

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

November 19, 2009

Ord, Nebraska

The November meeting of the Board of Directors of the Lower Loup Natural Resources District was held at the Headquarters Office, 2620 Airport Drive, Ord, Nebraska, on November 19, 2009. Chairman Kruse called the meeting to order at 5:05 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
James J. Eschliman
Virgil W. Gellermann
Gary A. Kruse, Chairman
James C. Nelson
Dean J. Rasmussen
Bradley R. Staab
Kim C. Walden

Rollie D. Amsberry, Treasurer
Joseph L. Citta, Jr., Vice Chairman
Craig E. Frenzen
Michael P. Gutzmer
James F. Lightner
Alan D. Petersen
Lyle D. Rasmussen
Henry J. Thoene

Directors absent

Allen G. Conner
Darwin R. Sieh

N. Richard Hadenfeldt
Gerald P. Smith

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell Harris, Water Resources Specialist
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
John Ortmann, Prescribed Burn Coordinator
Kyle Charron, Technical Ass't, Broken Bow

Russell Callan, Assistant Manager
Rita Goldfish, Administrative Assistant
Tylr Naprstek, Water Modeling Coordinator
Richard Woollen, NC District Forester
Brian Kolar, Water Programs Specialist

Guests in attendance

Tim Schaaf, NRCS, Broken Bow
Bruce Lammers, Severson, Lammers & Abel, CPAs, P.C., Ord

David Jensen, Loveland, Colorado

NOTICE OF OPEN MEETING LAW POSTING

Chairman Kruse referred those in attendance to the open meeting law information posted in the Board room.

APPROVAL OF VERIFICATION OF MEETING NOTICE, ADOPTION OF AGENDA AND EXCUSED ABSENCES

Chairman Kruse asked for verification of the meeting notice. General Manager Leon "Butch" Koehlmoos verified that the meeting notices for both October and November were properly published in all newspapers. The meeting notices were posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations.

Gellermann motioned, seconded by Gutzmer, to approve the verification of the meeting notice, adopt the agenda, and excuse all absent directors. Motion carried by roll call vote, all present voting yes.

MINUTES

Chairman Kruse asked for corrections and/or additions to the September 23, 2009, and the October 22, 2009, Board meeting minutes. No corrections being heard, Kruse ruled that the September 23, 2009, and the October 22, 2009, minutes would stand approved as circulated.

TREASURER'S REPORT

Chairman Kruse directed the Board's attention to the Treasurer's Report as published in the regular and supplemental agendas. Koehlmoos said that the September report was included in the October agenda and October Treasurer's Report was found in the supplemental agenda.

Koehlmoos said that there were two payments to Greenland Construction for the building project. He said that the final walk-through was scheduled for the week following Thanksgiving and \$25,000 would be retained until the project was determined complete.

Koehlmoos said that there was a payment for \$55,000 for the second half of the infrared photography photos of the District. Kruse asked about the payment of \$34,000 to USGS and Koehlmoos said it was the latest payment for the Elkhorn-Loup Model.

D. Rasmussen motioned, seconded by Eschliman, to approve the September and October, 2009, Treasurer's Reports and pay all the bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

There were no comments from the public. Koehlmoos introduced John Ortmann, Prescribed Burn Coordinator; Brian Kolar, Water Programs Specialist; and Kyle Charron, Technical Assistant, Broken Bow. He said Ortmann would have a presentation later in the meeting.

AUDITOR'S REPORT

Bruce Lammers of Severson, Lammers and Abel, CPAs, P.C., provided the Board with the audit report for Fiscal Year 2009 and presented a summary of the report.

Walden asked if there were any budget discrepancies or unnecessary risks taken and Lammers said that the District had taken no financial risks. Lammers complimented the work of Rita Goldfish in maintaining the NRD financial records. Adams asked why the documentation on page 32 was for the use of the NRD Board only and Koehlmoos said that it was public record once it was approved. Lammers said that the statement of "for Board use only" was part of the public law. Citta said that the statement showed that the NRD Board had the responsibility for the financial status of the District. Walden asked about the deficiency reported and Lammers said that it showed the District maintained a small staff and one person was responsible for many financial activities.

Thoene motioned, seconded by Walden, to approve the FY 2009 Audit Report. Motion carried by roll call vote, all present voting yes.

FORESTER'S REPORT

North Central District Forester Rich Woollen directed the Board to his written report in the agenda. He said that conservation tree sales began on November 1st and this year's sales were kicked off with a Conservation Tree Roundtable meeting that included Woollen, Callan, Collier and other NRD and NRCS personnel. He said that the roundtable provided new staff members with orientation information on the program. He said that Bessey Clients Day was held at Halsey and nearly every NRD was represented along with numerous NRCS and other agency personnel. He said that he served on the Bessey Nursery Advisory Committee and the Conservation Tree Work Group. The group works with the nursery using a statewide perspective on conservation trees. He said that he co-authored a new publication with two retired Forest Service employees. The publication provides information on windbreaks and shelterbelts.

NRCS REPORT

Tim Schaaf, NRCS Resources Conservationist in Broken Bow, provided the Board with information on the Conservation Stewardship Program. He said that 50 applications were started in Custer County and 18 were completed. He said that the application was long and involved and signup was a time-consuming process that fell during the later-than-usual harvest. He said EQIP signup would begin soon and would end in January and contracts would be completed by March. It appears that there will be increased emphasis on the Wetland Reserve Program.

Frenzen asked how long it would be before CSP contract approvals would be announced and Schaaf said because of the processes involved, the time frame would vary with the application.

LLNRD/NRCS PRESCRIBED BURN REPORT - JOHN ORTMANN

Dr. John Ortmann, the Prescribed Burn Coordinator for the Lower Loup NRD and NRCS, provided the Board with a powerpoint presentation on prescribed burning in the District. He said that he has been involved in numerous burns since he started the position and is now vice-president of the Prescribed Burn Task Force. He is helping with prescribed burn workshops coming up in February. He provided some information on the planning of a prescribed burn and the steps required for a successful burn.

Koehlmoos told the Board that he, Schaaf, Callan, and Ortmann had reviewed prescribed burn procedures, fire plans, forms, waivers, permits, and statutes. He provided the information to the NRD's attorney and asked him to investigate the liability issues regarding prescribed burns. Koehlmoos referred the Board to a letter from Attorney Randy Cullers with his responses, which was included in the supplemental agenda. Koehlmoos said he hoped to focus Ortmann's expertise on prescribed burn instruction for landowners across the NRD.

ENGINEERING REPORTS

Big Slough Repair

District Engineer Robert Mohler told the Board that most of the dirt work for the Big Slough repair had been completed the first week in November. He provided the Board with a powerpoint presentation on the repair work. The powerpoint presentation included photos showing the slough before the work was done and after it was completed. He said that the contractor in charge of sheet piling would begin work in the coming week.

L. Rasmussen asked about the grade between the upstream rock sill and the top of the sheet piling and Mohler said it was 2/10ths of a percent. He said the county would pay for the dirt work and the NRD will pay for the concrete chute. Lightner asked if the design was an improvement over the previous structure and Mohler said the steel sheet piling was a new feature. He said it would be 85 feet wide and 20 feet deep and water would not be able to get under or around the block chute as had happened previously. He also said it was on a straight run of the river rather than on a curved area utilized previously.

Davis Creek Recreation Area A.D.A. Compliance

Mohler said that the U.S. Bureau of Reclamation has finished 90-percent-plans of the project and had scheduled the construction for March through September 2010. Mohler said the Bureau had planned to provide handicapped accessible picnic tables. Kolar said NRD staff had only found four wooden tables at the area. He said the wooden tables wouldn't be ideal and he hoped to be able to utilize the concrete handicapped accessible tables already at the area.

FEMA Hazard Mitigation Plan

Mohler told the Board that Kirkham Michael expected the entire plan to be complete and available for public review by the end of November. He said that the plan would be posted on the NRD web site when complete.

INFORMATION AND EDUCATION REPORT

State Land Judging

Schultz told the Board that 22 teams from around the state took part in the contest held on land owned by Dennis Wadsworth located east of Wolbach. Schultz said that scoring was done at Greeley-Wolbach Public School in Wolbach. Matt Glesinger and Mark Buettner of the NRCS office in Greeley were in charge of the field portion of the contest and NRCS Soil Scientist Patrick Cowsert of Stanton set up the contest sites. Schultz said that Robert Swett and Greeley-Wolbach FFA served lunch to the competitors and the contest staff. The State Land Judging Committee compiled the scores and presented the winners with ribbons and plaques. Kelsey Wetovick of Fullerton was the individual winner in the contest and the winning team was from Tri County High School.

Environmental Festival

Schultz said that the Festival was a success and the theme for the event was *Wind*. The NRD presentation at the festival was information on and a demonstration of the windbreak model and the concept of “working trees.”

NRD Apparel

Schultz reminded the Board that the forms for NRD polo or button front shirts were included with the meeting agenda and asked that the forms be returned following the meeting.

Schultz presented the Board with a framed photo of the Ord High School Envirothon team that competed at the national contest in Asheville, North Carolina. He said the photo was a “thank you” for the NRD’s donation of \$500 toward the team’s trip expenses.

Schultz referred the Board to the invitations to the 2009 NRD Annual Awards Dinner to be held prior to the December Board meeting on December 17th and asked that RSVPs be received by December 4th.

ASSISTANT MANAGER’S REPORT

Variance Committee

Assistant Manager Russell Callan told the Board that the Variance Committee met earlier in the day and heard presentations on four requests. He directed the Board to the minutes of the committee included in the supplemental agenda. He asked Nelson to comment on the requests. Nelson said that the Committee recommended denial of a request from Roger and Dennis McKeon and approval of requests from Arnold Siegel, David Zeller, and C. Ronald Lambert.

Nelson motioned, seconded by Gellermann, to approve the recommendations from the Variance Committee to deny the McKeon variance request and approve the requests from Arnold Siegel, David Zeller, and C. Ronald Lambert. Motion carried by roll call vote, all present voting yes.

Nelson told the Board that the NRD staff had ranked the applications for new irrigation in the District using criteria that included stream depletion factors, soil types, and others. He said the criteria allowed the applications to be considered without any personal biases. He said that staff had also pointed out that some applications were received for new irrigation in areas not hydrologically connected (10/50 line) to the river basin. He said that staff recommended approval of variances for 650.16 new irrigated acres in applications for new irrigation that scored above 196.72 points in the non-hydrologically connected areas.

Callan provided the Board with a ranking sheet and maps that showed all the applications for new irrigation received by the District. He said that staff utilized the Board's direction to approve the applications until the number surpassed 2,000 new acres. He said that in the process, staff pulled out applications for areas outside the 10/50 line. He provided a powerpoint of pictures and applications that were visited by staff as part of the application review.

L. Rasmussen asked if the type of irrigation system proposed was considered and Callan said it was not as it could not be regulated. Koehlmoos said that the ranking process did not result in any ties. Eschliman asked if each NRD used the same ranking process and Callan said each developed their own. Kruse asked if each applicant would be notified and Callan said each would receive written notice prior to December 1st.

Callan said that staff recommended approval of variances for new irrigation for landowners requesting irrigation in non-hydrologically connected areas of the District. He said that staff only recommended approval of those that scored above 196.72 points, the minimum point total approved in the hydrologically connected area. He said that the recommendations were approved because those areas lie outside the area reviewed by DNR in making fully-appropriated determinations. Amsberry asked if the Variance Committee would be hearing from other landowners in the non-hydrologically connected area and Callan said the Water Resources Committee would be looking at the matter in upcoming meetings.

Nelson motioned, seconded by Citta, to approve the recommendation of the Variance Committee for the approval of the 2,003.72 acres of new irrigation and the associated new groundwater wells in the Lower Loup Natural Resources District per the priority ranking process previously approved by the NRD Board. Motion carried by roll call vote, all present voting yes.

Nelson motioned, seconded by D. Rasmussen, to approve variances and associated new groundwater wells for the applications for new irrigation that scored above 196.72 points in non-hydrologically connected areas of the District. Motion carried by roll call vote, all present voting yes.

Groundwater Management Area Activities

Irrigated Acres Certification

Callan told the Board that letters had been sent to Custer County landowners who had irrigated acres but had not yet certified them with the NRD. He said staff is receiving phone calls and working with landowners on certification.

Area 28 Activities

Callan said that the Water Committee had discussed the possibility of 3-D mapping of Area 28 to look at topography, the aquifer and other factors in that area. He provided the Board with an example developed by Mike Lorenz to demonstrate what the mapping would provide.

Soil Moisture Sensors

Harris told the Board that Director Conner had asked about the potential for use of the soil moisture sensors for use in irrigation scheduling and water use. He said the Middle Republican NRD is using these sensors and offer 50% cost-share. He presented examples of the equipment to the Board. The sensors had been placed at locations around the NRD. He showed a graph of the data that the sensor provides. Harris said the sensors might result in financial and water savings by preventing unnecessary irrigation. Interest in the sensors is growing among irrigators.

Koehlmoos said that Central Platte and Upper Elkhorn NRDs are offering cost-share on the sensors and he has received inquiries as to Lower Loup's plans for cost-share. He said that the practice would need to be in place for ten years as part of the cost-share requirement. Eschliman asked about the cost of the sensors and Harris said four sensors cost \$472.

ELM Model Update

Naprstek told the Board that the model was in the final stages of Phase II. He said that USGS has set a deadline of mid-December to turn over the data to an in-house review. The main features of Phase II will show more refinement and the inclusion of more streams in the model. The model will operate in one-mile grids, and recharge and pumping impact will be done on a seasonal rather than an annual scale.

Naprstek said DNR is requesting a third-party review of the ELM model. The review will be funded in part by DNR. He said that the third-party review will likely start in March, 2010. Walden asked if it was the data or the model that would be reviewed and Naprstek said it would be the model. Koehlmoos said the goal would be a determination that the model was scientifically sound and could be reproduced. He said that since the model would be used as a management tool, DNR was seeking the outside input.

MANAGER'S REPORT

Building Progress Report

Koehlmoos told the Board that the building addition and remodel was about 98 percent complete. He said that paint was being touched up in places and a walk-through was scheduled for the coming week.

Spalding Property

Koehlmoos said he had been notified of a Spalding investment group's interest in the NRD building in Spalding. He said no official contact had been made and he would report it to the Board if interest was expressed.

New Hires

Koehlmoos told the Board that there were no new hires.

Central Platte Lawsuit with FSA on Freedom of Information Act

Koehlmoos said that the Central Platte NRD had filed suit under the Freedom of Information Act for data from the Farm Service Agency. He said that numerous attempts to get NRD access to the federal data have always been denied, which has meant NRDs must expend time and money to develop data that would have been available from a local FSA. Other NRDs are contributing or considering a contribution toward the legal costs of the lawsuit.

Kruse asked if the NRD could use tax dollars to pursue legal action against another political entity and Koehlmoos said it was allowed. He said Twin Platte NRD had contributed \$2,500 toward the Central Platte lawsuit.

Walden motioned, seconded by Frenzen, to contribute up to, but not exceed, \$2,500 toward the legal costs incurred by the Central Platte NRD in its lawsuit against the FSA under the Freedom of Information Act. Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Eschliman, Frenzen, Gellermann, Gutzmer, Kruse, Lightner, Nelson, Petersen, D. Rasmussen, L. Rasmussen, Staab, Thoene, and Walden. Directors voting no: none. Director abstaining: Citta. Directors absent: Conner, Hadenfeldt, Sieh, and Smith.

NARD REPORT

Director's Report

D. Rasmussen reported that the NARD met during the Annual Conference in Kearney. There was good discussion on the resolutions at the conference. The auction was a success. He said that the auditor's report for the NARD showed the group was in good financial shape. He said the group met in Alma in October and the financial report and insurance program report were both positive.

Edson's Report

Koehlmoos said that Dean Edson's report was included in the agenda.

NARD 457 Insurance Plan Approval

Koehlmoos told the Board that the NARD 457 Plan is voluntary and does not include a District match. He said an outside representative was doing the administration, but it could be administered less expensively through NARD.

Rasmussen motioned, seconded by Anderson, to approve the modification of the NARD 457 Plan, authorize the General Manager's signature on Amendment 1, and to adopt a resolution approving the 457 Plan and authorize the General Manager's signature on the resolution. Motion carried by roll call vote, all present voting yes.

Upcoming Conferences – Legislative and Washington, DC

Koehlmoos directed the Board to information and dates for the NARD Legislative Conference and Washington, DC Conference. He asked Directors interested in attending either conference to notify Schultz.

NRC REPORT

Commissioner's Report

Koehlmoos said that Hadenfeldt was unable to attend the NRD Board meeting, but he called earlier and told him that DNR staff had made some recommendations on changes to the Integrated Water Management Fund and the NRDs had raised some concerns with the recommendations. He said that NRD Managers and Attorney Jaron Bromm developed a list of recommendations of their own and the Natural Resources Commission adopted each of the NRD recommendations.

Consideration of New NSWCP Practices

Koehlmoos said that the Board would need to take action on soil moisture sensors cost-share if it were to be added to Lower Loup's list of NSWCP practices. Citta asked why stream bank erosion cost-share was not currently included and Koehlmoos said that the costs for these projects would utilize a majority of the available cost-share funds. Koehlmoos said that currently NSWCP funds are distributed in thirds through range management, irrigation water management and the final third to the remaining practices. Gutzmer asked how streambank erosion projects were now handled and Koehlmoos said it was through NRD funds, not NSWCP funds. He said that Mohler also offers assistance to landowners seeking "404" permits. Citta suggested that staff consider the matter and offer the Board a recommendation at a future meeting.

Lightner asked how the windbreak renovation cost-share funds were offered and Koehlmoos said that funds don't become available to a landowner until the old trees are removed and new trees are planted. Adams said that part of the original tree belt must be maintained in order to qualify.

Gellermann said he felt the soil moisture sensor should be encouraged by the NRD, but felt the sensors could be purchased by the individual irrigator. The consensus of the Board was to seek a staff recommendation at a future meeting.

RC&D REPORTS

Loup Basin RC&D

D. Rasmussen said the RC&D met in Brewster on October 27th. The group discussed the potential for corn and milo stover.

PrairieLand RC&D

Lightner said the RC&D met on October 20th in Leigh. The group toured the dam project near Leigh. He said that the reservoir would be filled over the winter. The RC&D also met on November 9th in conjunction with the Lower Platte North NRD. The groups received a water quality report on Shell Creek from the students at Newman Grove.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:43 p.m.

Roster for attendance of this meeting and tally of votes cast on motions at this meeting are being filed with the official minutes of this meeting at the Lower Loup Natural Resources District's Headquarters Office, 2620 Airport Drive, Ord, Nebraska. Publication notification of this meeting was made via newspaper in each county within the District. The next Board of Directors meeting will be held Thursday, December 17, 2009, at 7:30 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary