

MINUTES

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

November 29, 2018

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 November 29, 2018. Chairman Citta called the meeting to order at 5:00 p.m.

CALL TO ORDER

Directors in attendance

Rollie D. Amsberry, Treasurer
Darwin B. Anderson
Robert L. Bauer
Joseph L. Citta, Chairman
Virgil W. Gellermann
Randy Kauk
Matt Lukasiewicz
James C. Nelson
Chad J. Podolak
Dean G. Thede
Rick Vlach

James C. Adams
Timothy E. Bartak
Beth Boesch
Jim Eschliman, Vice Chairman
N. Richard Hadenfeldt
Gary A. Kruse
Larry Mohrman
Alan D. Petersen
Gerald Smith
Henry J. Thoene, Secretary

Staff in attendance

Russell G. Callan, General Manager
Irene F. Kreifels, Administrative Assistant
Larry D. Schultz, I&E Coordinator
V. Anne Freeman, Water Programs Secretary
Cam Conrad, Water Modeling Coordinator
Brent Lakin, Water Resources Technician
Dan Ruterbories, Rangeland Mgt. Tech
Jason Moudry, Water Programs Specialist

Tylr Naprstek, Assistant General Manager
Kim A. Lyons, Financial Secretary
Cheryl Hornickel, Programs Assistant
Dell R. Harris, Water Resources Specialist
Richard L. Woollen, District Forester
LeeAnn Smith, Water Programs Assistant
Brian Kolar, Projects Technician
Jane Klanecky, Receptionist

Guests in attendance

Bryce Bauer, LDC, NRCS, Ord
Clifford Hanna, Milburn
Tom Klanecky, DNR, Ord

John Coffey, Columbus
John Cox, Sargent

NOTICE OF OPEN MEETING LAW POSTING

Chairman Citta referred those in attendance to the open meeting law information posted in the Board room and that meeting material was available at the entrance to the Board room.

VERIFICATION OF MEETING NOTICE AND ADOPTION OF AGENDA

Chairman Citta asked for verification of the meeting notice. General Manager, Russell Callan, stated 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. He said the agenda was current.

ROLL CALL AND EXCUSED ABSENCES

Citta reported that no Directors had asked to be excused and that Director Podolak would be arriving to the meeting late.

Roll Call was conducted electronically. Directors present: Adams, Amsberry, Anderson, Bartak, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Mohrman, Nelson, Petersen, Smith, Thede, Thoene, Vlach. Director absent: Podolak.

MINUTES

Chairman Citta asked for corrections and/or additions to the October 25, 2018, Board meeting minutes. None were heard.

Boesch motioned, seconded by Vlach, to approve the October 25, 2018, Board meeting minutes as presented. Motion carried by electronic vote, all present voting yes.

TREASURER'S REPORT

Russell Callan, General Manager, highlighted expenditures of \$7,055.00 to Bruning Law Group for the Prokop case; Cornerstone Mapping for \$126,500.00 for infrared photography; Phoenix Web Group for \$17,500.00 for acre transfer web upgrade; HDR for \$34,058.62 for Pibel construction work; JEO for \$1,495.00 for retainage on Davis Creek project; Cornhusker Press for \$10,557.38 for printing/postage of the *In the Loup* newsletter; and In-Situ for \$7,114.69 for transducers in the wells in the South Loup. Boesch questioned expenses for acre transfers. Callan explained they were for the database to monitor acre transfers.

Smith motioned, seconded by Mohrman, to approve the November 29, 2018, Treasurer's Report and pay all bills. Motion carried by electronic vote. All present voting yes.

The Treasurer's Report Approval Policy states that the approved expenditures are to be published and each director who has per diem and/or reimbursement of expenses included in such financial reports, abstains from voting for the approval of his or her own per diem and/or expense reimbursement.

PUBLIC COMMENTS

Cliff Hanna said he would like to comment during the Lillian Creek Project discussion.

Podolak arrived at 5:10 p.m.

FORESTER'S REPORT

Richard Woollen, District Forester, reported that inspections have been completed on Buffer Strip Program contracts. He also discussed the ponderosa pine reforestation efforts. Woollen showed a short video showing how the container seedlings are grown, packaged, and stored until they are ready to be used. He reported there was about an 85% survival rate of the pine trees planted last year.

Lukasiewicz reported that he had heard some discussion that tree planting assistance may be removed from the Farm Bill. Woollen reported that the reforestation effort would take place again in 2019 and possibly in 2020. Boesch asked if there were many landowners taking advantage of the program, and Woollen reported that there had been good response.

NRCS REPORT

Bryce Bauer, NRCS, reported that the EQIP deadline had passed. He stated there were five new AFOs (animal feeding operations) applications in Loup, Garfield, Wheeler, Sherman, and Valley Counties. He reported there was a deadline at the end of the coming week for the Eastern Sandhills Initiative for prairie chickens and grouse for funding for cutting cedar trees and water development. Some will be funded in December and some in February. He said his office was waiting to see what the Farm Bill does to CSP programs. Bauer stated the budget runs out in December, but there was not currently any word of a definite shutdown at this time.

INFORMATION & EDUCATION REPORT

In the Loup

Larry Schultz, Information and Education Coordinator, discussed the *In the Loup* mailing. He said the newsletter was mailed to 37,000+ mailboxes and that there had been good response of the article highlighting the high nitrate levels found in Wheeler County.

2019 State Envirothon

Schultz reported that Lower Loup NRD would be the host district for the 2019 State Envirothon which would be held at Pibel Lake Recreation Area.

NRD Apparel

Schultz stated he would have information available in December regarding NRD apparel. He said that the apparel policy stated one new item per year for directors.

2019 Legislative and Washington, DC Conferences

Schultz reported that he would send around a sign-up sheet for those interested in attending either conference. He encouraged everyone to let him know as soon as possible on the Washington, DC conference, as a White House tour is in the works and it takes some time to get the proper clearance to enter the premises.

Tree Media Campaign

Schultz directed the Board's attention to the tree planting banner on the wall and said the same picture would appear on a few billboards in the NRD.

ASSISTANT GENERAL MANAGER'S REPORT

Davis Creek Update

Tylr Naprstek, Assistant General Manager, reported that Wi-Fi was operational at the maintenance building for online reservation purposes and emergency management. He reported that winterization had been completed and staff was working on adding gravel where it is needed. Naprstek reported that the bids were due the next day for electrical work to be done on the west campground. He stated that the docks would soon be pulled, depending on weather.

Pibel Lake Update

Naprstek reported that 6" of water had been released recently. He said the approved application from the Army Corps of Engineers had been signed and staff was waiting on the actual 404 permit for the pipe replacement at Pibel Lake, to hopefully start in January if all remains on schedule.

Buffalo County, Ravenna Lake Report

Naprstek reported that all the work had been completed at Ravenna Lake until next spring. He said water quantity tests would be limited to just the lake in 2019, and not in the wetland or South Loup River. He said the city would be approaching the Programs/Projects Committee for assistance with trail options.

Columbus Area Water Resources Assessment Study Update

Naprstek reported that the monitoring wells are in and water levels along the Lost Creek channel can be viewed online in real-time.

ELM Update

Naprstek stated he didn't anticipate any further ELM updates. He said Conrad had integrated ELM into the GET Model and staff was starting to run some analyses in-house. Eschlman asked what the total ELM Study cost was, and Naprstek replied that approximately \$3M had been expended since Fall, 2005.

Naprstek said that DNR would be discussing integrating the ELM Phase III into their C-NEB model.

WATER RESOURCES COMMITTEE

Smith stated that the Water Committee didn't have any recommendations at this time.

Boesch asked about the high nitrate levels in Wheeler County and what would be done about them. Smith stated that a proposal from the Committee would be coming to recommend using township boundaries in some areas of Wheeler County instead of drainage basins to deal with the issues. Callan said that the NRD had an article in the recent newsletter and, more recently, a packet of information had been sent directly to landowners affected in areas of high nitrates.

Area 28 Pre-Complaint/Complaint Report

Naprstek said that a pre-complaint is being handled through the Platte County Sheriff so there will be documentation of delivery.

Flowmeter Readings 2018

Naprstek showed the numbers that were put together on flowmeter readings. Techs have collected 95% of the readings. Readings have shown that the average water usage districtwide is about 4.99 inches, compared to last year's average of 9.3 inches.

Naprstek also reported that Area 28 had 140 flowmeters set for inspection by Northern Ag. He said staff would be rebidding the inspections and repairs, looking at using Northern Ag again or will investigate going with a different company to complete the updates. He also reported that the NRD was applying for an Environmental Trust grant to implement flowmeter cost-share.

PROGRAMS/PROJECTS COMMITTEE

Add Variable Speed Irrigation to NSWCP Practices

Kruse said that there were a couple action items for the Board to consider.

Callan directed the Board's attention to the handout prepared on variable rate irrigation and showed various cost-share rates used by NRCS. Callan stated that staff recommends the

NRD follow the same guidelines used by NRCS. Bryce Bauer stated that NRCS hadn't cost-shared for any variable speed irrigation yet; however, the equipment is very reasonable. According to current rules, it is up to the landowner to pay for the monthly subscription; just the initial equipment is cost-shareable.

Callan said the cost-share would be for variable rate to control pivot speed, not the sprinklers.

Callan stated that approximately 68% of current cost-share funds go to planned grazing system practices and less than 10% is used for irrigation management. Eschliman asked if applicants would be able to get NRD and NRCS assistance. Callan stated that the cooperator would apply for NRCS assistance through EQIP, and the NRD would help where NRCS couldn't, but the cooperator would not get both. Bryce Bauer stated that there wasn't a lot of criteria that had to be met, and right now NRCS is working on getting people educated on using the system. Callan stated it can be retrofitted to work with any pivot system.

Smith asked if an evaluation would be done on the sprinkler package being used. Bryce Bauer stated they felt it would hurt interest in the program if age requirements were made on sprinklers.

Kruse motioned, seconded by Boesch, to add variable speed irrigation to current NSWCP practices, following NRCS guidelines and become effective for 2019. Motion carried by electronic vote. All present voting yes.

Initiate Seepage Testing for Proposed Lillian Creek Project

Kruse reported that the Lillian Creek Project had been discussed with the full Board at the October meeting, resulting in further questions for staff. He said the Programs/Projects Committee voted at their recent meeting to recommend to the Board that staff proceed to move forward with the next phase of seepage testing.

Kruse motioned, seconded by Eschliman, to initiate seepage testing for the proposed Lillian Creek project.

Discussion followed.

Lukasiewicz asked what had changed from last month's discussion. Callan explained that this recommendation would allow for infiltration testing only, before continuing with other testing.

Clifford Hanna stated he thought discussion was done regarding continuing on with the project and didn't think any further testing should be done. He stated he didn't think it was a good project and that there were flaws in the feasibility study.

Petersen stated he was skeptical of the entire project and said landowners had expressed concerns about getting water they won't want. He also didn't think the structure would hold water and could not see pumping water into the lake to maintain levels.

Adams stated he felt it was wrong to compare Lillian Creek to other lakes not in the vicinity, as was done in the original report.

Lukasiewicz asked if there were any residences that could be affected with a rise in the water table and basements possibly flooding. Callan reported that there were residences close to the river, and that is why the infiltration test would be done, to hopefully answer those questions.

Mohrman stated he felt that without this seepage test, the Board wouldn't have all the information needed to make a good decision. He felt this test would help define the whole project as to whether it was feasible or not. He said, that although it wasn't a lake by Lincoln, economic numbers indicated it was a good, feasible project.

John Cox stated he lived 60 feet from the creek and had never had a groundwater issue, saying the water table was one foot below his basement floor. He said he was afraid the project would raise the water level 2-4 feet and his house would need to be moved.

Podolak stated he thought further investigation of the project for water quantity was warranted, as determined by the strategic goals set at the Board Retreat for water quality/water quantity. He said there had been many points raised in the Lillian Creek discussion indicating that the NRD should get out of the project, but he felt that the seepage testing would provide more conclusive information before the NRD determined which direction the entire project should go.

Adams stated that the NRD had already spent \$250,000 to find out that the lake leaks and felt there should have been more conclusive data for the money spent.

Petersen stated that he thought the project had strayed from where it started as 'groundwater recharge,' which was determined wouldn't help the situation in Custer County, to 'water storage,' which he felt might have some merit, to 'recreation' to make it look like a good project again. He said he was very skeptical of the project.

Thoene stated he was disappointed in the study from HDR and felt they had stepped over important information that the NRD should have had before the feasibility study was done. He said he would want to know where the water would be coming from to maintain lake levels, what types of soils are in the dam, and how the project would affect people below the dam.

Citta said the question is if the NRD needs additional studies to make an informed decision on the project.

Mohrman stated the \$250,000 had already been spent and thought the NRD owed it to the patrons to not quit at this point. He felt that spending the additional money for the seepage tests would be money well spent for the additional information to make a good decision.

Citta asked if the seepage test would give the Board the answers it needed to make an informed decision as to whether the reservoir would work. Boesch asked if the NRD would get

good information or if they would just be told they needed to do ‘the next step’ to help determine if it would be a good project. Callan explained that there is a timeline set out that shows what the steps would be to continue with the project. Citta stated the seepage testing should answer some questions and help the Board to know if the project is worth going forward. Callan stated feasibility would need to be reviewed again based on the new numbers.

