

# LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

August 25, 2016

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 25, 2016. Chairman Citta called the meeting to order at 5:01 p.m.

## CALL TO ORDER

### Directors in attendance

James C. Adams  
Darwin B. Anderson, Secretary  
Beth Boesch  
Virgil W. Gellermann  
N. Richard Hadenfeldt  
Gary A. Kruse  
Matt Lukasiewicz  
Alan D. Petersen  
Dean G. Thede

Rollie D. Amsberry, Treasurer  
Timothy E. Bartak  
Joseph L. Citta, Jr., Chairman  
Michael P. Gutzmer  
Randy Kauk  
Clifford P. Loseke  
James C. Nelson  
Dean J. Rasmussen  
Henry J. Thoene, Secretary

### Director absent

Jim Eschliman, Vice Chairman

Gerald Smith

### 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  
Cheryl K. Hornickel, Programs Assistant

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

Mark Sintek, RC, NRCS, Ord

Brent Nyffeler, Columbus

## NOTICE OF OPEN MEETING LAW POSTING

Chairman Citta referred those in attendance to the open meeting law information posted in the Board room.

## VERIFICATION OF MEETING NOTICE AND ADOPTION OF AGENDA

Chairman Citta 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.

**Boesch motioned, seconded by Petersen, to approve the verification of the meeting notice and adopt the agenda. Roll call was taken. Motion carried by roll call vote, all present voting yes.**

## EXCUSED ABSENCES

Koehlmoos stated that Directors Eschliman and Smith had requested to be excused from the meeting. He said Director Gutzmer had called to say that he would be arriving at the meeting after 5:00 p.m.

**Kruse motioned, seconded by Anderson, to excuse absent directors. Motion carried by roll call vote, all present voting yes.**

## MINUTES

Chairman Citta asked for corrections and/or additions to the July 28, 2016, Board meeting minutes. None being heard, Chairman Citta ruled the July 28, 2016, minutes stand approved as submitted.

## TREASURER’S REPORT

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

Koehlmoos highlighted expenditures for a lawn mower and professional services for Hazard Mitigation Plan preparation. He said that a 4-wire line fence was installed at Pibel Lake along the line of property purchased from Curt Weber, on the north and east sides.

**Gellermann motioned, seconded by Thoene, to approve the August, 2016, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.**

## PUBLIC COMMENTS

There were no public comments.

## FORESTER'S REPORT

District Forester Rich Woollen reported that a SimTable, a tool that NFS uses in wildfire training, was set up in the reception area. He said it's a simulation model showing fire and flooding under different conditions. He said he will be demonstrating it at Husker Harvest Days.

Woollen said a recent focus has been on wildland fire protection around homes and what homeowners can do to reduce the wildfire threat. He said it was important to keep the "home ignition zone" – within 100 feet around the home – free of debris to reduce wildfire threat. Woollen said Firewise Defensible Space Grants were available to help landowners create defensible space around their homes.

Woollen said he met with Boy Scouts in Grand Island and led a group of scouts through required exercises to earn forestry merit badges.

Woollen said he recently attended a Niobrara Basin meeting.

## NRCS REPORT

Resource Conservationist Mark Sintek reported that he had attended a Cover Crop Forage Field Day in Boelus earlier in the day. He said speakers provided information on soil health and agreements with cattle owners. He said a powerpoint presentation was available to view. Sintek said the group looked at soil pits in the afternoon. Sintek passed around some seed mixes from Arrow Seed, who recommend 1,000,000 seeds per acre.

Koehlmoos said that the NRD has been working with NRCS on cover crop plantings at the Aagaard Farm. He said the plantings look good; there are 12 species in the mix and some of the crop is 7 feet high.

Koehlmoos said a demonstration is being planned to have cattle forage on the cover crop at the farm for about a month to see how it stands up to grazing pressure. Koehlmoos said NRCS would provide the fencing and NRD would supply the water.

## PUBLIC HEARING ON LLNRD FY 2017 BUDGET

### Action to Adopt the FY 2017 Budget

Chairman Citta opened the public hearing on the Lower Loup NRD's FY 2017 Budget at 5:23 p.m.

Chairman Citta asked for public comments on the Lower Loup NRD FY 2017 Budget. None were heard.

Koehlmoos said that the valuations for last Fiscal Year were \$14,984,979,216.00, and the valuations for this Fiscal Year are \$16,163,384,468.00. He said the total resources available for FY 2016/2017 is \$12,067,358.00. He said the property tax request for FY 2016/2017 is \$5,093,387.24, a

2.4% increase. Koehlmoos stated that the levy will be going from 0.033193 in FY 2015/2016 to 0.031512 in FY 2016/2017, a decrease of 5.1%.

Chairman Citta asked for comments from the members of the Lower Loup Natural Resources District Board of Directors.

Boesch asked how the increase in valuations would affect the overall budget. Koehlmoos answered that the valuations are used to calculate the levy based on the property tax request. He said the NRD is limited 5.5 cents per \$100.00 valuation. He said if someone had a \$100,000.00 home, their obligation to the NRD would \$31.51.

Koehlmoos said the NRD's total budget for last Fiscal Year was \$10,616,354.00 and the budget for this Fiscal Year is \$12,067,358.00.

Chairman Citta closed the hearing at 5:41 p.m.

**Rasmussen motioned, seconded by Anderson, to adopt the Lower Loup NRD FY 2017 Budget of \$12,067,358.00. Motion carried by roll call vote. Directors voting yes: Amsberry, Anderson, Bartak, Boesch, Citta, Gellermann, Gutzmer, Hadenfeldt, Kauk, Kruse, Loseke, Lukasiewicz, Nelson, Petersen, Rasmussen, Thede, and Thoene. Director voting no: Adams. Directors absent: Eschliman and Smith.**

## PUBLIC HEARING TO SET FINAL TAX REQUEST FOR FY 2017

Chairman Citta opened the public hearing to set the Lower Loup NRD's final tax request for FY 2017 at 5:43 p.m.

Chairman Citta asked for public comments on the final tax request for the Lower Loup NRD FY 2017 Budget. None were heard.

Chairman Citta asked for comments from the Lower Loup Natural Resources District Board of Directors on the final tax request for the Lower Loup NRD's FY 2017 Budget. None were heard.

### Resolution to Approve Additional One Percent Increase

Koehlmoos said the NRD is allowed, per statute, a 2.5% increase in growth. He said the Legislature allows an additional 1% rate of growth, with a super majority vote of the Board. He said that would add \$16,000.00 to the NRD's Unused Budget Authority. Koehlmoos said this is money that is not spent, but is there if needed. He said there is about \$19,501.06 in Unused Budget Authority at the present time.

Koehlmoos said the State Auditor recommends that Boards take advantage of the 1% growth. He said the amount does not go against the property tax request or the total budget. He said it allows for flexibility in next year's budget.

**Kruse motioned, seconded by Loseke, 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

Koehlmoos read the resolution which stated that the 2016/2017 property tax request be set at \$5,093,387.24. He said a copy of the resolution would be sent to the Platte County Clerk on or before September 20, 2016.

**Hadenfeldt motioned, seconded by Anderson, to approve the resolution to set the property tax request at \$5,093,387.24. Motion carried by roll call vote, all present voting yes.**

Resolution to Set Levy for the Lower Loup Natural Resources District for Fiscal Year 2017

Koehlmoos read the resolution which stated the Lower Loup Natural Resources District property valuation is \$16,163,384,468.00 and the levy for FY 2017 be established at \$0.031512 per \$100.00 of property valuation.

**Boesch motioned, seconded by Loseke, to approve a resolution to set the levy for the Lower Loup Natural Resources District at \$0.031512 per \$100.00 of valuation. Motion carried by roll call vote, all present voting yes.**

Chairman Citta closed the hearing at 5:52 p.m.

INFORMATION AND EDUCATION REPORT

Husker Harvest Days

Information & Education Coordinator Larry Schultz reported that Husker Harvest Days would be held September 13-15 in Grand Island. He said Loseke, Gellermann and Anderson would be handing out conservation trees. Schultz said that packets of native Nebraska seed species would also be handed out as part of the Native Prairie outreach program.

Hazard Mitigation Plan Update

Schultz reported that Custer County's Hazard Mitigation Plan participants will be meeting on August 29<sup>th</sup>. He said other meetings are being planned for Genoa and Ord in October. He said after the meetings are over, the plan will be formulated, be approved by the NRD Board, and sent to NEMA/FEMA.

Apparel Orders

Schultz said, according to the apparel policy, directors are allowed one new item of NRD clothing. He said the options were a red polo shirt and a blue button-down shirt.

Annual NARD Conference

Schultz said he would be emailing confirmation numbers to the directors registering for the conference through the NRD. He said that Dick Hadenfeldt would be receiving the *Director of the*

*Year* award at the conference, and the Robert Price Family would be receiving the *Tree Planter of the Year* award.

Schultz mentioned that he is working on the quarterly newsletter and hopes to have it sent out before the new irrigated acres deadline approaches.

Koehlmoos said that two resolutions would be considered at the conference and directed the Board's attention to them in the supplemental agenda. He said Lower Loup NRD was sponsoring a resolution to pursue changes to statute that add a definition for water well professionals that would include all categories of individuals licensed under the Water Well Standards, and Contractors Act. He said Lewis and Clark NRD was sponsoring a resolution for funding eligibility for public water systems.

Koehlmoos said Lower Loup was in charge of the conference basin meeting. He said that Rasmussen was the voting delegate and Gellermann was the alternate for both the annual conference and the legislative conference.

## ASSISTANT MANAGER'S REPORT

### Water Resources Committee

#### *New Irrigated Acres*

Assistant General Manager Russell Callan reported that the Committee discussed minimum scores on new irrigated acres applications. He said staff had spent time looking through soils and overall scores, and the Committee felt that the system used during the LB-483 process worked well and that the available acres were distributed before any questionable soils or slopes were encountered. Callan said that field checks would be done.

**Toene motioned, seconded by Adams, that no minimum application score be required in the new irrigated acres process. Motion carried by roll call vote, all present voting yes.**

#### *Groundwater Management Area Rules Changes*

Callan directed the Board's attention to the draft copy of the *Groundwater Management Area Rules and Regulations*, with changes highlighted. He said the content of the Rules was basically the same, but the formulation was different, in which there were instances where multiple rules were condensed into one rule. He said the Rules would have to be republished since changes were made.

Callan noted a few changes, including the revision of the definition of 'water well'; clauses that allow the NRD to treat a well, and new irrigated acres, developed after the Integrated Management Plan, differently than a well that was drilled prior, or irrigated acres that were developed prior; change the Variance Committee process to match the two meetings requirement, with a recommendation at the second meeting; and large transfers of 250 acre-feet or more of both groundwater and surface water from within the District to outside the District.

Callan said he had met with DNR to review the proposed changes to the rules.

Gutzmer asked how the NRD would deal with tile water discharge. Callan answered that tile water isn't separated out in statute, but once it hits the watercourse, it's considered surface water.

Adams asked if the runoff water that leaves a landowner's property and goes onto an adjoining neighbor's property can be used by the neighbor if there is a written agreement. Koehlmoos answered that it could be used. Adams asked if the neighbor could apply for a pit through NSWCP to collect runoff water, and Koehlmoos answered that it would only be eligible per NRCS specifications if it's from the originating field.

Boesch asked if the NRD has the authority to include surface water in the rules. Koehlmoos answered that the authority was taken word-for-word out of Statute 46-712.

Lukasiewicz asked if transfer scores and minimum scores should be incorporated into the rules. It was the consensus of the Board that there needed to be further dialog and discussion first.

**Tohne motioned, seconded by Gutzmer, to adopt the draft changes of the Groundwater Management Rules as presented, and set the public hearing for September 22, 2016, at 5:15 p.m. Motion carried by roll call vote, all present voting yes.**

## PROGRAMS/PROJECTS COMMITTEE REPORT

Koehlmoos mentioned that the Programs/Projects Committee met on August 16<sup>th</sup>.

### *Gabe Brown Presentation*

Koehlmoos said that the Gabe Brown Presentation scheduled for December was tabled because NRCS is trying to find outside sources for funding and weren't prepared to bring any information to the meeting.

### *Jerry Schreiber Drainage Problem – Columbus*

Kruse said that this project was north of Columbus in an area that accumulates a lot of water. He said Schreiber attributes the problem to the development of Lake North. Kruse said they visited with the Schreiber group about setting up an improvement project area and explained that the costs would be assessed back to the benefitting landowners. He said the group would begin working at identifying the areas that they feel would be included in the drainage area.

Koehlmoos said the process would be a lengthy one and NRCS assistance would be needed regarding engineering, surveying, and wetland determinations.

Citta said it has been quite a while since an IPA project has been done, and he suggested staff provide an outline of the IPA steps to help familiarize Board members of what all is involved in the process. Koehlmoos said staff was reviewing the IPA law. He said an IPA is a project that benefits a particular area. He said all other programs and projects that the NRD is able to fund has to have a 'public' benefit, such as flood control, hazardous mitigation, and recreation. He said when a drainage project is isolated to a particular area, the area has to be identified and the costs have to be assessed back to the benefited parties.

*Brent Nyffeler Drainage*

Kruse said Brent Nyffeler's drainage issue is in association with the Duncan East IPA. He said there are two or three places where the Duncan East IPA drains into a slough that goes across Nyffeler's property. He said there is an access road on that property that goes to four different landowners' land, as well as a home built in the area. He said the access road has two culverts and one of them has collapsed. Kruse said the culverts couldn't handle the heavy rains and water has flowed over the road causing flooding of the area.

Kruse said Nyffeler has asked that three 25-foot culverts be installed to handle the water flow. He said the Committee has recommended the purchase. He said the landowners would install the culverts.

**Kruse motioned, seconded by Gutzmer, to approve the purchase of three 36-inch wide, 25-foot long culverts at a cost of \$1,950.00.**

Hadenfeldt asked if the county was involved and was told that the road is an access road, so township and county are not involved. The maintenance on the road is provided by the landowners.

Brent Nyffeler told the Board that one of the culverts had rotted. He said Husker Steel was selling the culverts at cost.

Nelson asked who would be paying for the culverts. Koehlmoos answered that the cost will come out of the Duncan East IPA assessments.

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

*Davis Creek Recreation Area Expansion Project*

Kruse reported that Naprstek would be submitting grant applications for new playground equipment at Davis Creek and Pibel Lake Recreation Areas.

Naprstek reported that two resolutions were drawn up to apply for Federal assistance from the Land and Water Conservation Fund program, financed through the Nebraska Game and Parks Commission, for playground equipment. He said each grant would be for approximately \$60,000.00 for two playground areas at both Davis Creek and Pibel Lake.

**Boesch motioned, seconded by Loseke, to approve the two resolutions for playground equipment grant applications from the Nebraska Game and Parks Commission for Davis Creek and Pibel Lake Recreation Areas. Motion carried by roll call vote, all present voting yes.**

*Duncan East Drainage IPA Maintenance*

Koehlmoos said that staff met with the Corps of Engineers on August 18<sup>th</sup> regarding Ruby's Slough. He said the Corps made recommendations on channel cleaning and material placement. He said Kolar has resurveyed the top and bottom of the slough and there is a one-foot drop within a quarter of a mile. He said the Corps gave the NRD permission to pull the sheet piling, if necessary.

## MANAGER'S REPORT

### Litigation Update

Koehlmoos said there was nothing new to report.

### New Hires

There were no new hires.

### Other Non-Action Reports

Koehlmoos said the bid opening was held for the equipment the NRD had for sale. He directed the Board's attention to the flyer in the supplemental agenda showing the equipment and high bid received. It was staff's recommendation that all bids be accepted except for the #8 Horizon drill. He said that drill will go to Spalding and be maintained there. It was the consensus of the Board to go with staff's recommendation.

Koehlmoos said Lower Loup NRD will be hosting the Lower Platte River Basin Coalition Board meeting on October 7<sup>th</sup> to do the final report. He said Darwin Sieh was one of the NRD's representatives on the Coalition Board, so with his resignation, a new representative would need to be appointed at the September NRD Board meeting.

## NARD REPORT

### Director's Report

Rasmussen reported that they will meet next month at the NARD Annual Conference.

Callan talked about the Water Well Professionals Resolution that Lower Loup NRD is submitting at the NARD Conference. He said the Resolution proposes that NARD pursue changes to Statute that add a definition of "Water Well Professional" that would include all categories of individuals licensed under the Water Well Standards and Contractors Act; and that the definitions of "Supervisors" be removed and "Contractors" definition be redefined.

Koehlmoos said the Resolution submitted by Lewis and Clark NRD deals with funding eligibility for public water systems. He said they're seeking legislation to change the eligibility requirement, based on population from 10,000 or fewer inhabitants of a political subdivision to 10,000 or fewer inhabitants of a public water system for Federal funding loan forgiveness and/or Federal grant dollars.

## NRC REPORT

### Commissioner's Report

Hadenfeldt said the Commission will be meeting on September 8<sup>th</sup>. He said there will be a tour of the Water Utilization Center in Gothenburg the morning of the 8<sup>th</sup>.

## RC&D REPORTS

### Loup Basin RC&D

Rasmussen reported that the RC&D met in Bartlett. He said the speaker talked about Herb Mignery and the statues he has made that are displayed in Bartlett.

### PrairieLand RC&D

There was no report.

## ANNOUNCEMENTS

Boesch asked if there had been any progress made on estimates for the electronic voting system. Koehlmoos said that staff had been in contact with a couple companies.

## ADJOURNMENT

With no further business before the Board, Chairman Citta declared the meeting adjourned at 7:04 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 22, 2016, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

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Henry J. Thoene  
Secretary