

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

August 28, 2014

Ord, Nebraska

The August 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 August 28, 2014. Chairman Kruse called the meeting to order at 5:00 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Joseph L. Citta, Jr., Vice Chairman
Virgil W. Gellermann
Randy Kauk
Gary A. Kruse, Chairman
Matt Lukasiewicz
Alan D. Petersen
Darwin R. Sieh
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
James J. Eschliman
N. Richard Hadenfeldt
Thomas Knutson
Clifford P. Loseke
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Kim C. Walden

Directors absent

Michael P. Gutzmer

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Irene F. Kreifels, Financial Secretary
Larry D. Schultz, I&E Coordinator
Anne Freeman, Water Programs Secretary
Dell Harris, Water Resources Specialist

Russell G. Callan, Assistant General Manager
Rita A. Goldfish, Administrative Assistant
Tylr D. Naprstek, Water Modeling Coordinator
Richard L. Woollen, District Forester
Jason Moudry, Water Programs Specialist

Guests in attendance

Bryce Bauer, LDC, NRCS, Ord
John Coffey, Columbus

Eugene Bredthauer, Ord
Mike Placke, Olsson Associates

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 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. Koehlmoos said there were no modifications to the agenda.

Smith motioned, seconded by Knutson, 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 July 24, 2014, Board meeting minutes. None being heard, Chairman Kruse ruled the July 24, 2014, minutes 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 reported that most of the lighting had been installed at Davis Creek and a few camper pads had been poured. He said that work has been done on observation wells in Boone County. He said the Lower Loup NRD received an additional \$5,000 from the DEQ grant because everything was timely and in order.

Kruse said that the cost-share payment to Marylin Amsberry would be considered in a separate motion.

Rasmussen motioned, seconded by Eschliman, to approve the August, 2014, Treasurer’s Report and pay all bills, excluding the cost-share payment to Marylin Amsberry. Motion carried by roll call vote, all present voting yes.

Eschliman motioned, seconded by Petersen, to approve the cost-share payment to Marylin Amsberry. Motion carried by roll call vote. Directors voting yes: Adams, Anderson, Bartak, Citta, Eschliman, Gellermann, Hadenfeldt, Kauk, Knutson, Kruse, Loseke, Lukasiewicz, Nelson, Petersen, Rasmussen, Sieh, Smith, Thoene, and Walden. Director abstaining: Amsberry. Director absent: Gutzmer.

PUBLIC COMMENTS

John Coffey from Columbus expressed concern about using three-year water pumping averages to figure nitrogen usage for crops. He thought there would be yield losses if farmers depended too much on nitrogen from the water. He said nitrogen distribution is better under a pivot than with gravity irrigation.

NRCS REPORT

District Conservationist Bryce Bauer reported that, in 2004, NRCS took over the EQIP program from FSA, which had resulted in much more paperwork. He said that 20 specialists from across the state would be hired to help ease the paperwork burden.

Bauer said that NRCS has three 4-wheelers for sale.

Bauer reported that a new cover crop initiative had been started statewide to address some of the hailed areas. He said there was a lot of interest.

Bauer said he was hopeful that NRCS positions in Albion and Broken Bow would be advertised.

INFORMATION AND EDUCATION REPORT

Husker Harvest Days

Information & Education Coordinator Larry Schultz reported that Husker Harvest Days would be held September 9-11 in Grand Island. Directors Anderson, Gellermann and Loseke volunteered to help pass out tree seedlings.

Land Judging

Schultz reported that the North Central Land Judging Contest would be held in the Spalding area October 8th. He said it is one of the biggest land judging contests in the state, expecting between 250-300 participants.

Schultz also reported that the NARD Annual Conference is in September and he will need to get registrations sent in soon.

PUBLIC HEARING ON LLNRD FY 2015 BUDGET

Action to Adopt the FY 2015 Budget

Chairman Kruse opened the public hearing on the Lower Loup NRD's FY 2015 Budget at 5:16 p.m.

Chairman Kruse asked for public comments on the LLNRD FY 2015 budget. None were heard.

Chairman Kruse asked for comments from the members of the Lower Loup Natural Resources District Board of Directors. None were heard.

Koehlmoos reported that Lower Loup NRD's total valuation is \$12,822,529,309.00, which is an increase of 17.7% from last year.

He said that the NRD's total budget for FY 2015 is \$7,758,562.00, which is a 9% decrease from last year.

Koehlmoos stated that the NRD's property tax request is \$3,101,037.41, which is a 1.2% decrease from last year.

He reported that the NRD's levy with the new valuations will be 2.4184 cents per \$100 of valuation, which is a 23% decrease from last year.

