

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

October 28, 2010

Ord, Nebraska

The October 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 October 28, 2010. Vice Chairman Citta called the meeting to order at 5:03 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
James J. Eschliman
Virgil W. Gellermann
James F. Lightner
Alan D. Petersen
Lyle D. Rasmussen
Bradley R. Staab
Kim Walden

Rollie D. Amsberry, Treasurer
Joseph L. Citta, Jr., Vice Chairman
Craig E. Frenzen
N. Richard Hadenfeldt
James C. Nelson
Dean J. Rasmussen
Darwin R. Sieh
Henry J. Thoene

Directors absent

Allen G. Conner
Gary A. Kruse, Chairman

Michael P. Gutzmer
Gerald P. Smith

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
Richard Woollen, North Cent. Dist. Forester

Dell Harris, Water Resources Specialist
Tylr Naprstek, Water Modeling Coord.
Rita Goldfish, Administrative Assistant

Guests in attendance

Darrell Cook, Scotia
Ted Jensen, St. Edward
Jim Goodrich, North Loup

Eugene Bredthauer, Ord
Larry Koelling, Ord
Al Schmidt, Arcadia

NOTICE OF OPEN MEETING LAW POSTING

In the absence of Chairman Kruse, Vice Chairman Joseph Citta 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 Citta asked for verification of the meeting notice. General Manager Leon "Butch" Koehlmoos verified that the meeting notices were properly published in all newspapers. The meeting notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations.

Anderson motioned, seconded by Sieh, 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 Citta asked for corrections and/or additions to the September 23, 2010, Board meeting and Public Hearing minutes. Hearing none, Citta ruled that the September 23, 2010, Board meeting and Public Hearing minutes would stand approved as submitted.

TREASURER'S REPORT

Chairman Citta directed the Board's attention to the Treasurer's Report as published in the regular and supplemental agendas.

Thoene motioned, seconded by Adams, to approve the September, 2010, Treasurer's Report and pay all the bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Koehlmoos told the Board that Jim Goodrich, mayor of North Loup, would arrive later and wished to address the Board.

FORESTER'S REPORT

North Central District Forester Rich Woollen of the Nebraska Forest Service told the Board that conservation tree sales would get underway November 1st. He said that the price per seedling would remain at 70 cents and the planting charge would increase from \$50 to \$55 with a \$100 minimum charge per site. He said that he was waiting for an inventory confirmation from the nursery. The new conservation tree booklets had been received and would be available for distribution.

Woollen said that last year's tree planting assessment had been completed and that site preparation and supplemental water were big factors in tree planting success. He said that the NRD technicians note planting conditions when the trees are planted.

Woollen said that he, Koehlmoos and D. Rasmussen attended Clients Day at Bessey Nursery. He said it gave NRD officials the opportunity to discuss conservation trees with nursery staff. Rasmussen noted that deer had impacted some tree species at the nursery and Woollen said nursery staff is trying to fence out the deer. Koehlmoos said that deer are a predatory problem with seedling trees in the field as well.

Woollen said that he provided a forest products demonstration using the sawmill and wood chipper for the students who competed at the North Central Land Judging Contest.

NRCS REPORT

Koehlmoos reported that District Conservationist Bryce Bauer was unable to attend the meeting and referred the Board to the written report in the agenda.

ENGINEERING REPORT

Drainage near Sargent Golf Course

District Engineer Robert Mohler told the Board that he had been researching the problem and was planning to survey the area in the next month.

FEMA Hazard Mitigation Plan

Mohler referred the Board to an update included in the agenda from Kirkham Michael, the project consulting engineers. He said that representatives from FEMA, NEMA, and Kirkham Michael had met to discuss the reviewers' comments. Changes will be made to reduce redundancy and to add additional research and risk analysis. Kirkham Michael will make the requested changes to the plan for the Twin Platte NRD and, when approved, follow up with changes to the Lower Loup NRD plan.

Thoene asked for an update on repairs to the dams near Sargent and Taylor. Al Schmidt of the Middle Loup Public Power and Irrigation District said he had visited the site of the Sargent Dam with a FEMA mitigation officer and provided some input on possible solutions. Rock had been removed to get the river back to manageable levels, and tentative plans were to have the engineer draw plans for reconstruction to begin in the spring. Schmidt said that water would be delivered in 2011 using the same method used in 2010. FEMA notified him that FEMA funding was on hold and the FEMA legal department in Washington, DC, was reviewing the matter. A response was expected in the next few days. D. Rasmussen asked if water levels remained constant in 2010 and Schmidt said that by blocking a channel of the river with a rock dam, water could be diverted at a constant rate. Koehlmoos asked if the U.S. Fish and Wildlife Service had responded and Schmidt said that U.S. Fish and Wildlife had stated that any water diverted must be offset for wildlife by the irrigation district. Schmidt said his district had been operating the diversion since 1935 without an offset. Koehlmoos asked if the North Loup Irrigation District was in the same situation and Schmidt replied that he believed it was.

Koehlmoos asked if bids had been let for the North Loup's project at Taylor and Schmidt said that he heard they had been let and that they had come in lower than expected.

PUBLIC COMMENTS (CONT.)

Jim Goodrich told the Board that he was at the meeting on behalf of the Village Board of North Loup to speak about the rebuilding of the Bredthauer Dam. He said the village board supported the reconstruction of the dam and that it benefited his community by pooling and slowing down the waters in Mira Creek. Koehlmoos asked if the village board had taken action in voicing support and Goodrich said it had not, but could do so at its next meeting. Koehlmoos said it might strengthen any application that Bredthauer might submit and Goodrich said a letter would be submitted. Sieh asked if any cost estimates had been made and Goodrich said they had not. Walden said that Mohler had done some preliminary study on the dam and Goodrich said that the village board had not seen that estimate. Goodrich stated that the NRD work on clearing the creek channel had had a positive impact. Walden suggested Mohler's report be provided to the village board. Koehlmoos said that the NRD had taken no action, but could make a presentation to the village board if desired. Citta said that a letter of support should include what provisions to the project the village would be willing to make.

Larry Koelling of Ord told the Board that he lived on Mira Creek and has been a casual observer of Bredthauer's Dam. He said the dam would capture spring rains and then the water level would recede over the summer months. Over the last few years, rising groundwater levels have meant that water levels remain high in the pond created by the dam, putting it at capacity. He said the extra water meant that the dam was full all year round. Koelling felt that a redesign could be done to allow the creek to flow, but also serve to capture water in flood events. He said he supported the reconstruction of Bredthauer Dam.

PUBLIC HEARING ON MODIFICATIONS TO LLNRD RULES & REGULATIONS

Chairman Citta opened the public hearing on modifications to the Lower Loup NRD's Groundwater Management Rules and Regulations at 5:32 p.m. Koehlmoos submitted into the record the newspaper proofs of publication; the District Groundwater Management Plan; the revision to the Water Quality Section of the Groundwater Management Plan; the NRD's rules and regulations under the Nebraska Groundwater Protection Act; the proposed changes to the rules and regulations for the NRD's Groundwater Management Area; a copy of the letter requesting testimony from the Nebraska Department of Natural Resources; a copy of a letter of notice to the Middle Loup Public Power and Irrigation District; and a copy of a letter of notice to the North Loup Public Power and Irrigation District as exhibits to the hearing.

Chairman Citta asked for testimony from the Nebraska Department of Natural Resources and Koehlmoos submitted into the record a copy of a letter from Brian Dunnigan, Director of the Nebraska Department of Natural Resources.

Chairman Citta asked for public testimony and no testimony was offered in opposition or support. As part of the neutral testimony, Ted Jensen of St. Edward asked for how long acres transferred under Rule 19, Paragraph C lost their irrigated status and Koehlmoos said that the acres lost that status to offset the new irrigated use under the transfer. He said transfers could occur no more

than once a year. Jensen asked what records were being used as proof of irrigation and Koehlmoos said FSA records, crop insurance records, and tax records were accepted as proof. Harris said that the acres must have been irrigated in two of ten years prior to 2008 to be eligible for transfer. Citta asked for comments from the NRD Directors. None were heard. Citta closed the hearing at 5:43 p.m.

Koehlmoos referred the Board to a draft *Order of Designation No. 2010-01*. He read the order aloud.

Gellermann motioned, seconded by D. Rasmussen, to approve the *Order of Designation No. 2010-01* regarding the modifications to the rules and regulations of the NRD's Groundwater Management Plan. Motion carried by roll call vote, all present voting yes.

INFORMATION AND EDUCATION REPORT

Statewide I&E Staff Quarterly Meeting

Information & Education Coordinator Larry Schultz told the Board that the Lower Loup NRD hosted I&E staff from around Nebraska at the meeting on October 18th and 19th. He said Ron Wolf and Mike Wells provided the group with a tour of the irrigation structures that are part of the Twin Loups Reclamation District, including the Geranium Pump Plant and Virginia Smith Dam. He said the group discussed the ACE Camp, booths at the Nebraska State Fair, the Nebraska Power Farming Show, and Pheasant Fest.

Schultz passed to the Board the Governor's Excellence in Wellness Award that was presented to the Lower Loup Natural Resources District. The NRD's award was at the Sower level.

Frenzen asked about the North Central Land Judging Contest and Schultz said that over 200 students participated in the contest which was held at the NRD's Aagaard Nature Farm. The event was won by Jamie Frenzen of Fullerton. He said teams from Fullerton, Ord, Verdigre, and Twin River High Schools qualified for the state contest the next week in Norfolk.

D. Rasmussen asked if the quantity of milk provided for the Environmental Festival by Roberts Dairy of Grand Island was enough to supply the attendees and Schultz said that it was.

Schultz said that the next competition hosted by the NRD would be Envirothon in March, 2011.

ASSISTANT MANAGER'S REPORT

Groundwater Management Area Proposed Rule Changes

In the absence of Assistant Manager Russell Callan, Koehlmoos reported that the item had been addressed in the public hearing.

Variance Committee

Koehlmoos said the Variance Committee had met earlier in the day and heard two requests, each for the second time. The minutes from the meeting were included in the supplemental agenda. Koehlmoos said the Committee recommended approval of the requests from Frank M. Campbell and Niewohner Farms, Jerry Niewohner, owner.

Hadenfeldt asked if just one well would be put down for the Niewohner request and Gellermann said that there was already one well in place. Anderson asked if Niewohner's request would increase the total irrigated acres and Koehlmoos said that the number of irrigated acres would remain the same.

Nelson motioned, seconded by Thoene, to approve the recommendations of the Variance Committee for the Frank M. Campbell variance request to irrigate 113 acres in Section 9, Township 12 North, Range 13 West, in Buffalo County with a groundwater well in exchange for relinquishment of all but 14 acres of the surface water rights; and the Niewohner Farms variance request to irrigate 288 acres in Section 14, Township 21 North, Range 7 West, in Boone County in exchange for relinquishment of surface water rights for the field. Motion carried by roll call vote, all present voting yes.

Groundwater Management Area Activities

Irrigated Acres Certification Progress

Koehlmoos said there was no report.

Koehlmoos told the Board that staff was nearing completion of the processing of LB483 applications and the requests had been mapped. He said that the applications are being verified and NRD technicians are doing field inspections of the proposed sites.

Area 28 Activities

Water Modeling Coordinator Tylr Naprstek told the Board that Olsson Associates reported that well drilling had been completed on five sites in Area 28. He said that at three of the sites, a cluster of three wells were drilled to shallow, medium and deep levels. Shallow and deep wells were drilled at the other two sites. A geologist was on site to do hydrogeologic logging of data. The data will be used by the NRD to build the aquifer database and USGS would receive the data for the ELM model as well. Naprstek said Technician Ed Drozd played a key role in the work, lining up landowner permission and performing other tasks for all the work being done in Area 28.

The NRD has been billed by Olsson Associates for work which now stood at 25% completion. Naprstek said they had constructed a database and completed the well drilling, so the next step was groundwater monitoring and isotope testing. Naprstek said he sent Olsson Associates the LIDAR data that the NRD had received. Koehlmoos said the bill from Olsson Associates for \$21,853.06 was approved in the Treasurer's Report. Walden asked if the LIDAR data was public information and Koehlmoos said that it was available to anyone requesting it. Koehlmoos said it had already been provided to NRCS and USGS. He said that plans were have to Area 19 and Area 18 flown for LIDAR

data. Walden said that the NRD received a good price for the LIDAR work. Hadenfeldt asked if this sharing of data meant that NRCS might reciprocate and Koehlmoos said that Central Platte NRD's lawsuit with USDA over release of data was under appeal, and until the Farm Bill is changed, it was unlikely that USDA data would be shared with the NRDs.

ELM Update

Naprstek told the Board that the upgraded Phase II stream depletion map was set to be released. That data will allow individuals with GIS capabilities to determine stream depletion factors on their own. The USGS crews who had completed geophysical work in the NRD plan to make a presentation to the ELM technical group which will include data from the test wells and the time-delay electromagnetic studies at sites across the area. Naprstek said he was working to put the data in a format that could be shared with the cooperating landowners. He said that each of the NRDs would be sharing information on the acres granted under LB483 at the meeting. Brian Kolar has been collecting ET data from the gauges and the NRD Techs have been taking readings from the flow meters that had been cost-shared across the District. Naprstek said that he had collected data from the data loggers in place in the NRD.

MANAGER'S REPORT

Spalding Property

Koehlmoos referred the Board to a letter from State Conservationist Steve Chick regarding the public hearings to be held on the office relocation on November 4th at the Greeley County Courthouse at 10 a.m. and at the Spalding American Legion at 2 p.m. He said that there was a glitch getting the notice in some daily newspapers, but that the hearings were expected to proceed. Eschliman said he was disappointed that there was no hearing scheduled for Wheeler County. Koehlmoos said that the proposed move would balance the work of the NRCS offices, providing more work for the Greeley County office and reducing the workload in Burwell. Thoene said that Wheeler County residents only made up about 20% of the workload in the Burwell office.

New Hires

Koehlmoos reported that there were no new hires to report. He said that Eric Schacht, the new Range TSP in Burwell, was off to a good start. He said he was working to bring Jason Moudry of the Upper Niborara-White NRD to the Lower Loup NRD. Moudry and his wife were both raised in Ord and were looking to return to the area.

NARD REPORT

Director's Report

D. Rasmussen said the NARD Board had met at the NARD Conference in Kearney. He felt the Basin meeting was a highlight and appreciated the LLNRD's contribution to the meeting. He indicated the NARD Conference auction was a success. Rasmussen said the NARD insurance program and treasury were both performing well and the NARD accounts had been audited and received a good

report. The Association is continuing to consider either a new building or locating to a different building. He said that the LLNRD award winners were deserving and were quite appreciative.

2010 Annual Conference – Resolutions, etc.

Koehlmoos reported that there were two resolutions passed during the conference.

NRC REPORT

Commissioner's Report

Dick Hadenfeldt said that the Natural Resources Commission met in Kearney during the NARD Conference. Funding remains a problem with \$3 million obligated for projects and requests for another \$30 million in funding for proposed projects. He said that NRC had considered withholding approval for new projects, but there were political concerns that the Legislature might consider the fund expendable if there were no requests on the table.

RC&D REPORTS

Loup Basin RC&D

D. Rasmussen told the Board that the RC&D had met and heard a speaker representing the Keystone Pipeline Project. He said that the project would cost approximately \$7 billion. The group had a presentation on Greeley's Irish Days and on the financial needs of Fort Hartsuff. A grant was being sought to make improvements at the Scotia Chalk Mine. He reported that the Elba Public Schools would receive a distinguished service citation for their Great Clean-up project.

PrairieLand RC&D

Lightner said the RC&D had met on the 19th and toured an organic farm that sells a variety of produce. Much of the produce is grown in three big greenhouses. The RC&D discussed its annual plan of work and said that a recycling program for fluorescent lights was discussed. The RC&D's annual conference was held in Valentine and the Prairieland RC&D won the *Project of the Year* award for a community garden in Columbus.

ANNOUNCEMENTS

Koehlmoos reminded the Board of Election Day on November 2nd. Koehlmoos said that the November NRD Board meeting would be held on the 18th.

ADJOURNMENT

With no further business before the Board, Chairman Citta declared the meeting adjourned at 6:26 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, November 18, 2010, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary