

# LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

January 23, 2014

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 23, 2014. Chairman Kruse called the meeting to order at 5:01 p.m.

## CALL TO ORDER

### Directors in attendance

James C. Adams  
Darwin B. Anderson, Secretary  
James J. Eschliman  
N. Richard Hadenfeldt  
Thomas Knutson  
Clifford P. Loseke  
Alan D. Petersen  
Darwin R. Sieh  
Henry J. Thoene

Rollie D. Amsberry, Treasurer  
Timothy E. Bartak  
Virgil W. Gellermann  
Randy Kauk  
Gary A. Kruse, Chairman  
Matt Lukasiewicz  
Dean J. Rasmussen  
Gerald P. Smith  
Kim C. Walden

### Directors absent

Joseph L. Citta, Jr., Vice Chairman  
James C. Nelson

Michael P. Gutzmer

### Staff in attendance

Leon "Butch" Koehlmoos, General Manager  
Dell R. Harris, Water Resources Specialist  
Irene F. Kreifels, Financial Secretary  
Jason W. Moudry, Water Programs Specialist  
Larry D. Schultz, I&E Coordinator  
Jane Klanecky, Receptionist  
LeeAnn Smith, Water Programs Ass't.

Russell G. Callan, Assistant Manager  
Rita A. Goldfish, Administrative Assistant  
Richard L. Woollen, District Forester  
Cheryl K. Hornickel, Programs Assistant  
Tylr D. Naprstek, Water Modeling Coordinator  
Anne Freeman, Program Secretary

### Guests in attendance

Bryce Bauer, DC, NRCS, Ord  
John Coffey, Columbus  
Mark Maass, Columbus  
Jeff Lehr, Duncan

Duane Dilsaver, Taylor  
Brent Nyffeler, Columbus  
Dustin Schaefer, Duncan  
Travis Stempek, Duncan

## 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 notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations. Koehlmoos said that there was a modification to the agenda in that additional ‘action’ items were added.

**Smith motioned, seconded by Knutson, 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 19, 2013, Board meeting minutes. Hearing none, Chairman Kruse ruled that the December 19, 2013, Board meeting minutes would 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 highlighted expenditures to the Nebraska Forest Service (\$17,668.44) for half-year share of forester’s salary; Ward Labs (\$3,973.44) for water and soil samples for WHP project; JEO Consulting Group (\$19,087.50) for sediment sampling at Pibel Lake; and USGS (\$7,932.00) for the ELM Study.

**Rasmussen motioned, seconded by Eschliman, to approve the January, 2014, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.**

## PUBLIC COMMENTS

Duane Dilsaver of Taylor addressed the Board in support of flowmeters and the well moratorium on new irrigation wells. He said he felt there were enough wells, and everything that should be farmed is being farmed and a whole lot more should not be farmed. He said water use needs to be limited because the state is eventually going to run out of water.

Dustin Schaefer of Duncan expressed concern about the rule change to implement flowmeters on wells in Area 28. He said it would be expensive to put flowmeters on every well and felt the meters wouldn’t provide any more information than what the producer is already getting from other places. He said he didn’t think flowmeters would solve the nitrate problem and that collective involvement in

lowering the amount of nitrates applied was a better option. He said meters will require continual maintenance and the farmers would bear most of that cost. Schaefer said that when the NRD was considering the addition of flowmeters to their rules and regulations, farmers were in the middle of harvest and weren't able to come to the meeting and be heard.

Brent Nyffeler of Columbus said he had purchased some flowmeters through cost-share programs, as did other farmers in his area, but several never used them. He said he has purchased more flowmeters and have found them to be useful tools when filling out his annual report forms. He said meters show how much water was applied, but added that most producers farm as economically as possible and don't overwater their fields. Nyffeler said the education phase hasn't worked over the past eight years since annual reports have been required and flowmeters are not the answer. He felt that monitoring and spot-checking the amount of fertilizer that producers use would be more effective.

## FORESTER'S REPORT

District Forester Rich Woollen reported that Community Forestry Tree Care Workshops are held annually in different parts of the state and the Lower Loup NRD will be hosting one on March 19<sup>th</sup>.

Woollen said that an assistant has been hired for the forest fuels management specialist in the Niobrara Valley.

Woollen reported that 24,000 trees have been sold in the NRD which was good for this time of year. He said Bessey Nursery in Halsey reported that nearly 800,000 trees have been sold to NRDs statewide and to entities out-of-state. He said Bessey's trees look good and there is a good selection.

Koehlmoos said that he, Woollen, and Bryce Bauer worked together to evaluate cost-share rates. There was no increase in tree price and planting price in the District; but cost-share rates were increased, hoping it would stimulate tree sales. Koehlmoos said that there aren't enough trees being sold to keep Halsey in business much longer, and said that if that tree supply was lost, it would really hurt the state of Nebraska.

## NRCS REPORT

Bryce Bauer, District Conservationist, reported that the soil conservationist vacancy that was in Albion has been filled by Bailey McKay and the position moved to Broken Bow, due to workload. McKay will begin duties in June.

Bauer said that there is \$1.3M of EQIP money in Lower Loup NRD funds and \$700,000 has been allocated for range practices. He said there was a big demand for soil moisture meters and cover crops.

Koehlmoos said the NRD has a 2-year backlog on state cost-share funding for planned grazing systems and wondered if some of the EQIP range practices that had recently been approved might also be in the NRD planned grazing system backlog. Koehlmoos mentioned that Area 28 is a high priority area for cost-share assistance through EQIP. Some of the irrigation water management funds are being targeted for Area 28. Bauer said Area 28 producers would get funded for practices before producers in other areas.

## INFORMATION AND EDUCATION REPORT

### Statewide I&E Staff Quarterly Meeting

Information & Education Coordinator Larry Schultz reported that the quarterly meeting of I&E staff would be held in Lincoln prior to the Legislative Conference. The agenda for educational activities across the state will be set at this meeting.

### Senator Deb Fischer Meeting

Schultz directed the Board to Senator Fischer's note in the agenda. Senator Fischer was in the state during Thanksgiving break and requested to meet with the NRD to go over NRD programs and some of the concerns they have in Washington. Callan and Schultz visited with her about things the NRD is doing and also national concerns such as changes being considered with the COE and EPA on navigable rivers vs. waters of the United States.

Schultz gave the Board an overview of the new Lower Loup NRD website. He said there will be a training session next week dealing with adding content to the website. He said the new site should be up and running by mid-February.

## 2013 WATER QUALITY REPORT

Callan referred the Board to the draft copy of the report. He highlighted Area 12, west of Broken Bow, which is showing increasing nitrate levels. More information is being accumulated and additional wells are being monitored.

Callan said 772 sites are being monitored in Area 28, with an average nitrate level of 18.4 ppm. Callan said that reading is down 2.0 ppm from the average reading in 2012.

Callan said water samples are collected in Area 28 from irrigation wells during the crop growing season and from domestic wells near the end of the season. Other sites in the District are sampled in the fall. Koehlmoos said static water levels are taken from sites across the District both in the spring and fall.

Callan said that nitrate averages are going up across the District.

Koehlmoos said that when the sampling program was started in 1975, approximately 280 samples were taken; now, over 1,000 samples are collected. He said the nitrate problems have progressed from a point-source health issue concern to a district-wide pollution problem.

Lukasiewicz asked what parts per million number is considered 'high'. Callan answered that there are two methods of measuring – 1) EPA's drinking water standard is 10.0 ppm; and 2) NRD's rules and regulations indicate that an area with a median nitrate reading over 6.5 ppm goes in to Phase II management, and a median nitrate reading over 8.5 ppm goes in to Phase III management, with each phase being more restrictive.

Callan said that water samples are being collected in wellhead protection areas with funds from the 319 grant. He said wellhead protection areas fall in to phase management just like the areas already designated.

## ASSISTANT MANAGER'S REPORT

### Variance Committee

Assistant General Manager Russell Callan reported that James Riley had met with the Variance Committee and would like to transfer approximately 130 irrigated acres from the North Loup basin to the Oak Creek basin. When transfers are requested, stream depletion is considered. Callan said that when acres are transferred from one basin to another, there is a net decrease for the basin the acres originate from, but a 100% depletion to where the acres are moved to. He said the NRD rules don't allow for transfer acres from one basin to another basin because it affects surface water users in the other basin.

**Amsberry motioned, seconded by Thoene, to deny James Riley's variance request to transfer acres. Motion carried by roll call vote, all present voting yes.**

### Water Resources Committee

#### *Transfer Update*

Callan reported that 12 irrigated acres transfer requests have been received since the lifting of the moratorium last month. After visiting with the producers about the new criteria, some have commented that they may not go ahead and develop the land because they didn't think they could live with the conservation plan that is now required.

#### *South Loup River Study Progress*

Callan said that Naprstek gave a report to the Committee on the recharge activities and research that is going on by Arnold. He said that USGS has installed the wells and it is now an ongoing project. Callan mentioned that the Committee discussed putting some monitoring wells further down in the South Loup Valley.

#### *Voluntary Integrated Management Plan*

Callan said that an integrated management plan is required if a basin becomes fully-appropriated. Although the lower Platte River Basin is not fully-appropriated, Callan said the committee recommended looking into a voluntary plan, which would allow the Lower Loup NRD access to additional funding sources and is looked on favorably by members of the Legislature.

Callan said the plan has five requirements and would be a joint plan by the NRD and DNR that looks at groundwater/surface water interaction and the management of it.

There was discussion on groundwater restrictions, controls, and funding.

Callan said the NRD already has a lot of the information that is needed for the plan. Koehlmoos commented that the law says that if an integrated management process is started, the NRD would have three years, with the option of two more years, to complete the plan. He felt that it wouldn't take long to write up. He said there is oversight from the state which has a say in any rules and regulations that deal with integrated management plans.

Koehlmoos reminded the Board that this would be a ‘voluntary’ plan, and if the NRD gets partway through the plan and decides not to pursue it, the process can be discontinued. He said there is more leniency with a voluntary plan. Eventually, a plan will need to be written, whether it’s voluntary or required.

There was discussion on banked acres, LB-517 task force, review of the plan, whether or not a plan would be beneficial, and staff time needed to complete the plan.

**Toene motioned, seconded by Adams, that the Lower Loup NRD pursue a voluntary integrated management plan. Motion carried by roll call vote, all present voting yes.**

#### *Area 28 – Flowmeter Program*

Callan reported that the Committee discussed the flowmeter cost-share program, and it was suggested to include straightening vanes and rubber protective caps to the cost-share reimbursement at a rate of 100%, 75%, and 50% for years 1, 2, and 3, respectively.

There were meters on display brought in by Thoene. He said straightening vanes and rubber protective caps would enhance the accuracy, life, and durability of the meter.

**Toene motioned, seconded by Eschliman, that the Lower Loup NRD add straightening vanes and protective caps to the cost-share program for flowmeters in Area 28. Motion carried by roll call vote, all present voting yes.**

#### *Area 28 Report Information & Update*

Callan reported that Jeff Lehr and Dustin Schaefer attended the Committee meeting and offered comments on the flowmeter requirement.

#### *Wellhead Protection 319 Grant*

Callan said that Moudry gave a report to the Committee about vadose zone sampling and nitrate testing.

#### Area 28 Activities

Callan said that Lorenz and Horacek are working with Area 28 producers to get their annual reports finished.

#### ELM Update

Callan reported that Naprstek had put together a request for reimbursement money. He said the NRD is still waiting for the final report.

Toene commented that transfer acres account for only 2% of the total irrigated acres in the District. He said transfers allow producers more flexibility and efficiency with irrigation.

There was more discussion on cost-share for flowmeters and specifications for installation. Koehlmoos said that, for a flowmeter to be eligible for cost-share, an application has to be filled out and approved before installing the flowmeter, and the installation has to follow manufacturer's specifications.

## PROGRAMS/PROJECTS COMMITTEE REPORT

### LLNRD's Recreation Area Rules & Regulations

Koehlmoos said that it was the Committee's recommendation to approve the revised rules and regulations, but asked if the item could be tabled. He said staff started going through the statutes and found that more work needed to be done with revisions to water. He said additional information would need to be brought before the Committee.

### Interlocal Agreement between LLNRD & UBBNRD on Engineering Services

**Eschliman motioned, seconded by Loseke, to enter into an interlocal agreement with the Upper Big Blue NRD for engineering services.**

Koehlmoos reported that there was a possibility that a request for a large water user environmental statement would be received which would require an engineer's assistance. With Mohler's retirement, the NRD is short on engineering services. Koehlmoos said that the interlocal agreement had been reviewed by the Committee and was for a specific engineering request for the review of a large water user. Koehlmoos said the assistance may be expanded at a later date. He said Jay Bitner of Upper Big Blue NRD had called and said their NRD is agreeable to the terms of the interlocal agreement.

Smith asked if the engineer would be paid by the hour. Koehlmoos answered that the engineer would be paid per hour, plus expenses.

**Motion carried by roll call vote, all present voting yes.**

### Eligible NSWCP Cost-Share Practice List

Koehlmoos said the Committee reviewed the list of eligible conservation practices under NSWCP. He said there are 20 eligible practices, but the Board has not adopted all practices and/or components. The Committee did not make any recommendations for modification of the NSWCP cost-share program.

### Project Participation Inquiries

Koehlmoos said there were some entities that had contacted the NRD for funding and participation in projects.

### Other

Eschliman reported that Naprstek reviewed the bathymetric work completed at Pibel Lake Recreation Area. He said surveys had been sent to landowners in the Clear Creek/Pibel Lake watershed.

## MANAGER'S REPORT

### Interlocal Agreement with Upper Big Blue NRD

The item had already been covered.

### New Hires

Koehlmoos said that there are several odds 'n' ends jobs that need to be done around the headquarters building, the farm, and the recreation areas. He is seeking approval to advertise for a shop/maintenance person.

**Smith motioned, seconded by Sieh, to advertise for a shop/maintenance person. Motion carried by roll call vote, all present voting yes.**

## NARD REPORT

### Director's Report

Rasmussen said that the NARD Board will meet at the Legislative Conference next week. He said there were some bills in the supplemental agenda.

### NARD Washington, DC Conference

Due to increasing airline costs, Koehlmoos asked the directors to let Schultz know if they would be attending the conference in March.

## NRC REPORT

### Commissioner's Report

Hadenfeldt reported that the Natural Resources Commission would meet next week in Lincoln at the Legislative Conference.

### Report on the Water Sustainability and Funding Task Force (LB-517)

No report.

## RC&D REPORTS

### Loup Basin RC&D

Rasmussen told the Board that Loup Basin RC&D met in Ord at the fire hall. He said that there were two speakers from Economic Development. He said that the RC&D is going to have a tire collection in Elba in June.

PrairieLand RC&D

Gellermann reported that there had been no meeting. He said the NRD should be getting an application for a tire collection soon.

COMMITTEE APPOINTMENTS

Chairman Kruse said that there will be no changes to the committees for 2014. The chairmen of the committees will remain as follows: Programs/Projects – Jim Eschliman; Water Resources – Hank Thoene; Variance – Rollie Amsberry. The Executive Committee will consist of the four Board of Directors officers and the committee chairmen.

**Adams motioned, seconded by Smith, to approve the 2014 committee appointments. Motion carried by roll call vote, all present voting yes.**

Koehlmoos directed the Board's attention to the subdistrict representation maps that Naprstek had drawn up. He said that Naprstek and Schultz are taking care of the election information. He said that a framed map of the NRD's subdistricts will be displayed in the Board room.

Koehlmoos went over the schedule for the Legislative Conference next week.

ANNOUNCEMENTS

Koehlmoos said that a pre-trial hearing on the Prokop case had been set for January 3<sup>rd</sup> and there was representation from the NRD, but Prokop didn't show up. Prokop was unable to attend because of medical reasons. Prokop would let staff know when he would be able to meet with the NRD.

Chairman Kruse reminded Board members that February 18<sup>th</sup> is the deadline for incumbent election filing.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:14 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, February 27, 2014, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

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Darwin B. Anderson  
Secretary