Koehlmoos explained that "Growth" is new valuations, such as new construction of new homes and new offices. He said the NRD gets an automatic 2.5% increase in growth. If the valuation growth exceeds that number, the NRD could take the additional increase and figure it into the budget.

Chairman Kruse closed the hearing at 5:24 p.m.

PUBLIC HEARING TO SET FINAL TAX REQUEST FOR FY 2015

Chairman Kruse opened the public hearing to set the Lower Loup NRD's final tax request for FY 2015 at 5:25 p.m.

Chairman Kruse asked for public comments on the final tax request for the LLNRD FY 2015 budget. None were heard.

Chairman Kruse asked for comments from the Lower Loup Natural Resources District Board of Directors on the final tax request for the FY 2015 budget. None were heard.

Citta motioned, seconded by Loseke, to adopt the FY 2015 Budget as presented. Motion carried by roll call vote, all present voting yes.

Resolution to Approve Additional One Percent Increase

Koehlmoos told the Board that the additional one percent increase allows the NRD to increase its future budget authority by one percent. The one percent increase is in addition to the automatic 2.5% growth rate and is recommended by the State Auditor. Approval requires a super majority vote of the Board. Koehlmoos said the additional one percent would amount to approximately \$15,916.00. It is money that is not spent, but put into Unused Budget Authority for future growth, should it be needed. The amount in Unused Budget Authority now is \$755,621.00 and it allows the NRD to stay within the lid.

Sieh motioned, seconded by Anderson, to adopt a resolution to approve the additional one percent increase. Motion carried by roll call vote, all present voting yes.

Resolution to Set the Property Tax Request

Kruse read the resolution which stated that the 2014/2015 property tax request be set at \$3,101,037.14. He said the resolution would be sent to the Platte County Clerk on or before September 20, 2014.

Smith, seconded by Adams, to approve the resolution to set the property tax request at \$3,101,037.14. Motion carried by roll call vote, all present voting yes.

Resolution to Set Levy for the Lower Loup Natural Resources District for Fiscal Year 2015

Kruse read the resolution which stated the District property valuation is \$12,822,529,309.00 and the levy for FY 2015 be established at \$0.024184 per \$100.00 of property valuation.

Loseke asked why the budget was filed in Platte County. Koehlmoos responded that it is the largest populated county in the District. He said Platte County sets the levy and then they send it to the other counties in the District.

Eschliman motioned, seconded by Loseke, to approve a resolution to set the levy for the Lower Loup Natural Resources District at \$0.024184 per \$100.00 of valuation. Motion carried by roll call vote, all present voting yes.

Kruse closed the hearing at 5:40 p.m.

ASSISTANT MANAGER'S REPORT

Water Resources Committee

Callan commented that all the histories, valuations and percentages are in the Long-Range Implementation Plan. The new numbers, though, have not been inserted.

Callan referred the Board to the Water Resources Committee minutes in the agenda.

Christopher Cove Recharge Proposal

Callan reported that staff will develop an RFP to see what engineering services would cost for a potential recharge project for the Christopher Cove area. He said that he and Moudry would be meeting with Columbus officials on September 9th get the city's input on the project. Callan said it would be a while before a recharge project is built.

Statewide Well Installation & Report

Callan said the NRD has been cooperating with DEQ to begin installing monitoring wells in Boone County and the South Loup River Basin. DEQ said they will help pay for them.

Area 28 Flowmeter Update

Callan reported that 263 applications for cost-share on meters have been received. Callan said that producers have until the end of the calendar year to sign up for 100% cost-share, and then have 9 months to get the meters installed.

Sieh asked whose responsibility it was to make sure an old well has been sealed properly. Callan responded that there are several entities that could list illegal abandoned wells, including the Department of Health and DEQ. He said the NRDs are the ones that enforce it. Callan said the landowner is ultimately responsible for closing the well. He said the NRD offers cost-share at 100% for closing a well in a wellhead protection area. The landowner should get in touch with NRD staff.

Walden asked about the Abengoa ethanol plant in Ravenna. Callan said Abengoa wants to expand the facility and review the NRD's 'large water user' rule, so the company is in the process of doing a hydrology study of the area. The NRD contracted with Jay Bitner to do the engineering review. He indicated there was missing information in the study that will need to be addressed before the NRD makes its decision on whether to approve a permit. Koehlmoos said the NRD is paying for the review, not the hydrology study.

ELM Update

Callan said that USGS conducted a 2-day meeting at Lower Loup NRD headquarters on how to use the ELM model. He said there would be additional meetings.

PROGRAMS/PROJECTS COMMITTEE REPORT

Fullerton Power House

Koehlmoos reported that James Kramer, city administrator for Fullerton, had attended the Committee meeting and talked about a project the city is considering at Power House Island (North Island). He will be bringing additional information to the Committee.

St. Paul Area Recreational Course (SPARC) Trail System

Koehlmoos said that the SPARC Committee plans to apply for a grant to the Recreational Trails Program, and sought a financial commitment from the Lower Loup NRD to make the grant application. Koehlmoos said this was the first phase of the project and there are plans for future expansion of the trail. He said it is an ongoing project with good commitment from the city.

Eschliman motioned, seconded by Knutson, to approve a contribution of 10% of the project costs, not to exceed \$31,250.00, for the St. Paul Area Recreational Course (SPARC) Trail System. Motion carried by roll call vote, all present voting yes.

Nance County Inclusion in Hazard Mitigation Plan

Koehlmoos said that Nance County had requested to be added to the Hazard Mitigation Plan. He said they did all the preliminary work, but never approved the resolution to formally join the plan.

Eschliman motioned, seconded by Rasmussen, to approve NRD Resolution FY 15-004 allowing Nance County to enter into the Lower Loup NRD's Hazard Mitigation Plan. Motion carried by roll call vote, all present voting yes.

Koehlmoos said that the NRD resolution and the one from Nance County will be submitted to the Nebraska Emergency Management Agency and forwarded to the Federal Emergency Management Agency.

Revised Recreation Area Rules and Regulations

Koehlmoos said that some changes are being proposed in the *Rules and Regulations for the Enforcement of the District Recreation Areas*. There was discussion on the changes. Koehlmoos said that only the "Draft" rules and regulations would need to be approved for the hearing next month, not official rules and regulations. He said changes can still be made.

Anderson motioned, seconded by Eschliman, to give initial approval to a draft of the new rules and regulations for the Lower Loup NRD's recreation areas, and to set the public hearing date for the rules and regulations for September 25, 2014, at 5:15 p.m. Motion carried by roll call vote, all present voting yes.

Lake Ericson – ET Grant Proposal

Koehlmoos reported that the Ericson Lake Association had requested a letter of support from the NRD for the ET grant. The Association didn't have time to prepare the grant, so they withdrew their request for a letter of support.

Recreation Areas Request for Bids

Koehlmoos said that new picnic shelters were needed at both of the NRD recreation areas and provided pictures of possible shelters. He said two shelters would be put at Davis Creek and one at Pibel Lake.

Eschliman motioned, seconded by Walden, to approve and seek bids for three new picnic shelters/installations for the recreation areas. Motion carried by roll call vote, all present voting yes.

Village of Ansley Request for Assistance in Floodplain Mapping

Koehlmoos said that the new maps developed by the Corps of Engineers showed that much of the Village of Ansley was in the floodplain. The village may be seeking engineering assistance from the NRD.

Bowman Lake Restoration – Loup City

Koehlmoos reported that some representatives of the Bowman Lake project will be attending the meeting next month with a proposal for some renovation work at the lake, including excavation

and dredging. The Programs/Projects Committee will visit the lake prior to the beginning of the September Committee meeting. Citta requested that some pictures be taken.

Lukasiewicz requested that a time limit be put on projects getting completed and that the subject be put on the next Programs/Projects Committee agenda.

FORESTER'S REPORT

District Forester Rich Woollen reported that the recent rains have been nice, but that sometimes the effects of drought linger for a few years. He said a windbreak renovation practice is available to help take care of trees that have died because of drought, pests, disease, and hail. He passed around some handouts.

MANAGER'S REPORT

New Hires

There were no new hires.

Other Non-Action Reports

Koehlmoos said he would like to add this item to his report in case some new information becomes available that should be provided to the Board. He said no official action can be taken on a non-posted item, but would be for information only. The Board agreed to the addition of this item.

NARD REPORT

Director's Report

Rasmussen reported that he received his agenda for the NARD Annual Conference. He said Governor Heineman is scheduled to speak on Monday. He said there will be sessions that deal with practices in the Republican and also the duties of the newly-expanded Natural Resources Commission.

NRC REPORT

Commissioner's Report

Hadenfeldt said the NRC met August 13th in Kearney to update possible rules and regulations. They will be presented to the whole Commission at their next meeting after the NARD Annual Conference on September 23rd.

RC&D REPORTS

Loup Basin RC&D

Rasmussen reported that he attended a couple Executive board meetings. He said he wasn't able to attend the regular monthly meeting because of the NRD's Programs/Projects Committee meeting being the same day.

PrairieLand RC&D

Gellermann said there had been no activity.

ANNOUNCEMENTS

Walden announced that if his house closes, he will be moving to Missouri. He thanked the Board for their support.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 6:30 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, September 25, 2014, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary