

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

November 20, 2014

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 20, 2014. Chairman Kruse called the meeting to order at 5:00 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Joseph L. Citta, Jr., Vice Chairman
Michael P. Gutzmer
Thomas Knutson
Clifford P. Loseke
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Virgil W. Gellermann
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Matt Lukasiewicz
Alan D. Petersen
Darwin R. Sieh
Henry J. Thoene

Directors absent

James J. Eschliman

Randy Kauk

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
LeeAnn Smith, Water Programs Assistant

Guests in attendance

Bryce Bauer, LDC, NRCS, Ord
Eugene Bredthauer, 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 there were no modifications to the agenda.

Smith motioned, seconded by Loseke, 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 October 23, 2014, Board meeting minutes. None being heard, Chairman Kruse ruled the October 23, 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 that the bill from Cornerstone Mapping for the infrared photography was for the entire year (\$114,000). Koehlmoos also commented on payments for flowmeter cost-share; gravel for the new parking lot at the camping area at Davis Creek; the installation of 6 outhouse doors and water line/hydrants at Davis Creek; and work done on equipment in the Board and conference rooms.

Sieh motioned, seconded by Anderson, to approve the November, 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.

FORESTER’S REPORT

District Forester Rich Woollen highlighted Community Forestry programs. He mentioned the *Nebraska Champion Tree Program* which promotes public awareness of Nebraska’s forest and

tree resources by searching for the state's largest trees. He said that Cedar Rapids has the current Nebraska Champion Ohio Buckeye and Boone Central is home to the current Nebraska Champion American Linden. Woollen also mentioned *ReTree Nebraska* whose goal is to properly plant one million high quality trees in Nebraska communities by 2017. He said the NRD received some trees for the arboretum. Woollen reported that a Community Forestry grant was awarded to the Arcadia Garden Club for a tree planting project they did in their village park. He passed around a booklet of their project.

NRCS REPORT

Bryce Bauer reported that the field offices were finishing up the CSP re-enrollment contracts for fields that had been enrolled for five years. He said 80-90 percent of the current contract holders are re-enrolling. He said there will be a 7% budget cut in December, which he said probably wouldn't affect staffing too much. Bauer said that with the advancement of technology and the use of *Client Gateway*, producers can go online to sign up for programs.

INFORMATION AND EDUCATION REPORT

2014 General Election Results

Information & Education Coordinator Larry Schultz reported that the unofficial LLNRD Board election results were listed in the agenda.

Annual Awards Dinner

Schultz reported that the annual Awards Dinner would follow next month's Board meeting, and invitations were distributed.

Citta motioned, seconded by Knutson, to start the December Board meeting at 4:00 p.m. Motion carried by roll call vote, all present voting yes.

Knutson volunteered to provide some music, with his wife, for the Awards Dinner.

2015 NARD Legislative Conference

Schultz said that the Legislative Conference will be held January 27-28, 2015, in Lincoln. He passed around a sign-up sheet for directors wanting to attend.

Schultz reported that a new issue of *In The Loup* is being produced and will probably be mailed in the next week or so.

ASSISTANT MANAGER'S REPORT

Water Resources Committee

Water Banking Discussion with DNR

Assistant General Manager Russell Callan reported that staff had gone to Lincoln to talk with Jesse Bradley and gave a presentation on the NRD's efforts toward water banking from 2006 to present. Callan said Bradley had positive comments about the NRD's process and suggested sharing the presentation with others. Callan said the only concern Bradley had was, that should the NRD become fully-appropriated, would the NRD still have a bank? Callan said the banked acres are there and he would like DNR to justify and account for them.

Static Water Levels

Callan presented a powerpoint of fall static water level results compared to 1982 fall static levels. Callan said that areas that have shown declines in the past are still showing declines, and areas of rising levels are still rising. He said there hasn't been much change.

Koehlmoos said the fall-to-fall readings reflect demand for the year and stress areas can be identified. Koehlmoos said fall readings are a valuable tool to see where levels are, following the pumping season.

Callan said staff is still working with Abengoa Ethanol Plant in Ravenna for data to determine whether future plant expansion would affect groundwater levels in that area.

Chemigation Rules

Callan reported that the Committee recommended that the draft Groundwater Management Rules and Regulations, including chemigation rules and fees, be sent to the Department of Environmental Quality for review. He said DEQ's rules are being integrated into the NRD's rules. He said there will be a rule change in the chemigation permit fees.

Callan said another change in the rules will be in the cease and desist process. Originally, the violator had ten days to answer the NRD, but legislation changed it to three days.

Callan said the public hearing on the rules and regulations would probably be in January.

Callan showed the Board pictures of the new, custom-made outhouse doors at Davis Creek. He said ceilings and lights were also installed.

Amsberry commented that California's water level had dropped 200 feet. He thanked staff for staying on top of water issues and for their conservation efforts.

Knutson said that people in the Central Valley Project in California will be paying \$1,000 per acre-foot of water next year and they won't be getting any water.

PROGRAMS/PROJECTS COMMITTEE REPORT

General Manager Leon Koehlmoos directed the Board's attention to the minutes of the Committee meeting in the agenda. He said there were no recommendations from the Committee.

Bowman Lake Presentation

Koehlmoos said that Ervan Dzingle and representatives from Miller & Associates spoke to the Committee regarding the Bowman Lake project.

City of Albion Request on Well Decommissioning

Koehlmoos reported that Albion Water Commissioner Ron Morearty, spoke to the Committee.

Fullerton Powerhouse Park

Koehlmoos said Fullerton was represented by City Administrator Jim Kramer, who spoke with the group about the Fullerton Powerhouse Park project.

City of Sargent Request on Baseball Field

Koehlmoos reported that the Committee reviewed a letter from the City of Sargent on a request for improvements to their ball field. He said the Committee discussed the matter and concluded that the request did not fall under “natural resources” assistance. Koehlmoos said he would contact the city with the Committee’s conclusions.

City of Columbus Letter

Koehlmoos said he presented a letter to the Committee from the City of Columbus regarding an update on the levee project in the community. He said he had informed City Administrator Joe Mangiamelli that the Board had taken action to limit the time period of holding funds for projects to two years. Koehlmoos said the City of Columbus wasn’t ready to make a presentation.

Stakeholder Group Names

Koehlmoos said the Committee discussed this issue, and the Board will be discussing the item later in the meeting.

Review of Proposed Dam Sites

Koehlmoos said the Committee discussed some information that had been given to the Water Resources Committee on potential dam sites. He said staff has been working on proposed dam sites and possible recharge sites.

MANAGER’S REPORTDecember Committee Meetings

Koehlmoos asked if the committee groups wanted to meet in December. It was the consensus of the members to skip December and meet again in January.

Stakeholders Group Selection

Koehlmoos reported that he had met with the Executive Committee prior to the Board meeting to review the nine applications that had been received. Koehlmoos said there were 29 slots to be filled and staff sent 26 letters to persons they thought might be interested in serving in the group. He says the process takes time and wondered if the Board would be acting on the selections, or if it should be left up to staff and the Executive Committee.

Koehlmoos said he hoped the first Stakeholders Group meeting could be in January, the first of at least three meetings. He said staff will be meeting with the irrigation districts before the first stakeholders meeting.

Smith motioned, seconded by Adams, that staff compile a list of potential stakeholders for the integrated management plan for the Executive Committee who will then make a recommendation to the Board of Directors for inclusion in the stakeholders group.

There was discussion about whether enough names would be submitted by the December meeting. Koehlmoos said if all the slots aren't filled, the process wouldn't need to stop.

Lukasiewicz commented that he feels the process doesn't need to be rushed. He said that people with whom he had talked to didn't know anything about it. He would propose another month of advertising. He said, according to State Statute 46-717, he wasn't sure the NRD could designate a certain number of representatives for any category. He said all stakeholders have a place at the table. Citta suggested getting an opinion on the statute to prevent any issue that may arise later.

There was discussion about seeing the list of potential stakeholders before the Board votes on their inclusion into the stakeholders group, taking more time to advertise, and press coverage.

Lukasiewicz motioned, seconded by Knutson, to amend the original motion to continue advertising for applicants and delay action on the stakeholders group for another month. The amendment failed. Directors voting yes: Anderson, Bartak, Gellermann, Gutzmer, Knutson, Lukasiewicz, Nelson, Peterson, and Thoene. Directors voting no: Adams, Amsberry, Citta, Hadenfeldt, Kruse, Loseke, Rasmussen, Sieh, and Smith. Directors absent: Eschliman and Kauk.

The original motion passed, all present voting yes.

Hiring a Facilitator for Stakeholders Group

Koehlmoos said that, due to the diversity and type of program the NRD has, staff felt that a facilitator was needed for the stakeholders group. A possible facilitator with the necessary qualifications to manage the group was recommended and will be contacted by staff.

New Hires

There were no new hires.

NARD REPORT

Director's Report

Rasmussen reported that the group met in Grand Island. He said there was an insurance claim for \$350,000. He shared with the NARD group some information about Lower Loup's recharge project in Custer County on the South Loup.

NRC REPORT

Commissioner's Report

Hadenfeldt said the Rules Committee would meet in Kearney on the 25th. Knutson felt that more discussion is needed before a final vote is taken to accept the rules. Hadenfeldt said that DNR is making their rules, too, and NRC hasn't seen those yet.

RC&D REPORTS

Loup Basin RC&D

Rasmussen reported that the RC&D met recently at the Rockin' Rooster Winery east of Scotia. He said a local landscaper gave the program. Rasmussen said the rafters were up for a seed corn facility in North Loup. Rasmussen also said that donations were coming in and land had been given for a veteran's wall in North Loup.

PrairieLand RC&D

Gellermann said there was no report.

ANNOUNCEMENTS

Koehlmoos said that Brian Dunnigan would be resigning as director of the Dept. of Natural Resources on December 7th.

Adams mentioned an article in a magazine from the Nebraska Heart Institute that featured a story about Peggy Griffin's husband. Koehlmoos said Peggy is the secretary in the St. Paul field office.

Koehlmoos reported that the lawsuit filed against Lower Loup NRD by Mark Koch regarding the Open Meetings Act was turned down by the attorney general's office because the complaint had also been filed in Valley County District Court.

Knutson said he has enjoyed serving on the Lower Loup NRD Board of Directors, having been in the business of water for 40 years. Kruse thanked him for his service.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 6:04 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, December 18, 2014, at 4:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary