

MINUTES

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

December 19, 2019

Ord, Nebraska

The December 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 December 19, 2019. Chairman Citta called the meeting to order at 4:04 p.m.

CALL TO ORDER

Directors in attendance:

James C. Adams
Darwin B. Anderson
Robert L. Bauer
Joseph L. Citta, Chairman
Jim Eschliman, Vice Chairman
Randy Kauk
Larry Mohrman
Alan D. Petersen
Gerald Smith
Henry J. Thoene, Secretary

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Beth Boesch
John Coffey
N. Richard Hadenfeldt
Gary A. Kruse
Todd Nitsch
Chad J. Podolak
Dean G. Thede
Rick Vlach

Director absent:

Matt Lukasiewicz

Staff in attendance:

Russell G. Callan, General Manager
Irene F. Kreifels, Administrative Assistant
Larry D. Schultz, I&E Coordinator
Brian Kolar, Projects Technician
Dell R. Harris, Water Resources Specialist
Dan Ruterbories, Rangeland Specialist

Tylr Naprstek, Assistant General Manager
Kim A. Lyons, Financial Secretary
Cheryl Hornickel, Programs Assistant
Jason Moudry, Water Programs Specialist
Richard L. Woollen, District Forester
Cam Conrad, Water Modeling Coordinator

Guests in attendance

Bryce Bauer, Liaison DC, NRCS, Ord
Mick Kozeal, Sargent
Jim Boesch, Columbus

Andrew Daniels, Columbus
Reece Jensen, Sargent
Jan Thede, St Paul

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 agenda was current, and that the meeting notices were properly published in all newspapers, posted at the NRD Headquarters office in Ord, on the NRD web site, and in the eight field office locations.

ROLL CALL AND EXCUSED ABSENCES

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

Citta stated that Lukasiewicz had asked to be excused.

Boesch motioned, seconded by Adams, to excuse Director Lukasiewicz. Motion carried by electronic vote, all present voting yes.

MINUTES

Chairman Citta asked for corrections and/or additions to the November 21, 2019, Board meeting minutes. Boesch highlighted a correction to the SID #7 Levee Project (Whitetail Lake Development) discussion in November and noted that SID would be responsible for the additional 12.5%, not the NRD.

Smith motioned, seconded by Anderson, to approve the minutes of the November 21, 2019, Board meeting, as corrected. Motion carried by electronic vote, all present voting yes.

TREASURER'S REPORT

Russell Callan, General Manager, highlighted expenditures on the Treasurer's Report of \$7,812.00 to EA Engineering for the cover crop study; \$2,500.00 to ENWRA for the 2020 GeoCloud dues for storage of AEM flight data; \$77,962.19 to HDR Engineering for the Columbus Project and Lillian Creek work; \$15,725.00 to Robert Henry for Irrigation Water Management cost-share; \$8,591.87 to Gene's Electric for parking lot ice maintenance on the east side of the building; and \$5,000 to Loup Basin RC&D for the 3rd of 3 recycling contributions.

Vlach motioned, seconded by Coffey, to approve the December 19, 2019, 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

There were no public comments.

ANDY DANIELS

Andy Daniels addressed the Board to discuss the cover crop cost-share program. He expressed interest in visiting with Callan on a water project, but would discuss that with him at another time. Daniels gave background of his business of raising vegetables and drilling seed. Daniels said he felt the NRD cover crop program was worthwhile and promoted the program in his area. He said he was coming to the Board to ask for payment on seed drilling that had been done before approval was given from LLNRD staff on three different fields totaling 140 acres. He explained the misunderstanding of the approval timeline. Callan explained that approving work that had already been completed could cause problems with other projects. Boesch asked how much money is involved, and Daniels replied that it was a \$30 per acre payout on the 140 acres. No Board action was taken.

FORESTER'S REPORT

Richard Woollen, District Forester, discussed container stock vs. bare root trees. He reported that the nursery had an overrun of Ponderosa pine container-stock trees that are being distributed to field offices for sale. He also showed the Nebraska Forest Service website and where the Community Wildfire Protection Plans could be found.

Amsberry stated that Woollen was commended at last month's NARD meeting for his work on the study of bare root trees vs. container trees survival. Woollen stated that container trees can have 80-90% survival rate vs. bare root ranging between 50-60% survival rate. He explained that the advantage to the container trees is in the handling of the trees because the root systems aren't as exposed. He said roots can begin dying in as little as a few seconds, especially when wind is involved, and that it is better if root systems isn't exposed. He said container trees keep the root systems intact and survival increases.

