

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

May 25, 2017

Ord, Nebraska

The May 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 May 25, 2017. Chairman Citta called the meeting to order at 5:03 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson
Robert Bauer
James J. Eschliman, Vice Chairman
N. Richard Hadenfeldt
Matt Lukasiewicz
Alan D. Petersen
Gerald P. Smith
Henry J. Thoene, Secretary

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Joseph L. Citta, Chairman
Virgil W. Gellermann
Gary A. Kruse
James C. Nelson
Dean J. Rasmussen
Dean G. Thede

Directors absent

Beth Boesch
Chad Podolak

Randy Kauk

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Larry D. Schultz, I&E Coordinator
Jason Moudry, Water Programs Specialist
Dell R. Harris, Water Resources Specialist
Tylr Naprstek, Water Modeling Coordinator
Rita A. Goldfish, Administrative Secretary
Jane Klanecky, Receptionist

Russell G. Callan, Assistant General Manager
Irene F. Kreifels, Financial Secretary
Cheryl K. Hornickel, Programs Assistant
Rich Woollen, District Forester
V. Anne Freeman, Water Programs Secretary
LeeAnn Smith, Water Programs Assistant
Mike Lorenz, Agronomist, Fullerton

Guests in attendance

Blake Johnson, Bruning Law Group, Lincoln
Chris Hobza, USGS, Lincoln
Robert Prokop, Wilber

Mary Jacobsen, Bruning Law Group, Lincoln
Mark Koch, Sargent
Karla Callan, Ord

NOTICE OF OPEN MEETING LAW POSTING

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

Chairman Citta also recognized the passing of Lower Loup NRD Director Clifford Loseke. He then suggested that the Board consider recognizing Loseke's accomplishments and his contributions to the Board and conservation. The recognition was approved.

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.

EXCUSED ABSENCES

Chairman Citta stated that Directors Boesch, Kauk, and Podolak had requested to be excused from the meeting.

Smith motioned, seconded by Petersen, to excuse all absent directors. Motion carried by voice vote, all present voting yes.

ROLL CALL

Roll call was taken. Directors present: Amsberry, Anderson, Bauer, Citta, Eschliman, Gellermann, Hadenfeldt, Kruse, Lukasiewicz, Nelson, Petersen, Rasmussen, Smith, Thede, and Thoene. Directors absent: Boesch, Kauk, and Podolak. Directors not present during roll call: Adams and Bartak.

MINUTES

Chairman Citta asked for corrections and/or additions to the April 27, 2017, Board meeting minutes. None being heard, Chairman Citta ruled that the minutes would stand approved as circulated.

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 bills for professional services and Pibel Lake playground equipment.

Thede motioned, seconded by Thoene, to approve the May, 2017, Treasurer's Report and pay all bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Mark Koch of Sargent addressed the Board regarding Freedom of Information Act requests he had made to the Lower Loup NRD.

FORESTER'S REPORT

District Forester Richard Woollen reported that tree planting of approximately 60,000 trees/shrubs has been completed. He said that he had given forestry presentations to a couple FFA/Ag classes in preparation for the Envirothon competition.

Woollen reported that a Missouri tech company, *Enginuity Worldwide Solutions*, was interested in exploring Nebraska's redcedar base, so he and other NFS personnel conducted a marketing utilization tour of north-central Nebraska. Woollen said that *Enginuity* develops frictional carbonization technology and processes redcedar and agricultural waste into different products, including BioChar and BioCoal fuel. He said no external energy is required except what is needed to run the motor that drives the process.

NRCS REPORT

Bryce Bauer, LDC in Ord, reported that offices had been busy with HEL compliance reviews. He said an audit last year by the national office determined that Nebraska wasn't following the HEL rules regarding treatment of gully erosion on farm land. He said that gully erosion control is required on all farm ground, not just sodbusted/broken ground. He said NRCS had conducted public meetings in the NRD regarding this rule.

Bauer said a teleconference had been scheduled with Craig Derickson to discuss the NRCS budget that is being considered. He said some of the proposals were a \$250 million cut to EQIP and a \$70 million cut to CTA.

PUBLIC HEARING – PROKOP CEASE AND DESIST

The Board held a public hearing to hear testimony regarding the Lower Loup NRD's charge that Robert Prokop violated the District's Groundwater Rules and Regulations by filing incomplete reports required for producers in the Phase III Groundwater Management Area, Area 28. Russ Callan and Mike Lorenz were called as witnesses by the NRD's legal counsel, Blake Johnson. Prokop was in attendance and also questioned the witnesses and provided a statement.

ACTION ON PROKOP CEASE AND DESIST

Chairman Citta entertained a motion that the Board go into Executive Session to discuss legal matters.

Adams motioned, seconded by Kruse, that the Board go into Executive Session to discuss legal matters, and that the General Manager, Assistant General Manager, and counsel be invited to stay. Motion carried by roll call vote, all present voting yes.

The Board went into Executive Session at 6:54 p.m.
The Board came out of Executive Session at 7:30 p.m.

The Board will consider action at the June meeting.

The Board meeting resumed at 7:38 p.m.

SOUTH LOUP THERMAL IMAGING GRANT STUDY – CHRIS HOBZA

Chris Hobza of USGS gave a powerpoint presentation on groundwater discharge characteristics within the South Loup River Basin. He said the goal is managing streamflows and limiting groundwater impacts while maintaining the ability to irrigate. He said that the Loup River Basin is an important hydrologic area in Nebraska to understand and study because it is located over the thickest parts of the High Plains Aquifer, because the Sandhills serve as an important recharge area for Nebraska's aquifers, and because it supplies substantial flow to the lower Platte River.

Hobza said the main focus of this study was groundwater discharge to streams. He said when there are times of 'gaining streams,' the groundwater level is above the stream level and is picking up additional groundwater as it moves downstream; and when the water table is lower than the stream, there is going to be 'losing stream' to the aquifer.

Hobza reported that aerial thermal infrared imagery data was collected, as well as data from self-logging temperature sensors. He said streamflow measurements taken in 2014 showed gains in streamflow of 200% between Upper Loup NRD to just above Callaway, due to different types of streambed sediment.

Hobza said that some results from the study indicate that the upper South Loup River, above Arnold, is gaining year-round and the South Loup River below the Arnold gage shows areas of increased and decreased flows.

Hobza reported that the St. Michaels gage has shown decreased levels in past years.

COVER CROP GROUNDWATER IMPACT STUDY RFP

Assistant General Manager Russ Callan reported that staff from the Lower Loup and Central Platte NRDs reviewed the proposals that were received from EA and Flatwater. He said the study would take 3 to 3½ years to complete. Callan said that staff recommends EA for the study, indicating they had strong NRCS ties.

Smith motioned, seconded by Thede, to accept the proposal from EA for \$320,000.00 for the Cover Crop Groundwater Impact Study. Motion carried by roll call vote, all present voting yes.

INFORMATION AND EDUCATION REPORT

Hazard Mitigation Plan

Information and Education Coordinator Larry Schultz reported that the Hazard Mitigation Plan is being reviewed by NEMA and was informed that the review was going well. He said the plan will then be sent to FEMA for their review.

Camps

Schultz said that both Range Camp and ACE Camp will be held in June and that Lower Loup NRD is offering \$100 to students who attend these camps.

ASSISTANT MANAGER'S REPORT

Variance Committee

Thoene reported that the Variance Committee discussed Bryce Ritz's request for groundwater acres if he would relinquish some surface water acres. He said the Committee recommended the previous 40 surface water irrigated acres would be converted to groundwater irrigated acres, no transfer, and Ritz could keep the storage in a dam that he originally pumped from.

Thoene motioned, seconded by Smith, to approve the Bryce Ritz variance request for 40 non-transferable groundwater acres in exchange for relinquishment of 40 surface water irrigation rights and allow retainage of dam storage. Motion carried by voice vote, all present voting yes.

Water Resources Committee

2016 Water Quality Report

2016 SWL Report

Callan said that staff will continue to monitor nitrate levels in Area 28 where readings are around 20 ppm.

Smith motioned, seconded by Lukasiewicz, to approve both the 2016 Water Quality Report and the 2016 SWL Report. Motion carried by voice vote, all present voting yes.

Davis Creek Phase II Update

Callan reported that Rutjens continues with work at Davis Creek. He said the camper dump was 80-90% completed. He said the boat ramp south and fish station are on hold at the present time, pending approval of a grant.

Duncan East IPA Update

Callan reported that the sheet piling at the crossing at Ruby's Sough had been taken out and hauled away. He said the three culverts that were put in were 75% full during recent rains.

Lost Creek IPA Update

Callan said that some willows need to be taken out that are holding debris.

Columbus Area Water Resources Assessment Study Update

Callan reported that he met with the Christopher's Cove Association and the group felt that the proposed 2- to 4-foot rise in the lake wouldn't be sufficient and suggested the elevation be higher. Callan told them that several options were being looked at. He said staff had put together some maps for ADM.

ELM Update

Water Modeling Coordinator Tylr Naprstek reported that staff had reviewed a draft copy of the Phase III report of the ELM Study. He said comments would be sent to USGS for consideration and internal review. He said publication could be by mid-July/early August.

PROGRAMS/PROJECTS COMMITTEE

Emergency Drain Pipe Replacement – Pibel Lake

Koehlmoos reported that there continues to be leaking issues in the outlet pipes on the Pibel Lake Dam. He said there was no recommendation from the Committee because the estimated cost of \$300,000 for the pipe replacement would need to be included in next year's budget. He said there would be an extension of the pipe to the north.

Village of Greeley – Swimming Pool Funding

Koehlmoos reported that the Village of Greeley had requested financial assistance with the renovation of their swimming pool. He said the Committee recommended approval of that request.

Eschliman said the original cost for the project was \$114,000, but was able to be reduced to \$60,000. He said Greeley had raised 50% of the funds.

Koehlmoos said the age of the pool was the main factor and that filters needed to be replaced and quite a bit of work needed to be done. Smith said a liner would need to be installed.

Eschliman motioned, seconded by Rasmussen, to approve 15% of the cost of the Greeley Swimming Pool Project, not to exceed \$9,000. Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Bartak, Citta, Eschliman, Hadenfeldt, Kruse, Lukasiewicz, Nelson, Petersen, Rasmussen, Smith, Thede, and Thoene. Directors voting no: Bauer and Gellermann. Directors absent: Boesch, Kauk, and Podolak.

Village of Mason City – Funding for Community Drainage Study

Koehlmoos reported that Mason City had been having some drainage issues. He said a consultant is working to determine drainage vs. flooding issues. He said the village is wanting a study done and is needing direction.

Burwell Park Community Forestry Project

Koehlmoos said that the City of Burwell had requested assistance with the renovation of the community park, and the request had been redirected to the NRD's Community Forestry Program. He said that approximately \$5,000 had been earmarked for the project from that fund.

Other

Koehlmoos reported that the Village of Merna had contacted staff regarding funding for the town playground equipment, but they didn't have a proposal ready to present.

MANAGER'S REPORT

Litigation Update

Koehlmoos said litigation discussion would be at the end of the Board meeting.

New Hires

Koehlmoos reported the following new hires – Robbie Peterson, Trevor Fahrenholz, Brant Bechtold, Quinton Ries, and Kirby Sheets (all summer help) and Alyssa Dubas, the new secretary in Fullerton, replacing Jeanne Horacek who retired.

NARD REPORT

Director's Report

Eschliman reported that the Basin Tour would be held June 12-13, starting in Norfolk.

Legislation

Eschliman said that the Legislature had adjourned. Koehlmoos said there weren't many NRD bills and that Edson had put together a year-end report. Citta said there would be several interim studies and Koehlmoos said the NRD would be involved in some of them.

NRC REPORT

Commissioner's Report

Hadenfeldt reported that there would be a phone conference on May 30th to discuss proposed changes to the rules.

RC&D REPORTS

Loup Basin RC&D

Rasmussen reported that the RC&D meeting was held in Burwell and they discussed the scrap tire collection. He said there probably wouldn't be another collection unless some funding can be found. He said the dedication of the Spalding fish ladder will be on June 25th.

Koehlmoos said there are several locations for tire collections. He said tires are collected from private individuals, not businesses.

PrairieLand RC&D

Gellermann said there was no report.

ANNOUNCEMENTS

Koehlmoos announced his intentions to retire at the end of 2017 after nearly 40 years of service. He said the NRD has made many progressive steps in conservation in the last 15 years. Koehlmoos thanked the Board for their support.

LITIGATION

Chairman Citta entertained a motion that the Board go into Executive Session to discuss legal matters.

Eschliman motioned, seconded by Thoene, that the Board go into Executive Session to discuss litigation matters, and that staff be invited to stay. Motion carried by roll call vote, all present voting yes.

The Board went into Executive Session at 8:33 p.m.

The Board came out of Executive Session at 8:52 p.m.

ADJOURNMENT

With no further business before the Board, Citta declared the meeting adjourned at 8:53 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 June 22, 2017, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Henry J. Thoene
Secretary