

# MINUTES

## LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

May 24, 2018

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 24, 2018. Chairman Citta called the meeting to order at 5:00 p.m.

### CALL TO ORDER

#### Directors in attendance

James C. Adams  
Darwin B. Anderson  
Beth Boesch  
James J. Eschliman, Vice Chairman  
N. Richard Hadenfeldt  
Larry Mohrman  
Alan D. Petersen  
Dean G. Thede  
Rick Vlach

Rollie D. Amsberry, Treasurer  
Robert Bauer  
Joseph L. Citta, Chairman  
Virgil W. Gellermann  
Gary A. Kruse  
James C. Nelson  
Gerald P. Smith  
Henry J. Thoene, Secretary

#### Directors absent

Tim Bartak  
Matt Lukasiewicz

Randy Kauk  
Chad Podolak

#### Staff in attendance

Russell G. Callan, General Manager  
Irene F. Kreifels, Administrative Assistant  
Larry D. Schultz, I&E Coordinator  
V. Anne Freeman, Water Programs Secretary  
Brent D. Lakin, Water Resources Technician

Tylr Naprstek, Assistant General Manager  
Kim A. Lyons, Financial Secretary  
Cheryl K. Hornickel, Programs Assistant  
Dell R. Harris, Water Resources Specialist

#### Guests in attendance

Matt Glesinger, RC, NRCS, Spalding

### NOTICE OF OPEN MEETING LAW POSTING

Chairman Citta referred those in attendance to the open meeting law information posted in the Board room and that meeting material was available at the entrance to the Board room.

## VERIFICATION OF MEETING NOTICE AND ADOPTION OF AGENDA

Chairman Citta asked for verification of the meeting notice. General Manager Russ Callan stated that the meeting was published correctly, and the agenda was current.

## EXCUSED ABSENCES AND ROLL CALL

Citta reported that Bartak, Kauk, Lukasiewicz, and Podolak would not be present at the meeting and had asked to be excused.

**Smith motioned, seconded by Boesch, to approve the agenda and excuse absent directors. Motion carried by roll call vote, all present voting yes.**

Roll Call – Directors Present: Adams, Amsberry, Anderson, Bauer, Boesch, Citta, Eschliman, Gellermann, Hadenfeldt, Kruse, Mohrman, Nelson, Petersen, Smith, Thede, Thoene, and Vlach. Directors Absent: Bartak, Kauk, Lukasiewicz and Petersen.

## MINUTES

Chairman Citta asked for corrections and/or additions to the April 26, 2018, Board meeting minutes. None were heard.

**Petersen motioned, seconded by Anderson, to approve the April 26, 2018, Board meeting minutes as presented. Motion carried by roll call vote, all present voting yes.**

## TREASURER'S REPORT

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

Callan highlighted expenditures for the purchase of a boat/trailer for water sampling, professional services to Kruml Law Office for the Koch case and to Bruning Law Office for the Prokop case and review of rules, to HDR Engineering for feasibility study, to Red Thread for a tree planting video, to Olsson Associates for the modeling program contract, to Plains Equipment for the Psota project moisture meters, and to the City of Ord for the pool project.

**Hadenfeldt motioned, seconded by Eschliman, to approve the May 24, 2018, Treasurer's Report and pay all bills. Motion carried by roll call vote, all present voting yes.**

The Treasurer's Report Approval Policy states that the approved expenditures are to be published and each director who has per diem and/or reimbursement of expenses included in such financial reports, abstains from voting for the approval of his or her own per diem and/or expense reimbursement.

## PUBLIC COMMENTS

There were no public comments.

## FORESTER'S REPORT

In the absence of Rich Woollen, Callan reported that tree planting crews are nearly finished with planting and will then be working to install drip irrigation systems. Schultz stated that Red Thread would continue filming the tree planting video on June 5<sup>th</sup> and would begin airing around the beginning of tree ordering. Citta mentioned a meeting he had attended that highlighted prescribed burns in regard to air quality, and the proliferation of redcedar trees and if NRDs would still consider the sale of redcedar. Callan stated that he and Woollen would continue to monitor the situation.

## NRCS REPORT

Matt Glesinger, RC in Spalding, reported that staff was nearly finished with the 2018 EQIP contracting and that a little over \$1 million was obligated in the Lower Loup area. He stated that the deadline for ranking 2018 CSP applications was today. He explained that with the CSP program, cooperators apply and go through an extensive interview process of their project/operation plan, then get ranked based on their answers and move on to the next level of picking out activities that would bring their stewardship to a higher level. He said the list eventually gets narrowed down to the applicants that would get worked into possible EQIP contracts. Glesinger reported that the upcoming Farm Bill may eliminate the program. He said CSP works on 'acre' funding instead of 'dollar' funding, and that Nebraska had received 460,000 acres for approval.

Glesinger reported that the rain had slowed conservation compliance spot-checks but staff hoped to get them finished soon. Glesinger reported that the creation of the FPAC Business Center, which has the same stature as FSA, NRCS and RMA offices, would involve cross-training to learn about the functions and programs of the other offices. He said that that the federal government hiring freeze was lifted and that NRCS and FSA would be advertising 400 new positions nationwide, including 16 positions for NRCS in Nebraska, with 5 in the central area. He said a new range conservationist would be starting in Burwell soon.

## INFORMATION & EDUCATION REPORT

### Camps

Larry Schultz, Information and Education Coordinator, reported that the Lower Loup NRD offers \$100 scholarships to students who attend the Range Youth Camp and Adventure Camp about the Environment (ACE). Range Youth Camp, for high school age kids, is June 11-15 and ACE Camp, for middle schoolers, is June 10-13.

### Newsletters

Schultz reported that *In the Loup* and *Water Matters* were being completed and would be mailed soon.

Callan reported that the District would begin advertising for sealed bids on excess equipment, including an old tractor, a shredder, and three four-wheelers.

## ASSISTANT GENERAL MANAGER'S REPORT

### Davis Creek – Phase II Update

Tylr Naprstek, Assistant General Manager, reported that questions about reservation rules at Davis Creek are coming in regularly. He reported that the rec site is full for the upcoming weekend.

Callan stated that the Valley County Sheriff's office had visited with staff about the installation of a repeater at Davis Creek to assist in policing the area and that they had requested NRD participation. Callan reported that the cost for the repeater was expected to be around \$6,200.

**Vlach motioned, seconded by Smith, to contribute \$2,000 towards the installation of a communications repeater tower at Davis Creek Recreation Area. Motion carried by roll call vote, all present voting yes.**

### Pibel Lake Update

Naprstek stated updates would be given during committee meeting reports.

### Buffalo County, Ravenna Lake Report

Naprstek reported that the next round of samples for recharge analysis and water quality would begin the day after Memorial Day.

### Columbus Areas Water Resources Assessment Study Update

Naprstek stated that Ed Drozd, technician in Columbus, was trying to find monitoring well locations between the recharge canal and housing developments. Citta questioned the easements from landowners, and Naprstek stated they were perpetual easements that stays with the land.

### ELM Update

No report.

## WATER RESOURCES COMMITTEE

### Static Water Level Report

Naprstek reported that the water level is up about 0.5 feet from last year's overall assessment. He also reported that 188 sites of the 425 sites measured were down an average of 0.88 feet; 29 sites had no change; and 288 sites were up 1.22 feet. He said that a comparison to the 1982 report revealed areas of concern in Area 3 (most of Custer County), Area 7 (south of the South Loup River in Custer County); Area 8 (Buffalo County), and Area 9 (Merrick County).

Naprstek said a transducer report was mailed out showing real time and hourly monitoring sites across the District.

**Smith motioned, seconded by Thoene, to approve and accept the 2018 Static Water Level Report. Motion carried by roll call vote, all present voting yes.**

#### Drought Management Study

Naprstek reported that many NRDs are putting together drought management plans in case a drought similar to the one in 2012 should occur again. The plan might include regulations, procedures, preventive measures, and other activities deemed necessary in the event of drought. There was concern in the Lower Elkhorn area about irrigation affecting domestic wells. He said staff recommends moving forward with a drought management study, applying for funding to develop a plan, and hiring a consultant.

Callan said the study would be budgeted for in the FY 2019 Budget.

**Smith motioned, seconded by Adams, to initiate a Drought Management Study for the Lower Loup NRD. Motion carried by roll call vote, all present voting yes.**

#### Buffalo County Aerial Electromagnetic Survey

Naprstek reported on doing an aerial electromagnetic survey for Buffalo County to examine the status of the aquifers in the LLNRD portion of the county. He stated that the South Loup River is showing high points. He said a helicopter would be used during the study. He said staff recommended applying for Water Sustainability Funds to conduct a highly-detailed study. He said the AEM survey that was done over Columbus is what initiated the Columbus recharge project. The study would help put together maps that show water levels. Naprstek said the cost of the survey would be around \$466,000. Smith stated the Water Resources Committee had recommended approval of the survey contingent on grant approval for the study.

**Smith motioned, seconded by Eschliman, to approve an Aerial Electromagnetic Survey for Buffalo County contingent on grant financing to cover a portion of the costs, and funding being added to the FY 2019 Budget. Motion carried by roll call vote, all present voting yes.**

#### Columbus Recharge Project Update

Callan presented the scope of fees for the \$470,000 project. It was reported that not all the interlocal agreements were signed. The project was contingent on all interlocal agreements being approved by all parties involved. Callan reported that he had met with Christopher's Cove and they voted to sign the interlocal agreement. He reported that the Platte County Board had approved participation and the City of Columbus had budgeted for the project. Callan said that, at their request, ADM is part of the interlocal but not part of the advisory group.

**Smith motioned, seconded by Gellermann, to approve the Columbus Recharge Project contingent on the approval of interlocal agreements by all participants. Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Boesch, Citta,**

**Eschliman, Gellermann, Hadenfeldt, Kruse, Mohrman, Nelson, Petersen, Smith, Thede, Thoene, and Vlach. Director abstaining: Bauer. Directors absent, Bartak, Kauk, Lukasiewicz, and Podolak.**

#### Lincoln Premium Poultry Project

Naprstek reported that a poultry operation was interested in Platte County. Callan said that water consumption on one site would be approximately 80 gal/min in summer and that the manure was dry so there wouldn't be an issue with irrigation systems.

### PROGRAMS/PROJECTS COMMITTEE

#### Final Report - Lillian Creek

Kruse stated the Committee went through the Lillian Creek Study in detail and took no action at this time. Naprstek presented a power point that broke down the study. Elevation and size comparison to Davis Creek, Sherman Lake, and Calamus Reservoir was discussed based on the 2448 level (159 acres) and the 2440 level (89.9 acres). Different funding sources were discussed. It was presented that there are several state and federal grants including the Water Smart federal grant and Water Sustainability Fund, as well as Nebraska Environmental Trust matching grants if the decision was made to move forward with a project. Callan said the feasibility portion of the project was completed, but there would be further discussion in Committee on Lillian Creek.

#### Davis Creek Recreation Area

Naprstek reported that someone broke into the drop box at Davis Creek and stole approximately \$340. Options for repairing or replacing the drop box are being reviewed. He reported that the playground equipment delivery had been delayed but should be installed by July 4<sup>th</sup>, and the concrete will be poured soon for the new maintenance building. The latrine hole had been dug at the inlet and the latrine should be delivered tomorrow.

#### Pibel Lake Update

Naprstek reported that HDR should have recommendations for repair options completed soon. He said Brian Kolar would be doing an assessment on the sediment basin that is now three years old, which is about half the life of the sediment basin. He said in a few years the sediment settling basin would need to be dug out.

### MANAGER'S REPORT

#### Litigation Update

Callan reported he is still waiting to hear from the Nebraska Supreme Court on the Prokop case. He also reported that Koch had submitted his brief but no trial date had been set yet.

## New Hires

Callan reported that Ken Dawson had been hired for the Parks & Maintenance position and would be starting Monday. He also reported that the summer help had started for the season.

## Non-action Reports

None.

## FY 2019 BUDGET WORKSHOP #1

Callan started the discussion with a staff salary increase recommendation of 2½% base with an additional 1% Manager's discretion for a total possible increase of 3½%. Citta stated that the General Manager's salary would be discussed in Executive Session later in the meeting. Callan directed the Board's attention to the budget information included in the agenda.

Code 405 – Auto & Truck Expense - \$68,000  
Code 167 – Auto, Trucks, and Other Equipment - \$171,000  
Code 407 – Directors Expenses - \$50,000  
Code 109 – Directors Per Diem - \$32,500  
Code 413 – Dues & Memberships - \$60,000  
Code 417 – Personnel Expenses - \$50,000  
Code 419 – Fees & Licensing - \$58,600  
Code 421 – Public Information, Education, and Promotion - \$170,000  
Code 423 – Bonds - \$500  
Code 425 – Insurance - \$53,000  
Code 426 – Chemigation - \$8,000  
Code 431 – Legal Notices - \$18,000  
Code 432 – Miscellaneous Expenses - \$15,000  
Code 433 – Office Supplies and Expenses - \$40,000  
Code 169 – Office Equipment - \$45,000  
Code 436 – Employment Security - \$5,500  
Code 437 – Postage - \$35,000  
Code 439 – Professional Services - \$50,000  
Code 452 – Telephone - \$22,000  
Code 453 – Utilities - \$42,000  
Code 463 – Building Maintenance - \$25,000  
Code 213 – Loan Repayment - \$1,000,000  
Code 464 – Farm Account - \$15,000  
Code 467 – Davis Creek Recreation Area & Maintenance - \$398,000  
Code 479 & 454 – Pibel Lake Recreation Area & Maintenance - \$390,000  
Code 469 – Wildlife Habitat Program - \$45,000

**Hadenfeldt motioned, seconded by Smith, to approve a salary increase of 2½% base with an additional 1% Manager’s discretion for a total of 3½% possible increase. Motion carried by roll call vote, all present voting yes.**

**Eschliman motioned, seconded by Amsberry, to tentatively approve the first half of the FY 2019 Budget as presented. Motion carried by roll call vote, all present voting yes.**

## NARD REPORT

### Director’s Report

Eschliman reported that the Committee met in Lincoln on May 22<sup>nd</sup> and discussed health care. He said the policies hadn’t been approved by the entire NARD Board, so he would have another report in June. He said that the Basin Tour would be the second week in June.

### Legislation

No report.

## NRC REPORT

### Commissioner’s Report

Hadenfeldt reported that the Commission met on May 17<sup>th</sup> and approved some changes to the wording of the rules on funding. He said most of the changes were changing the word “shall” to “will.”

## RC&D REPORTS

### Loup Basin RC&D

Thoene reported that the RC&D met May 15<sup>th</sup> in North Loup at the Main Street Gallery. They discussed an open house in Burwell where the RC&D office is located. He reported that a one-room school, started in 1877, was moved out of Valley County to be used for meetings and the Friday Night business promotion. He said a \$7,800 grant was received from the Environmental Trust to be used for the Cedar River. Thoene reported there will be an open house in Fullerton in June and that UNL students would be attending to discuss the Cedar River. The scrap tire cleanup had not been scheduled yet, but there had been discussion on lowering the limit from 250 ton to 100 ton. Thoene reported that a temporary tower was being used since the Region 26 tower went down, but they hoped to have the new tower up by September. He said the biochar presentation was discussed.

## VARIANCE COMMITTEE

Thoene reported that Dick Hadenfeldt met with the Variance Committee a first time and requested a transfer of 10 irrigated acres from a field in the Central Platte NRD to a field across the road in the Lower Loup NRD. He said Central Platte had given approval for the transfer at a ratio of 1 acre to 1 acre. Thoene said the new acres would not be transferable.

## ANNOUNCEMENTS/FUTURE MEETING TOPICS

No announcements made.

**Adams motioned, seconded by Mohrman, that the Board go into Executive Session to discuss the General Manager's salary. Motion carried by roll call vote, all present voting yes.**

The Board went into Executive Session at 6:35 p.m.  
The Board came out of Executive Session at 6:50 p.m.

**Boesch motioned, seconded by Adams, to increase the General Manager's salary by \$3,500, effective January 1, 2019. Motion carried by roll call vote, all present voting yes.**

## ADJOURNMENT

With no further business before the Board, Citta declared the meeting adjourned at 6:55 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 28, 2018, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

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Henry J. Thoene  
Secretary