

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

January 28, 2010

Ord, Nebraska

The January 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 January 28, 2010. Chairman Kruse called the meeting to order at 5:08 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Allen G. Conner
Virgil W. Gellermann
Gary A. Kruse, Chairman
Alan D. Petersen
Lyle D. Rasmussen
Bradley R. Staab

Rollie D. Amsberry, Treasurer
Joseph L. Citta, Jr., Vice Chairman
Craig E. Frenzen
N. Richard Hadenfeldt
James F. Lightner
Dean J. Rasmussen
Darwin R. Sieh
Henry J. Thoene

Directors absent

James J. Eschliman
James C. Nelson
Kim C. Walden

Michael P. Gutzmer
Gerald P. Smith

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell Harris, Water Resources Specialist
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
Ed Drozd, Technician, Columbus

Russell Callan, Assistant Manager
Rita Goldfish, Administrative Assistant
Tylr Naprstek, Water Modeling Coordinator
Richard Woollen, NC District Forester

Guests in attendance

Scott Montgomery, NRCS, Burwell
Clifford Hanna, Milburn
Rich Walters, Kearney
Dick Kincaid, Kearney
Christopher Downey, Lexington

Bryan Roberts, Sargent
Erv Dzingle, Loup City
Rob Schultz, Grand Island
Larry Gibbens, Broken Bow

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. The meeting notices were posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations.

Koehlmoos said that a modification to the agenda was posted over 24 hours prior to the meeting. The addition, “Platte Valley Weed Management Area,” was included as item number six on the agenda.

Hadenfeldt motioned, seconded by Staab, to approve the verification of the meeting notice, adopt the modified 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 December 17, 2009, Board meeting minutes. Hearing none, Kruse ruled that the December 17, 2009, minutes would stand approved as corrected.

TREASURER’S REPORT

Chairman Kruse directed the Board’s attention to the Treasurer’s Report as published in the regular and supplemental agendas. Thoene asked if the REA bill reflected a growth in the headquarters building and Koehlmoos said that was part of it. He said the bill covered a two-month span as the previous month’s bill had not been received prior to the December meeting. Koehlmoos said that the increase in the bill also reflected the increased transformer size and the cold temperatures in the month of December. He said that the north side of the building, in the area where the Board room had been previously located, would require additional insulation as the area was proving difficult to heat.

D. Rasmussen motioned, seconded by Anderson, to approve the January, 2010, Treasurer’s Report and pay all the bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Clifford Hanna, president of the Sargent Irrigation District, told the Board that he was interested in the work of the NRD regarding water management. He said that when it was time

for work on an integrated water management plan, he hoped that his irrigation district could be involved in the plan's development.

PLATTE VALLEY WEED MANAGEMENT AREA

Dick Kincaid of the Platte Valley Weed Management Area (WMA) told the Board that his organization covered 11 counties with membership from 15 to 20 organizations in central Nebraska. He said the group's primary concern was invasive plant species and activities to control them. He said the group focused on phragmites, salt cedar and other noxious weeds. He said the organization has been in existence for about six years. The group was working on Phase I of control activities on the Platte River and planning river surveys to determine the extent of invasive species on tributaries of the Platte. Without documentation, the issues would not be addressed. Kincaid said that a partnership with the NRD would allow for grant applications and technical support. Resolutions had been drafted by the Sherman, Buffalo and Custer County Boards requesting Lower Loup NRD participation in programs dealing with invasive plant species. The group is seeking technical and financial participation from the NRD to begin the mapping process in the Loup River Basin. Kincaid said early detection and rapid response were keys in successfully controlling and eradicating invasive species.

Sieh asked how the invasive species were sprayed and Kincaid said that helicopter services had been contracted for spraying. The spraying is done after the surface water irrigation season was complete. Adams asked if there were native phragmites and Kincaid said that the distinction was not made because other native vegetation is crowded out and phragmites becomes dominant. The phragmites infestation slows the streamflow and can lead to flooding issues. Koehlmoos asked what species other than phragmites, purple loosestrife and leafy spurge were concerns and Kincaid said that salt cedar has been found in northern Buffalo County. The cost to control phragmites is estimated at \$200 per acre, and once phragmites is sprayed, it must be physically removed. He said that Platte Valley WMA planned to partner with the Sandhills WMA.