Woollen also reported that there is work being done to change the design of windbreaks to lessen the use of redcedar trees when others can be used in their place, and to provide more diversity in tree belts. Mohrman asked about the difference in cost of container trees vs. bare root. Woollen stated the six cubic inch plug is the same price as the bare root seedling. He said larger container trees, such as twenty cubic inches, would work better than six cubic inch plugs in drier areas.

Bartak asked about survival rate of the trees in the Pine Ridge replanting, Woollen reported that the new trees were doing well.

NRCS REPORT

Bryce Bauer, NRCS, reported that staff had attended mapping and contracting training and were working on end-of-year contract modifications. He also reported that CRP sign-up had begun but hadn't been highly publicized yet due to waiting on some rule details. He said that soil rental rates were down about 20% from three years ago. He said he didn't think there would be any cost-share available for upgrading CRP, but that landowners would still have to do it if they re-enroll. He said Game and Parks might partner with NRCS to help with the cost of re-enrollment upgrades.

Vlach asked if there was cost-share available for flooding related projects. Bauer stated there was some in Howard County, but it varied by county and it was up to local county committees. He stated he had looked at some in Howard County from the August flooding that would be included. He encouraged directors to send landowners who were interested in cost-share for flooding into FSA.

INFORMATION & EDUCATION REPORT

Larry Schultz, Information & Education Coordinator, reported that the Legislative Conference was coming up in January in Lincoln and the Washington, D.C. Conference would be in March. He asked all who were planning to attend to sign up so tickets and tours could be arranged.

Schultz reported that the newsletter had been sent out to all zip codes in the District, as well as landowners living outside of the District. He also passed out shirt order forms and calendars.

NORTH LOUP FLOOD CONTROL/DRAINAGE STUDY

Naprstek showed a presentation summarizing the two proposals received for the study. It was reviewed that the Village of North Loup had approached the Board for assistance with a flood protection study in the outlined study area around North Loup and upstream to Mira Valley. He said the plan would look at the immediate infrastructure and drainage deficiencies in North Loup, identify potential projects outside the city limits upstream and take some of those that could potentially go to a 30% design, which could then proceed toward FEMA or any other funding opportunities. and seek potential funding sources. He explained that staff recommendation was to accept the proposal from JEO for \$78,650.00. Naprstek stated he felt they took the best approach with doing a site visit and meeting with people to prepare their proposal. If approval is given, reports would be prepared by April and then the project would go into the grant funding process.

Kruse motioned, seconded by Eschliman, to approve the proposal from JEO for \$78,650.00 for the Village of North Loup Flood Control/Drainage Study. Motion carried by electronic vote, all present voting yes.

SARGENT AREA FLOOD CONTROL/DRAINAGE STUDY

Naprstek explained that Sargent was having issues with flooding and that their repairs and requests are immediate. He said they had some preliminary designs in place and were needing to hire a consultant and go through the design phase. Staff recommended the Olsson bid of \$77,600.00 for the project, based on their IMP work with the NRD and the stakeholder group. Upon approval, notice would be given yet in December with design completed in April.

Eschliman motioned, seconded by Adams, to approve the proposal from Olsson for \$77,600.00 for the City of Sargent Flood Control/Drainage Study. Motion carried by electronic vote, all present voting yes.

SARGENT EAST IPA

Naprstek reported that Brian Kolar, Projects Technician, and Cam Conrad, Water Modeling Coordinator, had been working on IPA formation protocol for a study east of Sargent, meeting with Bill Hart several times and receiving information from Don Blankenau. A powerpoint summarization of the steps to develop an IPA was viewed.

Naprstek said there would need to be an identification of either public or private benefit, and he said this would be a special benefit case because the rest of the District would receive no benefit from the Sargent East IPA. The petition, signed by 19 of 20 landowners, was presented to the Board. Naprstek said the NRD had 120 days to hold a hearing and determine if the project met the IPA guidelines for development. If so, the research and engineering studies could be completed. After NRD approval, a cost estimate of benefits would be determined and assessed to each landowner based on their individual amount of benefit. He said everyone in the described area would receive a minimum of one benefit.

Naprstek said that once benefits were assigned, a second public hearing would be held for landowners to express their thoughts about the process and then all the expenses would be reported to each of the individual landowners. A third public hearing would then be held to address possible assessment objections. He said the assessments are subject to appeal.

Callan said the Lower Loup NRD would oversee the entire project and that many of the fees for the development of the project would get billed back to the area producers.

Boesch asked for clarification of cost for the project. Callan stated that NRD time could be billed out but doesn't have to be; and if it was determined to be solely a public benefit, the NRD could decide whether or not to cover all costs. Bartak asked who could appeal, and Callan responded he wasn't sure, but that the IPA project could be appealed whether or not it moves forward. Mohrman asked about the billing of costs. Callan stated that the project must be finished and then costs would be assessed; however, right now the District is just at the point of holding hearings. Callan added that, at any time, anyone involved could appeal the process if they didn't agree with it.

Amsberry motioned, seconded by Hadenfeldt, that a hearing be scheduled to take information from all interested parties on the desirability and necessity and in the public

health, safety and welfare of the IPA and the appropriate boundaries of the affected land and all other relevant matters. Motion carried by electronic, all present voting yes.

A hearing date was discussed. Naprstek recommended that the hearing be held January 23, 2020, at 5:15 p.m. during the regularly scheduled Board meeting.

Kruse motioned, seconded by Petersen, to hold a public hearing for the Sargent East IPA on January 23, 2020, at 5:15 p.m. Motion carried by roll call vote, all present voting yes.

WATER QUALITY SUB-AREA 30 DESIGNATION HEARING

Naprstek reported that a public meeting was held on December 17th at ADM Training Facility in Columbus to discuss implementing Sub-Area 30. He said 11 landowners and 8 directors were in attendance and there was good discussion. He said staff showcased information on the area, including domestic wells, the source of high nitrates, and the procedure going forward. He said landowners in attendance had expressed concern with the number of samples being taken, saying they would like all the samples to come in, even though NRD records showed the average and median nitrates are well above the triggering mechanism. Naprstek explained that the results shown at the meeting were just a snapshot and that there was history on most of the other wells. He said most landowners were aware there was a nitrate problem. Citta asked if there was any validity in collecting more samples.

Naprstek showed a map of the area showing 2019 sampling results and the ten-year average for the area. He said the number of wells over the Public Health Service's threshold of 10.0 ppm for safe drinking water is widespread. Citta said that the NRD set a threshold below 10.0 ppm for designating an area of concern.

Callan gave a brief history of a DEQ study in the area that was completed in 2004 which looked at multiple layers of aquifers. He said that high nitrates were normally in the top layer. He said the study showed that the wells had high nitrates but were still under the trigger point of 6.5 ppm.

Naprstek showed the proposed boundaries and explained that the area was bordered by Lower Platte North NRD who was also struggling with water quality issues. Podolak suggested possible DNA testing to see what types of nitrates were causing the issue. Naprstek said that the UNL Water Lab has an isotope sampling procedure which could help determine if the nitrates were coming from commercial fertilizer or organic matter and could transfer the information to the NRD. He said this type of testing for this area would be brought to the Water Resources Committee in an upcoming meeting and said that it had been done in Area 28. Naprstek said static water level was 50-60 feet and aquifer depth varied.

Mohrman asked if there was other study information the NRD hadn't reviewed regarding the wells. Callan stated that DEQ may have some information, but most likely just around the livestock facilities and CAFOs. Kruse asked if feedlots would be required to have flowmeters. Callan stated that flowmeters were required for high-capacity wells. Citta asked about the possibility of cost-share for the flowmeters. Kruse stated that the Board would need to determine that.

Smith said that most of the points of concern were not irrigation wells, but domestic wells that people use daily. He said the high nitrate problem was already present and that sampling additional wells wouldn't change what is already known.

Citta asked if the Board wanted to set a public hearing date for the Columbus area. Boesch expressed that the problem needed to be addressed and Coffey stated that waiting would not make the situation any better.

Coffey motioned, seconded by Anderson, to hold a public hearing on January 7, 2020, at 12:00 p.m. at ADM in Columbus to consider the designation of Water Quality Sub-Area 30 northeast of Columbus. Motion carried by electronic vote, all present voting yes.

Callan clarified that the committee meetings would be held in Columbus on the 7th, also. Mohrman asked if the isotope study would be done by then, and Callan replied that it would not. He said staff was working on collecting samples and then they would be sent to the university. Eschliman asked how many irrigation wells were in the area and Naprstek showed a slide highlighting 162 registered wells, with 84 being domestic, 70 irrigation and 8 livestock. He said different wells were tested every year and Callan stated that while staff was checking chemigation permits, samples are obtained. Podolak asked about Phase III requirements in Lower Platte North NRD. Naprstek stated that theirs were nearly identical to Lower Loup's. Citta asked if other NRDs had the ability to sub-categorize areas and Naprstek stated he wasn't aware if they did or not.

ASSISTANT GENERAL MANAGER'S REPORT

Davis Creek Update

No update.

Pibel Lake Update

No update.

Columbus Area Water Resources Assessment and Recharge Study Update

Naprstek reported that staff was working on obtaining easements from landowners for the Columbus project. He said HDR had provided Lower Loup with 100% construction design for the recharge project and were working on advertisement criteria for the project. Callan stated that before the Sub-Area 30 meeting on the 17th, staff and HDR met with the City of Columbus, Platte County, and others involved in the project and the 100% design was presented to them. They said the design looked good; however, they were still working on determining where water would come into the lake. Callan also reported that the required permitting had been sent to the railroad for approval and that the stormwater permit from the City has been obtained. Naprstek reported that the NRD had one easement obtained.

Buffalo County – Aerial Electromagnetic Survey (AEM)

Naprstek reported that the AEM flights had been completed and the report would be forthcoming in the spring.

Cover Crop Study

Naprstek said the cover crop study was underway.

HAZARD MITIGATION PLAN RFPS

Callan stated it was time for the Hazard Mitigation Plan to be updated. He explained that the plan was necessary for entities in the District to obtain Federal grant money to mitigate the effects of a natural disaster. He said Lower Loup NRD was the sponsoring agency for the different communities, counties, rural fire districts, etc. in the District. Callan stated the NRD had applied for a 75/25 grant to have it updated. He said requests for proposal had been sent and that JEO was the only proposal received. Their proposal was for \$140,000.00 for the 5-year plan which involved holding several stakeholder meetings. Staff recommended acceptance of the proposal.

Smith motioned to approve JEO's proposal of \$140,000.00 to complete the updates on the Hazard Mitigation Plan.

Callan stated the update was covered in the budget.

Mohrman seconded.

Boesch asked how the proposal compared to the previous update. Callan stated their last proposal was approximately \$105,000.00; however, it was to complete a plan started by another firm.

Motion carried by electronic vote, all present voting yes.

MANAGER'S REPORT

Citta announced there would be an Executive Session at the end of the meeting.

Levee Inventory

Callan reported that a levee inventory was being put together. He said that after the flooding incidents, staff had received several calls saying levees had broken. Callan directed the Board's attention to a map identifying levees in the District. He asked directors to let staff know of any other levee locations they were aware of so they could be added to the list, and also report spoil piles. He reported that staff would be working on identifying the owners of each.

Litigation Update

No update.

New Hires

None.

Non-action Reports

None.

2020 Election

The 2020 incumbent director list was reviewed and filing dates noted. Citta stated it was important for members filing for re-election to get their paperwork in by the February 15th deadline. Eschliman stated that paperwork must be filed with the Secretary of State, not the County Clerk.

NARD REPORT

Eschliman reported that there wouldn't be another meeting until January.

NRC REPORT

Hadenfeldt reported that a meeting was held yesterday, and they went through the projects that were submitted to be scored. He said that all of the small projects (\$250,000.00 or less) and 5½ big projects were approved.

RC&D REPORT

Tohne reported that there was no December meeting; however, the grant money was received for the tire collection and all the costs were covered.

ELECTION OF OFFICERS, NARD REPRESENTATIVE/ALTERNATE, NARD ANNUAL CONFERENCE VOTING DELEGATE/ALTERNATE, LEGISLATIVE CONFERENCE VOTING DELEGATE/ALTERNATE AND RC&D DELEGATE/ALTERNATE

Tohne mentioned that there was discussion a few years ago about cycling officers through every few years. Citta said the Executive Committee could discuss the suggestion a later time and bring a recommendation to the Board.

The list of present officers was noted, and nominations were opened.

Kruse nominated Citta for Chairman, Vlach seconded.

Hadenfeldt motioned, seconded by Bartak, that nominations cease and Citta be declared Chairman by acclamation. Motion carried by electronic call vote. Directors voting yes: Adams, Amsberry, Anderson, Bartak, Bauer, Boesch, Coffey, Eschliman, Hadenfeldt,

Kauk, Kruse, Mohrman, Nitsch, Petersen, Podolak, Smith, Thede, Thoene, and Vlach. Director abstaining: Citta. Director absent: Lukasiewicz.

Smith motioned, seconded by Anderson, to retain Jim Eschliman as Vice Chairman, Henry Thoene as Secretary, and Rollie Amsberry as Treasurer. Motion carried by electronic vote, all present voting yes.

Hadenfeldt motioned, seconded by Nitsch, to appoint Jim Eschliman and Rollie Amsberry as NARD Representative and Alternate, respectively. Motion carried by electronic vote. Directors voting yes: Adams, Anderson, Bartak, Bauer, Boesch, Citta, Coffey, Hadenfeldt, Kauk, Kruse, Mohrman, Nitsch, Petersen, Podolak, Smith, Thede, Thoene, and Vlach. Directors abstaining: Amsberry and Eschliman. Director absent: Lukasiewicz.

Eschliman mentioned that he would prefer his name and Amsberry's name be reversed for NARD Annual Conference and Legislative Conference functions. He said he would like to serve as Alternate in the event he gets elected Chairman of the NARD Board.

Boesch motioned, seconded by Adams, to appoint Rollie Amsberry and Jim Eschliman as NARD Annual Conference Voting Delegate and Alternate and Legislative Conference Voting Delegate and Alternate, respectively. Motion carried by electronic vote. Directors voting yes: Adams, Anderson, Bartak, Bauer, Boesch, Citta, Coffey, Eschliman, Hadenfeldt, Kauk, Kruse, Mohrman, Nitsch, Petersen, Podolak, Smith, Thede, Thoene, and Vlach. Director abstaining: Amsberry. Director absent: Lukasiewicz.

Thoene mentioned that he, also, would prefer his and Adams's name be reversed for service on the Loup Basin RC&D.

Vlach motioned, seconded by Smith, to appoint Jim Adams and Henry Thoene as Loup Basin RC&D delegate and alternate, respectively. Motion carried by electronic vote, all present voting yes.

APPROVAL OF 2020 BOARD MEETING CALENDAR, DESIGNATION OF OFFICIAL NEWSPAPERS & BANKS, SET MAXIMUM COST LIMIT PER PLATE FOR AWARDS DINNER AND MAXIMUM FOR 2020 AWARDS

The Grand Island Independent is the only District-wide daily publication that covers the NRD. It has been designated as Lower Loup's District-wide paper but the NRD has also utilized The Albion News, The Burwell Tribune, The Custer County Chief, The Columbus Telegram, The Greeley Citizen, The Nance County Journal, The Ord Quiz, The Phonograph-Herald, The Ravenna News, and The Sherman County Times for meeting announcements and legal notices.

Great Western Bank in Ord has been the main repository for the Lower Loup NRD's funds, but First National Bank in Ord serves as the secondary repository. The following banks are additional repositories for Lower Loup NRD funds – Cornerstone Bank, North Loup, NE; Pathway Bank, Ord, NE; BankFirst, Ord, NE; Ericson State Bank, Ericson, NE; Citizens Bank & Trust Company, Loup City, NE; State Bank of Scotia, Scotia, NE; Citizens State Bank, Spalding, NE; and Heartland Bank, Ord, NE.

The not-to-exceed price for meals and gifts at the Annual Awards Dinner is presently \$50 per plate maximum for the meal and \$125 maximum for awards.

Anderson motioned, seconded by Mohrman, to approve the 2020 Board meeting calendar, newspapers, banks, and maximums for 2020 Awards Dinner. Motion carried by electronic vote, all present voting yes.

ANNOUNCEMENTS / FUTURE MEETING TOPICS

Podolak asked that meeting invitations be sent out for all committee and Board meetings, go-to meetings, etc.

Callan stated that a Board Retreat was being planned for February and that people would be invited to discuss nitrates and other important issues. Citta stated he would like to have a refresher of the priorities previously set by the Board.

Eschliman motioned, seconded by Adams, to enter Executive Session at 5:50 p.m. to discuss contractual legal and confidential matters. Motion carried by voice vote, all present voting yes.

Boesch motioned, seconded by Adams, to exit Executive Session at 6:10 p.m. with no action taken. Motion carried by voice vote, all present voting yes.

ADJOURNMENT

With no further business before the Board, Citta declared the meeting adjourned at 6:11 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 January 23, 2020, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Henry J. Thoene
Secretary