



LOWER PLATTE SOUTH natural resources district

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Memorandum

Date: September 8, 2022
To: Each Director
From: Paul D. Zillig, General Manager
Subject: Finance and Planning Subcommittee Meeting

The Finance and Planning Subcommittee met on Wednesday, September 7, 2022 at 5:45 pm in the NRD Large Conference Room. Subcommittee members participating included Bob Andersen, Ray Stevens, Susan Seacrest, Larry Ruth and Don Jacobson. Others participating included Dave Potter, Kristin Bunttemeyer and myself.

Chair Andersen called the meeting to order and welcomed all those in attendance. The first item was discussion on the FY'23 Property Tax Request Public Hearing, Comments, and Consideration of the FY'23 Property Tax Resolution. A copy of the Resolution is attached along with the minutes of the hearing. With there being no comments at the hearing, it was moved by Stevens, seconded by Seacrest, and unanimously approved by the Subcommittee **recommend the Board of Directors approve the Resolution to set the FY'23 tax request and file the FY'23 NRD Budget.**

The next item on the agenda was to consider a revised Engagement Letter with HBE for auditing services. The current Engagement Letter was a five-year agreement that was approved last year. The annual fees for those services would remain the same for the remainder of the term. The updated Engagement Letter (attached) further explained the objectives, assurances, opinions, standards, reporting and non attest services. It was moved by Seacrest, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend that the Board of Directors approve the updated Engagement Letter with HBE LLP.**

The next item on the agenda was to consider recommending approval of the Fiscal Year 2023-2027 Long Range Implementation Plan (LRIP). Andersen and Potter reported on the LRIP process and work, it was moved by Stevens, seconded by Jacobson, and unanimously approved by the Subcommittee to **recommend that the Board of Directors approve the Long Range Implementation Plan for the period July 1, 2022 to June 30, 2027.** An electronic copy of the LRIP will be on the website with a link from the Board Meeting agenda, a "short" version is attached.

The last item on the agenda was to consider authorizing the General Manager to negotiate the purchase of a storage facility/maintenance yard. Andersen reported that the 6201 Fulton Avenue

property did not become available for the NRD to purchase. The Subcommittee discussed the challenges we've encountered attempting to move quickly enough to potentially purchase a storage facility/maintenance yard. Wasserburger discussed the possibility of the NRD Board authorizing the General Manager to make an offer on "the next suitable" property that came to the attention of staff with the goal of entering into an option contract with the seller. Under an option contract, the purchaser obtains the exclusive right to purchase real estate within a specified period of time, and the seller cannot accept any other offers during such period of time. Under this proposal, the General Manager would negotiate a purchase agreement with the seller, which would include provisions that 1) the purchase agreement is ultimately subject to NRD Board approval and that 2) the NRD shall have a period of time during which the NRD Board may decide to approve the purchase agreement (i.e. exercise the option). To induce the seller to essentially take the property off the market during the option period, the General Manager would be authorized to expend district funds to buy the time required to obtain Board approval and hold the required hearing before closing on the property. This would include a non-refundable payment on behalf of the NRD. The Subcommittee discussed the legal document requirements for an "option contract" and the best way to put down enough funds to entice the owner to consider taking the time to sell their property to the NRD.

After several potential motions being discussed, it was moved by Ruth, seconded by Stevens, and unanimously approved by the Subcommittee to **recommend the Board of Directors authorize the General Manager, with concurrence of the Board Chair and Treasurer, to commit District funds in an amount no greater than \$20,000 to purchase an option contract to acquire a storage facility/maintenance yard, but that only \$5,000 of such amount may be non-refundable.**

There being no further business, the meeting adjourned at 7:05 pm.

PDZ/pz

Encl. 4

pc: Steve Seglin & Corey Wasserburger