Kincaid introduced Rich Walters, Project Coordinator for Platte Valley WMA and West Central WMA; Larry Gibbens, Chairman of the Sandhills WMA and Custer County Weed Superintendent; Rob Schultz, President of the Nebraska Weed Control Association; and Erv Dzingle, Sherman County Weed Control Superintendent.

Gellermann asked if there was a list of partners involved in the WMA and Kincaid said that there were both federal and state partners, including NRCS, U.S. Fish & Wildlife, Nebraska Department of Agriculture, and other NRDs. Rich Walters said other partners included Nebraska Game & Parks Commission, NPPD, and Central Irrigation & Public Power District, with grants from numerous other sources.

Walters provided the Board with a power-point presentation of the Weed Management Area programs. Amsberry asked if prescribed fire was used in removing the biomass once the infestations have been sprayed and Walters said it had been, although there were some concerns with burns in the Platte Valley. Sieh asked how phragmites spread and Walters said it utilized seed and rhizomes. Sieh asked how phragmites reached the river and Kincaid said it moved via waterfowl and wildlife as well as seed carried by boats and other means. Lightner asked if the spray only killed phragmites or all vegetation and Walters said it killed all vegetation.

Conner asked how follow-up was done and Walters said airboats were used to reach the areas to examine the area. Staab asked how long the chemicals used had been tested and Kincaid said they had been tested for the past ten years and found to be safe for use in river systems. The chemicals had been tested by both independent and government agencies.

Walters said he had rough estimates on the cost for control. The use of the helicopter would run about \$900 per hour and would cost about \$5,400 to fly the South Loup River. The Nebraska Department of Agriculture has a grant program for control projects, and applications for the program would be due March 1st. Koehlmoos asked when the project could begin and Walters said it would likely be late July or early August because the helicopter will already be in the state working in the Platte Valley. Kruse asked how much funding would be required from the NRD and Walters said it would likely require \$8,000 to do the South Loup area with additional funding needed for the Middle and North Loup systems. Kincaid said once landowners realize there's a program in place, landowners begin to pay more attention to the problem and it grows from there. Koehlmoos said the matter would come before the Board for consideration at the February meeting.

FORESTER'S REPORT

North Central District Forester Rich Woollen directed the Board to his written report in the agenda. He said that the Conservation Trees for Nebraska booklet was being revised and updated by a committee of NRD, NARD, and NFS staff.

Woollen said that there were several special initiatives included as part of EQIP. He said one of the special initiatives was the Nebraska Forestry Special Initiative that would help fund various forestry practices.

Woollen said that applications for buffer strips continue to come in and all that had been received as of last month had been approved.

NRCS REPORT

Scott Montgomery, Resource Conservationist at the NRCS office in Burwell, said new District Conservationist Bryce Bauer was in the process of relocating to Ord. He said that Bauer started in the Lower Loup NRD on January 4th. He said Bauer had been located in Tyndall, SD; West Point and Syracuse, NE. Bauer is a native of Ainsworth. Montgomery reported that NRCS is working on EQIP and WRP applications. An EQIP working group meeting was set for February 2nd and there are hundreds of applications on file for the programs. He said that CSP contracts are still being written and additional applications are being approved. CSP payments range from \$6 per acre for grassland to \$30 per acre for cropland.

ENGINEERING REPORTS

FEMA Hazard Mitigation Plan

District Engineer Robert Mohler told the Board that the draft hazard mitigation plan was nearing completion and would be delivered on disc to the NRD for inclusion on the District web

site. He said that news releases and letters would be sent out directing those involved in the plan as well as the general public to the NRD web site for plan review.

Big Slough Repair

Mohler told the Board that the installation of the concrete block chute was delayed due to high groundwater levels and the contractor would wait until spring to make another attempt. He said that the contractor submitted a partial payment request that was included in the supplemental agenda. The contractor was requesting more than the contract amount and had submitted a letter of explanation which was also included in the supplemental agenda. Mohler stated that the line item for the steel sheet piling was \$32,125 and the contractor now sought \$35,118. The contractor said the county did not get the dirt work completed on time and steel prices increased while he waited. Koehlmoos said that the Board would need to determine whether to approve the amount bid or the higher price for steel. He said that staff could reluctantly recommend paying the higher amount for increased steel prices.

Citta motioned, seconded by Adams, to pay Reynolds Construction \$35,118 for the work completed on the Big Slough Repair. Motion carried by roll call vote, all present voting yes.

Loup River Levee Recertification

Mohler told the Board that the U.S. Army Corps of Engineers held a scoping meeting on January 20th to determine issues involved in preparing an environmental assessment for the "408" permitting process. He said that Columbus City Administrator Joe Mangiamelli was writing a letter for the mayor to submit to Congressman Adrian Smith asking him to intervene in a conflict between the Corps of Engineers and FEMA regarding the required time for work to be done for recertifying the levee.

INFORMATION AND EDUCATION REPORT

ACE Camp

Information/Education Coordinator Larry Schultz told the Board that the Adventure Camp about the Environment or ACE Camp was targeted to 6th, 7th, and 8th graders. He presented the Board with camp brochures. Camp activities would cover soils, water, range, aquatics, forestry, and wildlife. He said that the camp would cost \$175 and would be held in June.

Koehlmoos asked how much had been budgeted for scholarships and Schultz said that he planned to utilize funds budgeted for the defunct Sandhills Academy camp and would offer ten \$100 scholarships. Koehlmoos asked if the funds would be divided equally if more than ten requests were received and Schultz said that it would. Schultz said the committee hoped to attract 50 to 100 students to the camp.

Quarterly I&E Staff Meeting

Schultz said the I&E staff met at the NARD Legislative Conference in Lincoln. Staff received presentations from the UNL Water Center and the Groundwater Foundation. Another public relations meeting for Managers, Directors and I&E Staff was being planned by NARD for late spring.

Schultz told the Board that the District provided funding for lunches for those who attended a no-till seminar held at Ag Park in Columbus on January 22nd. The no-till seminar was spearheaded by the Upper Big Blue NRD. Koehlmoos said that a no-till seminar would be held in Ord and Schultz added that it would be held at the Veterans Club on March 17th.

Schultz informed the Board that Chairman Kruse was to be honored by the Platte County Agricultural Society for his contributions.

ASSISTANT MANAGER'S REPORT

Variance Committee

Assistant Manager Russell Callan told the Board that the Variance Committee met earlier in the day and that the minutes were included in the supplemental agenda. He said each of the requests was heard for the first time and therefore there were no recommendations.

Groundwater Management Area Activities

LLNRD Water Resources Committee Recommendations

Callan said the committee had not met.

Irrigated Acres Certification Progress

Callan told the Board that letters were still being sent out periodically. He said follow-ups continue on certifications. Citta asked if letters were doing the job or if more aggressive action would have to be taken and Callan said that such action would likely be necessary eventually. He said field staff had been directed to make contact with the landowners in question when possible. Callan said that the NRD's process for cease and desist orders has been reviewed by the District's attorney.

Area 28 Activities

Callan referred the Board to the radio materials included in the agenda regarding the meeting in Monroe for producers in Area 28. He said that he had hoped for a larger turnout, but was glad for the opportunity to meet with those who attended.

ELM Update

Callan said that work is being completed on Phase II of the model and preparations have been made for Phase III. Callan said that DNR had requested the scope of the ELM Project be

adjusted to suit that agency's needs. He said he was told that if the adjustments were made, then funding would be granted. He said that the contract for Phase III work on the model was received in December and the work was supposed to have started in July. He said he asked USGS if the work could be completed in six months and they replied it could be completed by October. Koehlmoos said it appeared the situation arose more from a personality conflict than other factors. One discrepancy was on stream inclusion and the CFS factor that would add a stream to the model. Koehlmoos said renegotiating with DNR and using a private consultant would cost the NRD more, but would maintain the relationship. He said that the project could remain with USGS, but might mean more costs in litigation to challenge a declaration that the basin was fully appropriated. Callan said that the ELM Study had a \$1.3 million budget for the three-year period. He said that, over three years, USGS put in \$237,000; the ELM Group put in \$218,000; and the program grant funding amounted to \$874,000. Without concessions, it is likely DNR would not recommend the project for grant funding. Koehlmoos said the NRD would have to lobby the NRC Program Committee to override a negative recommendation from DNR staff. Hadenfeldt said that the state's budget situation could come to bear on the project funding as well.

Frenzen motioned, seconded by Thoene, to maintain USGS as the project sponsor for the ELM Project work and seek an extension for the grant date with the NRC Program Committee. Motion carried by roll call vote, all present voting yes.

Clifford Hanna said that he hoped irrigation districts would be included in discussions on the future of water management in the basin.

MANAGER'S REPORT

Building Progress Report

Koehlmoos told the Board that the new board room furniture had been received. He said that the final payment would be made when the last building details had been resolved.

Spalding Property

Koehlmoos said that he had talked with a party in Spalding who was interested in building to meet the District's needs. He said that a proposal was likely in February. He said NRCS was interested in the NRD's plans. Office space in Burwell could also be considered, but he indicated he wished to handle the Spalding situation first. Eschliman and Smith were involved in the process.

New Hires

Koehlmoos told the Board that there were no new hires.

NARD REPORT

Director's Report

D. Rasmussen reported that the NARD Legislative Conference was well attended and he was pleased with the participation from the Lower Loup NRD. He said the sessions he attended were very good. The NARD Board worked on the Association budget in an early morning session. He said the Association finances are in good shape and the insurance program is doing well. Koehlmoos said that another \$600,000 was added to the risk pool. The Association elected a new secretary.

Edson's Report

Koehlmoos said that there was no report from Edson.

NARD Tree Agreement

Koehlmoos said that the tree agreement with NARD had expired in 2009. He said a new agreement had been sent for consideration, but he had some questions regarding the agreement. Because of the concern, the Managers Program Committee would review the agreement and make a recommendation. Koehlmoos stated that Bessey Nursery doesn't require an agreement to continue the program. He said he recommended postponing signing the agreement until after the committee had reviewed it and made a recommendation.

Washington, DC Conference

Koehlmoos said that Board members would need to commit to attending at the meeting as seats on available flights were becoming scarce. Directors Hadenfeldt and Eschliman were attending as were he, Callan, and Schultz.

NRC REPORT

Commissioner's Report

Hadenfeldt told the Board that the Commission had met the previous day and had held committee meetings Tuesday. He said the NRC administers programs for small watershed flood control, soil and water conservation fund, water well decommissioning fund, resource development fund, water quality fund and interrelated water management program. He said each fund had a five percent cut after the Legislature's special session. He said the interrelated water management program has been cut from \$2.4 million to \$2.2 million and the resources development fund dropped from \$3.4 million to \$3.2 million. The fund money is usually distributed as grants and only \$221 is left to allocate. He said it costs \$6,400 to hold an NRC meeting and Commission members voted to drop one of their meetings. Hadenfeldt reported that Keith Rexroth was elected as the new chairman and Dan Watermeier the new vice-chairman.

RC&D REPORTS

Loup Basin RC&D

D. Rasmussen said the RC&D met Tuesday and since he was at the Legislative Conference, he was unable to attend.

PrairieLand RC&D

Lightner said the RC&D met on January 21st. The RC&D continues to be targeted when budget issues arise in Washington. He said that the PrairieLand RC&D generates \$15 for each \$1 spent. The program is especially strong in Nebraska. The group discussed its annual plan of work, the Nebraska Continuous No-Till Program, and the Shell Creek Watershed Improvement Project. He said that Jim Knopik of Belgrade gave a presentation on the North Star organic food distribution program.

COMMITTEE APPOINTMENTS

Kruse said he had made appointments to the Water Resources Committee based on geographic location and expressed interest. Appointed were Jim Eschliman, Rollie Amsberry, Dick Hadenfeldt, Jim Adams, Hank Thoene, Darwin Sieh, Virgil Gellermann, Joe Citta, Jim Nelson and Craig Frenzen.

Kruse said the appointments to the Variance Committee were Rollie Amsberry, Hank Thoene, Virgil Gellermann, Joe Citta, and Jim Nelson. Alternates will be Jim Adams, Jim Eschliman, and Darwin Sieh. He said each appointee will receive an agenda and alternates may attend even if not voting. Callan said he would like to have the Water Resources Committee meet on days other than Board meeting dates because the agendas can be lengthy.

ANNOUNCEMENTS

Koehlmoos told the Board he had added the Announcements to the agenda as a permanent, non-action item for announcements from staff and directors.

Adams said he attended a session at the Legislative Conference called “NRDs – So What.” He said that it encouraged NRD staff and directors to be visible proponents of the Districts.

Kruse reminded the Directors that each had received their NRD shirt at the meeting. Schultz asked each to check that size and style were correct and report any issues to him.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:28 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, February 25, 2010, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary