

# LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

October 23, 2014

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 23, 2014. Chairman Kruse called the meeting to order at 5:01 p.m.

## CALL TO ORDER

### Directors in attendance

James C. Adams  
Joseph L. Citta, Jr., Vice Chairman  
Virgil W. Gellermann  
N. Richard Hadenfeldt  
Gary A. Kruse, Chairman  
Matt Lukasiewicz  
Dean J. Rasmussen  
Gerald P. Smith

Rollie D. Amsberry, Treasurer  
James J. Eschliman  
Michael P. Gutzmer  
Thomas Knutson  
Clifford P. Loseke  
James C. Nelson  
Darwin R. Sieh  
Henry J. Thoene

### Directors absent

Darwin B. Anderson, Secretary  
Randy Kauk  
Kim C. Walden

Timothy E. Bartak  
Alan D. Petersen

### Staff in attendance

Leon "Butch" Koehlmoos, General Manager  
Irene F. Kreifels, Financial Secretary  
Larry D. Schultz, I&E Coordinator  
Anne Freeman, Water Programs Secretary  
Dell Harris, Water Resources Specialist  
Cheryl Hornickel, Programs Assistant

Russell G. Callan, Assistant General Manager  
Rita A. Goldfish, Administrative Assistant  
Tylr D. Naprstek, Water Modeling Coordinator  
Richard L. Woollen, District Forester  
Jason Moudry, Water Programs Specialist

### Guests in attendance

Bryce Bauer, LDC, NRCS, Ord  
Chris Shank, Columbus

Bruce Lammers, Ord  
David Jenson, Columbus

## 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 were properly published in all newspapers and that the meeting notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations. Koehlmoos said the agenda was updated to include a couple non-action, informational announcements that cannot be acted upon at this meeting.

**Gutzmer motioned, seconded by Smith, 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 25, 2014, Board meeting minutes. None being heard, Chairman Kruse ruled the September 25, 2014, minutes stand approved as submitted.

## TREASURER’S REPORT

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

Koehlmoos commented on bills, including drill repair, flowmeters, lodging and meals for the NARD Annual Conference, and NACD membership dues. Koehlmoos said drill rental is \$12 per acre.

**Loseke motioned, seconded by Rasmussen, to approve the October, 2014, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.**

## PUBLIC COMMENTS

There were no public comments.

## RESIGNATION OF DIRECTOR KIM C. WALDEN

Koehlmoos said Director Kim Walden sent a letter of resignation from the NRD Board of Directors, as he had sold his house and moved out of the District. Koehlmoos said a resolution had been drafted recognizing Walden for his time and contributions to the District, thanking him for his service.

**Citta motioned, seconded by Gutzmer, to accept the resignation of Kim C. Walden from the NRD Board of Directors and approve a resolution honoring Walden for his contributions. Motion carried by roll call vote, all present voting yes.**

Koehlmoos said staff would get a notice published regarding the vacancy and try to have all applications submitted by the December Board meeting.

## FY 2014 LOWER LOUP NRD AUDIT REPORT

Bruce Lammers of Severson, Lammers and Abel, CPAs, P.C., presented a summary of the Fiscal Year 2014 Audit Report. He said that District accounts looked good and thanked staff for their cooperation.

**Smith motioned, seconded by Sieh, to approve the FY 2014 Audit Report. Motion carried by roll call vote, all present voting yes.**

Thoene commented that the interest rates were low on NRD investments. Koehlmoos said the NRD is limited in the investments it can make. He said investments had to be in a totally secure account and that CDs and government funds were the best options.

## FORESTER'S REPORT

District Forester Rich Woollen reported that there are two kinds of buffers – 1) filter strips, which are narrow strips of grass planted along streams, ponds, or wetlands; and 2) riparian forest buffers which contain trees and grass.

He said the minimum/maximum widths for filter strips are 20'/120'; and for forest buffers the widths are 55'/180'. He said the rental rate for enrolling buffers is \$225 per acre on irrigated land, and if buffers are planted in conjunction with CRP, the rental rate would be \$250. Woollen said the rental rate for non-irrigated cropland is 120 percent of the average CRP soil rental rate plus a \$5 per acre maintenance fee.

Woollen said that Lower Loup NRD had 923 acres enrolled, and 771 of those acres are on irrigated land. He said Lower Loup's annual application dollars amount to \$181,756.72.

Woollen said there would be discussion later in the meeting regarding a recommendation from the Programs and Projects Committee to restore NSWCP cost-share funding for tree plantings.

Woollen reported that Bessey Clients Day was held earlier in the week, giving people an opportunity to view the nursery stock.

## NRCS REPORT

Bryce Bauer reported that Dan Johnson, who transferred from Ainsworth, has begun working out of the Ord office and spends part of his time in Burwell and Broken Bow.

Bauer said irrigation water management and cover crops were popular in the recent EQIP sign-up. He said the state office is working on the 2015 cost docket and said there won't be too many changes.

Bauer said that NRCS staff will be working to get wetland determinations done before it freezes. Copies of the reports are given to FSA. If there is an issue with a wetland, NRCS requires the landowner to send all the information to the Corps of Engineers and get the permits.

## INFORMATION AND EDUCATION REPORT

### Environmental Festival

Information & Education Coordinator Larry Schultz reported that the Environmental Festival was held at Auble's Pond on October 15<sup>th</sup>. He said sponsors of the event are Central IV Extension, NRCS, Loup Basin Health Department, Keep Loup Basin Beautiful, and the Lower Loup NRD. Schultz said 170 students attended. He said he presented sessions on trees/windbreaks and water rockets.

### North Central Land Judging

Schultz reported that 170 students attended the North Central Land Judging Contest held near Spalding on October 8<sup>th</sup>. The 1<sup>st</sup> place team was from St. Edward, who competed in the State Land Judging Contest today and placed 6<sup>th</sup>. He said Jason Osantowski from St. Edward and Michaela Cunningham from Fullerton were Top 20 finishers individually. He said Michaela Cunningham was the winner at the Spalding contest. He thanked Matt Glesinger and Marie Schmeits of the Spalding field office for their help.

### Statewide I&E Staff Quarterly Meeting

Schultz said that Lower Loup hosted the quarterly meeting on October 20-21. The group toured the chalk mine at Scotia, the Aagaard Research Farm, and Scratchtown Brewery. He said the group was impressed with the Aagaard Farm, its tree plantings and the wildlife waterer. He thanked Jason Moudry for being the tour guide.

### NWRA/NSIA Convention and GMDA Conference

Schultz reported that the NWRA/NSIA Convention and the GMDA Conference were coming up and said information about each event was in the agenda.

Koehlmoos said the conferences are informative. He said the NWRA/NSIA Convention gives a state perspective on water issues, while the GMDA Conference deals more with national water issues.

## ASSISTANT MANAGER'S REPORT

### Water Resources Committee

#### *Voluntary Integrated Management Plan Stakeholders Group*

Assistant General Manager Russell Callan directed the Board's attention to the stakeholders group list in the agenda. He said it is a draft list of agencies that was put together by staff, DNR, and Upper Loup NRD; then taken to the Water Resources Committee. He said staff would need approval of the structure of the stakeholders group, then names could be submitted to fill the positions.

Callan said the NRD hopes to bring the Loup Basin Water Association group back together, which would include all the irrigation districts. He said the integrated management plan would be discussed with that group in more detail. He said the stakeholders group is an advisory group that would comment and offer input and suggestions on the IMP, but has no authority. Callan said the stakeholders group would meet a minimum of three times to discuss the tasks and duties of the group and go over the goals and objectives of the plan.

Knutson said he felt that the rights of existing surface water users and groundwater users weren't being equally represented in the stakeholders group list. There was considerable discussion on the make-up of the stakeholders group and how many members each category should have, specifically surface water representatives.

Koehlmoos said that once the stakeholders group is selected, a facilitator would be hired.

**Loseke motioned, seconded by Adams, to approve the Voluntary Integrated Management Plan Stakeholders Group list structure that was recommended by the Water Resources Committee.**

**Knutson motioned, seconded by Lukasiewicz, to amend the original motion to have one representative for each category and divide the *Ag Industry* category into a "Cattlemen" group, a "Corn/Soybean/Fertilizer" group, and a "Well Driller" group.**

There was additional discussion regarding what entities should be included in the stakeholders group and how many.

**The amendment to change the makeup of the stakeholders group failed. Directors voting yes: Citta, Knutson, and Lukasiewicz. Directors voting no: Adams, Amsberry, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Kruse, Loseke, Nelson, Rasmussen, Sieh, Smith, and Thoene. Directors absent: Anderson, Bartak, Kauk, and Peterson.**

**The original motion passed. Directors voting yes: Adams, Amsberry, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Kruse, Loseke, Nelson, Rasmussen, Sieh, Smith, and Thoene. Directors voting no: Citta, Knutson, and Lukasiewicz. Directors absent: Anderson, Bartak, Kauk, and Peterson.**

Koehlmoos said names to fill the stakeholders group positions would be accepted from the Board, a notice will be put in the newspapers, and an application form will be put on the website.

Knutson requested that Lower Loup NRD management provide the Board with the “intent” of the stakeholders group, what the group is going to attempt to provide to the Board, and what the next step will be. Koehlmoos responded that the summary could be found in state statutes; copies were made and passed around to Board members. Callan said the members of the stakeholders group will want to know the information, also. Koehlmoos said the NRD would make the information available on the website. Citta commented that the NRD would need to get more specific as to what it expects from the group, and a good facilitator would be able to lay all that out.

#### *Long-Range Implementation Plan Review*

Callan said that this item would be discussed later in the meeting. He said the Committee discussed the water programs portion of the plan and recommended approval of that portion of the plan.

#### *Update on LLNRD Monitoring Wells*

Callan said that wells will start getting drilled on Monday on the South Loup Project. He said that Naprstek was able to come up with \$150,000 from DEQ for the water quality portion of the South Loup Project.

#### *Pibel Lake Sampling Station*

Callan provided a powerpoint and said that the Pibel Lake project has two phases – the lake portion and the watershed portion. He said a couple components of the lake portion are to install a sediment-catch basin and then excavate the sediment. He said the South Loup Watershed Management Plan was put together to protect the lake from contaminants, identify best management practices in the watershed, and implement best management practices in the watershed.

Callan said that Pibel Lake has been listed on DEQ’s 303 Disabled List. He said DEQ collects water samples from the lake on a 5-year rotation and found the waterbody to be contaminated with phosphorous, nitrogen, chlorophyll, chlorides, mercury, dissolved oxygen, and pH.

Callan said the Committee talked about the installation of a monitoring station at Pibel Lake to take water quality readings. He said a probe mounted on a pier and put in a stilling well would record readings of conductivity, turbidity, temperature, pH, dissolved oxygen, dissolved organic matter, green algae and blue green algae. He said the sampling station would be a way to measure the effects of the contaminants and to protect the lake.

Callan said the cost of the probe and permanent monitoring station would be \$24,500. He said the NRD is proposing the telemetry system because the readings would be in “real time” and the NRD and DEQ could both access the data. He said the system could be either solar or electrical and would probably stay at the lake year-round.

**Thoene motioned, seconded by Gellermann, to approve the purchase of a probe and permanent water quality monitoring station for Pibel Lake. Motion carried by roll call vote. Directors voting yes: Amsberry, Citta, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Kruse, Loseke, Lukasiewicz, Nelson, Rasmussen, Sieh, Smith, and Thoene. Directors not present during vote: Adams and Knutson. Directors absent: Anderson, Bartak, Kauk, and Petersen.**

### *Chemigation Fees*

Callan reported that there was a legislative bill last session that would allow NRDs to set their own chemigation fees. He said present fees of \$10 for renewal, \$30 for new, and \$100 for emergency haven’t changed since the chemigation program began in 1987.

Callan said new fees previously discussed by the Water Resources Committee were \$30 R, \$50 N, \$200 E, and the chemigation program’s administrative costs have been factored into the fee schedule. Callan said he has never issued an emergency permit and said that fee could be set as high as \$500. He said that if a producer violated the rules, he would have to pay the emergency fee to get into compliance.

Callan said that Central Platte recommended fees for their NRD of \$20 R, \$60 N, \$500 E.

**Sieh motioned, seconded by Nelson, that proposed chemigation fees of \$20 for a renewal, \$60 for a new permit, and \$500 for an emergency permit be recommended for the drafting of the rules and regulations. Motion carried by roll call vote. Directors voting yes: Amsberry, Citta, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Knutson, Kruse, Lukasiewicz, Nelson, Rasmussen, Sieh, Smith, and Thoene. Director voting no: Loseke. Director not present during vote: Adams. Directors absent: Anderson, Bartak, Kauk, and Petersen.**

## PROGRAMS/PROJECTS COMMITTEE REPORT

### Bowman Lake Presentation

General Manager Leon Koehlmoos reported that members of the Committee toured Bowman Lake near Loup City and were impressed with the work that has been done. He said the Bowman Lake group will give a presentation at the November meeting.

### Tree Planting and Grass Seeding Cost-Share

Koehlmoos said that it was the consensus of the Board in July that the NRD not accept any new land treatment cost-share applications until the backlog was resolved. This included grass seeding and tree planting requests. Since these two practices are time sensitive, the Committee

recommended restoration of grass seeding and tree planting cost-share through the NSWCP program.

**Eschliman motioned, seconded by Rasmussen, to approve cost-share applications for grass seedings and tree plantings. Motion carried by roll call vote, all present voting yes.**

#### Changes in Water Well Decommissioning Regulations

Koehlmoos said the Committee discussed new grouting changes, which now makes decommissioning a well a more costly process. He said the City of Albion may be making a request for cost-share funds in addition to the \$500 cost-share offered by the NRD.

#### City of Columbus Levee Allocation

Koehlmoos reported that staff had met with City of Columbus officials and told them the NRD has had \$600,000 set aside for their levee project for five years. He said the project has changed and additional funding will probably be needed. Koehlmoos told the Columbus officials that the \$600,000 is still in the budget, but they would need to make a new presentation and request to the Board for future participation toward the levee.

Koehlmoos said the Committee is recommending a two-year expiration limit on approved project funding.

**Eschliman motioned, seconded by Loseke, that a two-year expiration window be placed on project funding requests.**

There was discussion regarding other projects that have been approved, when the two-year window would begin, and the present cost of the Columbus Levee Project. Citta mentioned that since the floods, the Corps of Engineers has upgraded their levee requirements, which would increase costs to a project.

**Motion carried by roll call vote. Directors voting yes: Amsberry, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Kruse, Loseke, Lukasiewicz, Nelson, Rasmussen, Sieh, Smith, and Thoene. Directors voting no: Citta and Knutson. Director absent during vote: Adams. Directors absent: Anderson, Bartak, Kauk, and Petersen.**

#### Long-Range Implementation Plan Draft Review

Callan reported that the recommendation from the Committee was to include an increase in funding to be put aside for any potential storage or flood control projects that might come up. He said that was the only modification that was made to the draft.

**Eschliman motioned, seconded by Knutson, that the 2014 Long-Range Implementation Plan be modified to include an additional \$200,000 per year for three years for dams, water augmentation, flood protection, and/or groundwater recharge projects. Motion carried by roll call vote, all present voting yes.**

### Review of Proposed Dam Sites

Koehlmoos said staff is in the process of putting together a list of proposed dam sites which might prove suitable for water storage projects in the NRD.

### LLNRD Update of Hazardous Mitigation Plan

Koehlmoos said that the five-year update of the plan will be due in 2018. It will need to be reapproved by FEMA.

## 2014 LONG-RANGE IMPLEMENTATION PLAN

Callan said a modification to the plan was approved earlier in the meeting. He said he had the actual budgeted numbers and where they came from for the implementation plan. Koehlmoos said the numbers in the plan will be used to prepare budgets for the next four years.

**Loseke motioned, seconded by Thoene, to approve the 2014 Long-Range Implementation Plan. Motion carried by roll call vote, all present voting yes.**

## MANAGER'S REPORT

### Use of District's Name on Real Estate Sale Bill

Koehlmoos said Knutson had visited with him about a sale bill that had been distributed recently that specifically mentioned "NO current plans from LLNRD for any restrictions or controls." Koehlmoos said nothing listed on the sale bill was inaccurate. Knutson said that the opinion of an attorney he contacted indicated that "UNLIMITED pumping for irrigation", also listed on the sale bill, was incorrect, according to sections of the Nebraska Groundwater Management and Protection Act which generally governs how the state and its natural resources districts are supposed to manage groundwater in the state. Knutson felt that use of the NRD's name used in this type of advertising reflects badly on the NRD. Knutson felt that allocations in the District should be discussed in the future. There was discussion.

### New Hires

There were no new hires.

### Non-Action Reports

Koehlmoos said there were a couple items to be mentioned in *Announcements/Future Meeting Topics*.

Rasmussen said he had been asked by the North Loup Fire Department if Davis Creek was wired for 220 because they would like to put a Civil Defense siren at that location. Koehlmoos answered that there was, but the fire department would have to bring a proposal to the Board.

## NARD REPORT

### Director's Report

Rasmussen reported that the next meeting will be November 10<sup>th</sup>.

## NRC REPORT

### Commissioner's Report

Hadenfeldt said the NRC would meet on November 25<sup>th</sup>. Knutson attended the recent meeting regarding rewriting the rules and said a lot was accomplished. He felt the application process should be kept as simple as possible. He said after the Commission adopts the new rules, they go to the attorney general's office, then the governor's office, then the secretary of state's office, then back to the Commission. He said 90 days after final approval of the rules by the Commission, applications would be allowed. He said final approval might be in the summer/fall of 2015. Knutson said there is around \$30 million available. He said there will probably be two categories – large projects and small projects.

Hadenfeldt said he is on the committee to rewrite the rules and they had met several times. He said it has been a learning process.

## RC&D REPORTS

### Loup Basin RC&D

Rasmussen reported that the RC&D has met twice. He said donations from the tire collection went to the Elba and Ord FFA groups.

### PrairieLand RC&D

Gellermann said there was an article in the paper about Shell Creek.

## ANNOUNCEMENTS

### Open Meetings Act Complaint

Koehlmoos said that on October 17<sup>th</sup> the NRD received a packet from the attorney general containing a complaint from Mark Koch regarding the Open Meetings Act. Then today, the NRD received a summons from the District Court of Valley County on the same issue. All information has been given to the NRD's attorney who said the county court's summons will probably trump the attorney general's complaint.

Comments on *Waters of the United States* Definition

Koehlmoos said the NARD has made comments to the definition of *Waters of the United States* prepared by Don Blankenau's office. Koehlmoos directed the Board's attention to the comments in the supplemental agenda. Citta and Lukasiewicz are working on comments for their offices regarding *Waters of the United States*. The deadline has been extended to November 20<sup>th</sup>.

Davis Creek

Callan informed the Board that the water lines were in at Davis Creek. The contractors are working on putting in the doors and ceilings in the restrooms.

Committee Meetings

Due to the Veteran's Day holiday on November 11<sup>th</sup>, the Water Resources Committee and Programs/Projects Committee will meet on November 12<sup>th</sup>, at 10:00 a.m. and 1:00 p.m., respectively.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:25 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 a newspaper in each county within the District. The next Board of Directors meeting will be held Thursday, November 20, 2014, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

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Darwin B. Anderson  
Secretary