Thoene asked that, if the motion fails, would the subject be tabled or dropped. Citta answered that the Board would have to talk about it.

Callan said the Lillian Creek project has always been about groundwater recharge.

Gellermann stated that water management is about retaining water so we can have recharge. He said the Board’s job was to investigate and pursue areas for possible recharge and asked if the Board would be doing that, or would it just stop and fight back against the idea of a possible recharge area. He said a precedent would be set for future projects. He said if the idea of recharge areas would be fought against year after year, the NRD would never have a place to build a recharge. He pointed out that the Harlan County dam project caused towns to be moved. He said that when he had gone on tours of other NRDs in the state, he noticed they had a lot of smaller dams to take care of and Lower Loup has very few.

Nelson said he hadn’t heard anyone say that the water level in their well had dropped and they needed a recharge project.

Anderson stated he felt the seepage testing should be done. He said he wouldn’t want the NRD to have to pump water into the dam.

Podolak asked if there were other options for recharge if the Lillian Creek project is discontinued. Callan stated there were other areas staff was hypothetically looking at, in addition to the Lillian Creek project.

Gellermann asked about the instream flow claim the NRD submitted. Callan said it was still waiting DNR’s review. Gellermann asked what would happen if cities down the road couldn’t keep up flow in the river or needed more water and Lower Loup couldn’t provide it because it didn’t have the extra retention facilities. He said that could potentially hurt the NRD and the irrigation in the area.

Amsberry stated that he had read that Denver, Colorado was putting up 5-7 dams on the South Platte River to claim the rest of their water and then pipe it back to Denver. Gellermann stated that the NRD needed to look into the future on some of the issues and try to work on solutions.

Motion carried by electronic vote. Directors voting yes: Amsberry, Anderson, Bartak, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kruse, Mohrman, Podolak, Thoene, and Vlach. Directors voting no: Adams, Kauk, Lukasiewicz, Nelson, Petersen, Smith, and Thede.

MANAGER'S REPORT

Litigation Update

Callan stated that the Supreme Court hearing on the Prokop case was held three weeks ago, and legal counsel said it may take two months to get an opinion back. He said the Koch case is still in appeals court for the Open Meetings Act violation, and the Freedom of Information Act case was postponed from last week to sometime in February.

Platte-Republican Transfer

Callan reported that the brief was due tomorrow, explaining why the NRD had standing to make decisions on the Platte River. Citta said that flows coming from Colorado would contribute to the excess flow on the Platte River. Callan said that the NRD's brief stated that what passes by the North Bed gage affects what the Loup River has to contribute.

New Hires

No new hires.

Non-Action Reports

No non-action reports.

NARD REPORT

Director's Report

Eschliman reported that NARD met in Holdrege November 11-12 and discussed events for 2019, the legislative session and other conferences. He said there was a vote to approve Teladoc which is for common, ordinary ailments and will hopefully help cut insurance costs. He said insurance and retirement were discussed.

NRC REPORT

Commissioner's Report

Hadenfeldt reported that there will be a phone conference of the Rules Committee next Tuesday and a Commission meeting on the 18th. He said nothing has changed with the Rules Committee. He said that on the 18th, the Commission will vote on the recommendations of the Scoring Committee regarding grant monies to be given.

Natural Resources Commissioner Appointment

Callan stated that the Natural Resources Commission appointment process would be to hold a caucus of directors within the basin and make a nomination for the position of

commissioner and vote on the nomination. He said Lower Loup NRD would host the caucus January 4th. Callan said he had visited with Upper Loup NRD and they didn't have anyone interested in being on the Commission and recommended that Hadenfeldt remain in that position.

RC&D REPORT

Loup Basin RC&D

Thoene reported that there was no meeting in November.

ANNOUNCEMENTS/FUTURE MEETING TOPICS

Schultz stated that the December meeting would be December 27th at 4:00 p.m. with the awards ceremony to follow. It was announced that the January meeting would be held on January 24th and there would be no Committee meetings in December. Schultz said that Matt Lukasiewicz was featured in an article in the September issue of *Irrigation Leader* and said he would scan the article to directors.

Citta said the electronic voting worked well.

ADJOURNMENT

With no further business before the Board, Chairman Citta declared the meeting adjourned at 6:29 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 December 27, 2018, at 4:00 p.m., at the Headquarters Office in Ord, Nebraska.

Henry J. Thoene
Secretary