Council – No report presented.

Sandhills Task Force – Mr. Hansen reported that the Sandhills Task Force has hired a new Program Director.

Requests for Authorization to Travel – No requests presented.

DISTRICT REPORT

Cost-Share Programs – NE Soil & Water Conservation Program – Mr. Miller reported that the monthly report was available for the Directors.

Cost-Share Programs – District Conservation Programs – Mr. Miller reported that the monthly report was available for the Directors. Mr. Miller reported that \$12,088.26 was available, and there were two new applications to present.

Mr. Meismer moved to approve the June 8, 2017 report and to approve the following new contracts:

<u>Cont#</u>	<u>Practice</u>	<u>Description</u>	<u>App Amt</u>	<u>Prop Amt to Fund</u>
17.032	NC-14	Planned Grazing	\$ 4,063.52	\$ 4,063.52
17.033	NC-17	Irrig Water Mgt	\$ 1,188.08	<u>\$ 1,188.08</u>
		Total Amount of New Contracts		\$ 5,251.60
		FUNDS AVAILABLE		\$ 6,836.66

Mr. Petersen seconded the motion. The motion carried. (Motion #6)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Storer, Wahlgren, Weaver, Wiseman

Nay: None

Absent & Excused: Pederson

Cost-Share Programs – District Conservation Programs – Mr. Miller reported that the monthly report was available for the Directors. Mr. Miller reported that \$3,204.47 was available.

BUDGET FOR 2018 FISCAL YEAR

Preparation Schedule - Mr. Miller reported that a schedule for preparing the 2018 Fiscal Year Budget for the TPNRD was available for the Directors. Mr. Miller reported that the schedule for preparing the 2018 Fiscal Year Budget provides the Board four opportunities to review and discuss the Budget prior to final approval.

Review Draft #1 – Mr. Miller distributed and reviewed the first draft of a budget for the 2018 Fiscal Year. Mr. Miller reported that the first draft of the 2018 Fiscal Year Budget is requesting the same property tax dollars that was requested for the 2017 Fiscal Year.

Mr. Wahlgren requested that Draft #2 be prepared with a 20% reduction in property tax funds.

SUBCOMMITTEE MEETINGS REPORT

Executive Subcommittee

Mr. Schilz, Executive Subcommittee Chairman, presented a report for the Subcommittee meeting held on June 8, 2017.

Personnel Salaries for 2018 Fiscal Year – Mr. Schilz reported that the Subcommittee reviewed the authorized positions, reviewed the salary schedules, reviewed the cost-of-living, and reviewed the General Manager’s salary.

Mr. Schilz distributed and reviewed information available for the Directors’.

Mr. Stack moved to approve that the Salary Schedule steps for each position be increased 2.0% for the 2018 Fiscal Year in recognition of the cost of living to maintain the value of the salary compensation. Mr. Meismer seconded the motion. The motion carried. (Motion #7)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Storer, Wahlgren, Weaver, Wiseman
Nay: None
Absent & Excused: Pederson

Mr. Stack moved to set the General Manager salary at \$110,000.00 for the 2018 Fiscal Year. Mr. Wiseman seconded the motion. The motion carried. (Motion #8)

Aye: Colvin, Hansen, Meismer, Petersen, Schilz, Stack, Storer, Wahlgren, Weaver, Wiseman
Nay: None
Absent & Excused: Pederson

TWIN PLATTE NATURAL RESOURCES DISTRICT
Board of Directors Meeting Minutes – June 8, 2017

OTHER BUSINESS

There was no other business.

NEXT MEETING

Mr. Schilz reported that the next Board of Directors meeting would be held on Thursday, July 6, 2017 at 7:30 pm.

ADJOURNMENT

The meeting adjourned at 9:00 pm.

Jerry Weaver, Secretary