

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

February 26, 2009

Ord, Nebraska

The February 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 February 26, 2009. Chairman Kruse called the meeting to order at 5:05 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Allen G. Conner
Craig E. Frenzen
Michael P. Gutzmer
Gary A. Kruse, Chairman
James C. Nelson
Dean J. Rasmussen
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Joseph L. Citta, Jr, Vice Chairman
James J. Eschliman
Virgil W. Gellermann
N. Richard Hadenfeldt
James F. Lightner
Alan D. Petersen
Gerald P. Smith

Directors absent

Lyle D. Rasmussen
Bradley R. Staab

Darwin R. Sieh

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Rita A. Goldfish, Administrative Assistant
Larry D. Schultz, I&E Coordinator

Russell Callan, Assistant Manager
Robert T. Mohler, District Engineer
Richard L. Woollen, NC Dist. Forester

Guests in attendance

Tim Schaaf, DC, NRCS

Kim Walden, 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 notice was properly published in all newspapers and told the Board that Item 11d – *Offer on Burwell Property* had been added to the agenda . The meeting notice was posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations.

Gutzmer motioned, seconded by Anderson, 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 January 22, 2009, Board meeting minutes. No corrections being heard, Kruse ruled that the January 22, 2009, minutes would stand approved as circulated.

TREASURER’S REPORT

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

Citta motioned, seconded by Hadenfeldt, to approve the February 2009, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Citta introduced Kim Walden of Columbus and said that Walden was interested in the open Subdistrict #9 seat on the NRD Board. Walden told the Board that he was the Corporate Security Manager for NPPD and a former member of the U.S. Navy and Commander in the U.S. Navy Reserve. Koehlmoos thanked Walden for his interest and asked that he notify the NRD by letter if he wished to be considered for the vacant seat.

FORESTER’S REPORT

North Central District Forester Rich Woollen directed the Board to his written report in the supplemental agenda and passed out information on the history of conservation tree sales in Nebraska and a survey of tree sales done in 2008. He said that Lower Loup was third in tree sales among NRDs.

Woollen said he attended a meeting that provided some information on funding for forestry programs that was included in the current version of the federal farm bill. He said the funding would likely be available through EQIP. He said the new Conservation Stewardship

Program could include forestry incentives as well. Additional funding could be available through alternative energy programs like the Biomass Crop Assistance Program (BCAP) that includes incentives for creating production areas for biomass crops. He said the U.S. Forest Service has a Community Wood Energy program for additional incentives for equipment for public facilities.

Woollen said that the Nebraska Forest Service Wood Waste Supply and Utilization Study had been completed with the assistance of a consultant from Montana. He said the inventory showed a supply of 270,000 tons around the state. He said that supply was mapped according to region so that feasibility studies could be done for potential projects.

Thoene asked about the status of Emerald Ash Borer in Nebraska and Woollen said it had not yet reached the state. He said crews had inventoried ash trees in the state last summer and he expected that another survey would be done in the coming year. He said if the borer does reach Nebraska, plans are being made to utilize infested trees for biomass projects. Koehlmoos asked what containment efforts are being made and Woollen said that control efforts are being attempted, but they are expensive and relatively ineffective. Thoene said he had noticed some browning in pine trees and Woollen said there had been instances of various diseases.

NRCS REPORT

Tim Schaaf, District Conservationist in the Lower Loup NRD, provided the Board with a power point presentation on the 2009 Farm Bill. He presented the Board with a handout containing Farm Bill highlights. He said that the RC&D program could face elimination and is not funded in the budget.

Schaaf reported that NRCS recruitment of minority employees is focusing on seeking out minority students from the District to improve employee retention. He said it meets NRCS equal opportunity goals and helps with retention of young people in rural areas.

Conner asked about carbon sequestration credit funding outside the EQIP program and Schaaf said a program would require a rangeland inventory and he suggested contacting Nebraska's Farmers Union. He said former TSP Paul Schroeder had some experience with such a program. Schaaf said he would do more research on the issue. Woollen said there was a new federal office of environmental services to research markets for carbon credits and other environmental projects.

ENGINEERING REPORTS

Big Slough Replacement Chute

District Engineer Robert Mohler told the Board that he had met with two local contractors at the site to review the project. He said that he had received bids from Reynolds Construction of Boelus for \$41,950 and the bid from Lammers Land Leveling of Pleasanton for \$89,160. Mohler said his recommendation was to pursue negotiations with Reynolds Construction on the project. There were questions from Directors regarding the bids and the bid

process. Koehlmoos said he wasn't sure that the Board could pursue the project without an official bid process and suggested that legal parameters be researched before pursuing the project. He suggested that the project be brought back to the Board in March.

FEMA Hazard Mitigation Plan

Mohler told the Board that the first round of meetings with community representatives had been held in February. Response from potential participants was good. He said 9 of the 11 counties, 2 county fire departments and 2 county school districts were represented. He said there were also representatives from 36 towns, 23 community fire departments, and 9 village school districts. Mohler said that the communities and other entities that didn't respond would now be contacted regarding their potential participation. He said that the deadline for the participants to have their information returned was March 27th. Koehlmoos referred the Board to the payment request from Kirkham Michael included in the Treasurer's Report.

Brandenburgh Lake Association

Mohler told the Board that he had prepared estimates regarding the cost estimates to pump wastewater to Bellwood, about \$600,000; and for treating wastewater on-site, about \$500,000. He said he provided the Association with potential grant sources. He planned to meet with the Association on March 7th to discuss the options.

Gutzmer asked why residents believed the lake water had degraded and Mohler said the lake suffered from algae blooms. Gutzmer said potential treatment would hinge on what type of algae was in the lake. Gutzmer suggested dredging the lake as an option. Mohler said he had provided options for the Association regarding testing of the lake water and algae. Koehlmoos said it appeared that the NRD was being placed between the cabin owners and the lake owners. Koehlmoos said he felt the NRD owed it to the cabin owners to at least answer their questions. Lightner asked if any homeowners had failed to implement a septic system and were pumping their sewage into the lake and Mohler said he intended to ask that question. He said that a DEQ representative had told him people can get pretty creative in building low-cost septic systems, like stacks of tires, plywood boxes, and old cars.

Davis Creek Recreation Area A.D.A. Compliance

Mohler told the Board that the NRD had been contacted by the Bureau of Reclamation regarding improvements needed at the Davis Creek Recreation Area to meet the Americans with Disabilities Act (A.D.A.). He referred the Board to a cost estimate sheet included in the supplemental agenda. He said the improvements would include paved walkways, handicapped operable pump jacks, and paved picnic table and grill areas. Estimates reveal that 56% of the cost was materials and 44% was labor. Koehlmoos said that given the number of ongoing projects, the timing of the required improvements was bad, but it was an opportunity to make improvements at the recreation area.

Frenzen motioned, seconded by Citta, to authorize NRD management to negotiate a contract for ADA compliance at Davis Creek Recreation Area with the Bureau of Reclamation. Motion carried by roll call vote, all present voting yes.

Lightner asked if the popularity of the recreation area was growing and Koehlmoos said the area was no longer a secret, as word of mouth on the area was quite positive. He said people are recognizing it as a family-friendly area. He said that more log chain had been taken from the handicapped fishing pier.

Lightner asked why Lake Ericson had been drained and Callan said it was discovered the Lake was drained, but was not aware of the reason.

INFORMATION AND EDUCATION REPORT

Central Region (East) Envirothon

Information & Education Coordinator Larry Schultz told the Board that the Central Region Envirothon in Columbus would be held the following Tuesday. He said the contest was part of the District V and VI Ag Ed contest. He provided the Board with some sample questions that were part of the contest. He said the top teams will compete at the Nebraska Envirothon at Ponca State Park in May.

Spalding Well Decommissioning Presentation

Schultz told the Board that students from Spalding Academy and Spalding Public Schools would be participating in a well decommissioning in Spalding on March 9th. The presentation had been organized by NRD Technician Dan Ray. Schultz said the students would build a model of a decommissioned well and then watch as an actual observation well near Spalding was decommissioned.

Schultz said that new Director ID cards were ready for the recently elected or re-elected Board members.

ASSISTANT MANAGER'S REPORT

Water Resources Committee

Assistant Manager Russ Callan told the Board that the Water Resources Committee met earlier in the day and referred the Board to the minutes included in the supplemental agenda. He said that Harris had presented maps showing the certification of irrigated acres in the NRD. He said maps showing the certified acres were on display and were overlaid on aerial photos to determine where irrigated acres might be uncertified.

Callan said that the committee discussed the potential actions needed regarding municipal and industrial wells should the fully appropriated designation be made final. He said the ELM grant proposal was discussed and it would be submitted the following day. Callan said the grant

would total \$1.3 million with the local match coming from the participating NRDs. USGS would supply about \$237 thousand toward the next phase of the project. Hadenfeldt said that the fund had received numerous requests for funding.

Callan said the Committee discussed the placement of evapotranspiration gauges around the District. He said he had put together a package of equipment and labor costs that totaled just over \$10 thousand. The Committee approved a motion to recommend approval of the project to the NRD Board.

Gellermann motioned, seconded by Thoene, to approve the Water Resources Committee recommendation to proceed with the Evapotranspiration Project. Motion carried by roll call vote, all present voting yes.

Callan said that 12 moisture sensors and recorders had been purchased and would be utilized with the Area 28 demonstration sites and in other locations around the NRD.

Groundwater Management Area Activities

Area 28 Reports

Callan said that the District had moved the deadline for Area 28 Reports to January 31st and only received around half of the reports by the new deadline. He said that there were still about six producers who still hadn't responded. Those parties would receive notification that they were out of compliance and cease and desist orders could eventually go out.

DNR's Preliminary Determination of Fully Appropriated

Callan said that the public hearing in Ord had to be postponed due to winter weather and would now be held March 11th. Callan said that he and Thoene attended the hearing held in Norfolk and 24 people testified against the determination. He said that around 350 people attended the hearing. Koehlmoos said he attended the hearing in Lincoln where twelve people testified against the determination and only one person testified in favor of the determination, a representative from the U.S. Fish and Wildlife Service. Callan said the final hearing would be in Fremont on March 12th. Thoene said he was interested in suggestions to build water storage dams in Nebraska from those testifying in Norfolk. Koehlmoos said that an economist hired by the pivot industry testified regarding the economic impact the determination would have.

Callan told the Board that the decommissioning demonstration in Spalding on March 9th would start at 10 a.m. and he invited Board members in the area to attend.

MANAGER'S REPORT

Lower Platte River Coalition Agreements

Koehlmoos told the Board that the contracts for the agreement have been signed. He said the study was capped at \$40,000 and would be paid on an expense basis with legal costs capped

at \$40,000. He said that the cost to the Lower Loup NRD would be approximately \$10,000 to \$12,000. Callan has been working on compiling data needed for the Coalition's work.

Building Progress Report

Koehlmoos reported that framing of interior walls had begun. He said that Schultz had been compiling the audio/visual component requirements for the new Board room and the small conference room. He said four vendors had been contacted. Late bid information was being compiled by Schultz, so the item was tabled until later in the meeting.

New Hires

Koehlmoos said that Aaron Romesser had been hired as the Range TSP for the Burwell Field Office and would begin work on March 23rd. He said interviews were scheduled for the coming week for the Water Programs Coordinator and ads were also running for the ELM Modeling Coordinator. He said that he and Schaaf had been discussing the conservation technician position for the Broken Bow office.

NARD REPORT

Director's Report

Rasmussen reported that NARD met following the Legislative Conference in Lincoln. They discussed the budget and were offering NARD staff a four percent increase in salary. He said the budget work would wrap up in March and be up for approval in June. Also discussed were the Governor's remarks at the opening session and the pricing for the Senators' Reception. Koehlmoos said that it appeared most of the bills were approved as recommended by the NRD Managers and the NARD Legislative Committee.

Washington D.C. Conference

Koehlmoos said that four directors were registered for the DC Conference and there could be an issue with getting back to Ord in time for the NRD Board meeting. He said the return flight from DC arrived in Omaha around 1:00 or 1:30 pm, which would be a tight connection for the meeting at 5:00 p.m. The Board consensus was to start the meeting at its regular 5:00 p.m. start time.

MANAGER'S REPORT (Continued)

Building Progress Report (Continued)

Koehlmoos referred the Board to the audio/visual bid sheet and discussed the individual bids. He said the bidders agreed that some equipment could be purchased in a second phase. Schultz outlined the various components on the bid sheets for the Board. Koehlmoos said the number of visits bid for design, construction, and installation was an important consideration.

Kruse asked for a recommendation and Koehlmoos said he felt comfortable in recommending the low bid from Midwest Sound & Lighting in Lincoln.

Rasmussen motioned, seconded by Anderson, to approve the bid of Midwest Sound & Lighting for the audio visual equipment and installation for the Board room and small Conference room at the NRD Headquarters in Ord, not to exceed \$55,951 for the Board room and \$21,084 for the small conference room. Motion carried by roll call vote, all present voting yes.

Koehlmoos reported that one of the contractors had some tools stolen from the job site and that one of the construction workers fell from a ladder, injuring his back.

NRC REPORT

Commissioner's Report

Hadenfeldt said the Commission met in Lincoln following the Legislative Conference. He passed to the Board an organizational chart for the Department of Natural Resources and a copy of the NRC's Commission Briefs report for January 28th.

RC&D REPORTS

Loup Basin RC&D

Rasmussen said the RC&D had met earlier in the week in Broken Bow. He reported the Loup Basin Technology Center was picking up some business and that plans are already in the works for the Junk Jaunt. Koehlmoos said that he was working on a training session for the Access computer program that would be held in the Tech Center.

PrairieLand RC&D

Lightner said the RC&D had a water quality presentation from the students involved in the Shell Creek project at Central Community College-Platte Campus in Columbus. The group also got a report on the manure discharge problem in Shell Creek. A large number of Lower Loup Directors were at the water quality presentation. He referred the Board to a report from Al Mittan included in the agenda. He said Boone Central and Cedar Rapids students will be getting involved in water quality work. A statewide organic transition project was held and the meeting was well attended with a number of organic gardening experts in attendance.

Kruse complimented the students' presentations on the Shell Creek water quality project and thanked the large number of Lower Loup NRD Directors who attended.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:15 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, March 26, 2009, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary