

MINUTES

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

February 28, 2019

Ord, Nebraska

The February 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 February 28, 2019. Chairman Citta called the meeting to order at 5:00 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson
Robert L. Bauer
Joseph L. Citta, Chairman
Jim Eschliman, Vice Chairman
Randy Kauk
Matt Lukasiewicz
Alan D. Petersen
Gerald Smith
Henry J. Thoene, Secretary

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Beth Boesch
John Coffey
N. Richard Hadenfeldt
Gary A. Kruse
James C. Nelson
Chad J. Podolak
Dean G. Thede

Directors absent

Larry Mohrman

Rick Vlach

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
Cam Conrad, Water Modeling Coordinator
LeeAnn Smith, Water Programs Assistant
Jason Moudry, Water Programs Specialist

Tylr Naprstek, Assistant General Manager
Kim A. Lyons, Financial Secretary
Cheryl Hornickel, Programs Assistant
Dell R. Harris, Water Resources Specialist
Brian Kolar, Projects Technician
Dan Ruterbories, Rangeland Mgt. Tech
Brent D. Lakin, Water Resources Tech

Guests in attendance

Bryce Bauer, LDC, NRCS, Ord
Todd Nitsch, Boelus

Bill Hart, Sargent

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 Russell Callan stated that the agenda was current, and that the meeting notices were properly published in all newspapers, posted at the NRD Headquarters office in Ord, on the NRD web site, and in the eight field office locations.

ROLL CALL AND EXCUSED ABSENCES

Roll Call was conducted electronically. Directors present: Adams, Amsberry, Anderson, Bartak, Bauer, Boesch, Citta, Coffey, Eschliman, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Nelson, Petersen, Podolak, Smith, Thede, and Thoene. Directors absent: Mohrman and Vlach.

Citta reported that Directors Mohrman and Vlach had asked to be excused.

Adams motioned, seconded by Boesch, to excuse the absent directors. Motion carried by electronic vote, all present voting yes.

MINUTES

Chairman Citta asked for corrections and/or additions to the January 24, 2019, Board meeting minutes. None were heard.

Thoene motioned, seconded by Kruse, to approve the January 24, 2019, Board meeting minutes as presented. Motion carried by electronic vote. All present voting yes.

TREASURER'S REPORT

Russell Callan, General Manager, highlighted expenditures to Bruning Law for rules updates and the Prokop case for \$2,490.00; \$5,137.00 for a new four-wheeler; \$15,000.00 to Northern Ag for Area 28 flowmeter maintenance; USGS for \$5,116.00 for the South Loup bacteria assessment, \$8,805.22 for the balance due on the new phone system; reimbursement to Boone County Treasurer for \$8,502.18 for incorrect assessment sent to Lower Loup; USGS for \$7,350.25 for stream gauges; and \$27,688.90 for the Columbus project.

Boesch motioned, seconded by Anderson, to approve the February 28, 2019, Treasurer's Report and pay all bills. Motion carried by electronic 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

Citta asked for any public comments.

Nelson introduced guest, Todd Nitsch, from Boelus. With no further public comments, Citta announced that there would be a closed session at the end of the meeting.

FORESTER'S REPORT

Richard Woollen, District Forester, was not present at the meeting. Callan directed the Board's attention to his narrative in the agenda.

NRCS REPORT

Bryce Bauer, NRCS, reported that a local work group was held and there weren't many changes. He reported that the NRCS stance on cedar trees was that they will continue to plant in windbreaks and that the state technical committee will meet in the future regarding the cedar tree planting issue.

Bauer presented a power point on where the 2018 EQIP projects were located and explained the different projects. He said there were 40,558 total acres in contract and 32,000 of them were in grassland enhanced for livestock production and wildlife habitat. He said 74,000 tons of erosion was reduced and 5 animal feeding operations were designed for water quality. He said 2018 EQIP practices included brush management, prescribed burning, cover crops, irrigation systems, pipelines, and tanks.

Callan mentioned that the internship program information was currently being sent to two-year colleges. Bauer announced that the three interns would be placed in Albion and Broken Bow, and Ord and Burwell would share one.

INFORMATION & EDUCATION REPORT

Central Region Envirothon

Larry Schultz, Information and Education Coordinator, reported that the Central Region Envirothon would be held at CCC in Columbus on March 5th. Top scorers in the contest will

qualify for the State Envirothon at Pibel Lake on April 24th. He said the national contest would be in North Carolina this year and Nebraska would host the national contest in 2020 in Lincoln.

Children's Groundwater Festival

Schultz reported that the Children's Groundwater Festival would be held at CCC in Grand Island. He said that he and Jason Moudry, Water Programs Specialist, would be attending the festival and conducting the Water Drop Relay which depicts the life cycle of a water drop.

Schultz also reported that the notice of the Washington, DC, conference was sent out, plane tickets had been purchased, reservations had been made, and registration would be completed soon. He said that he and Karla Callan were working on setting up White House tours.

Schultz announced that he had plaques for Kauk and Lukasiewicz to reflect five years of service to the NRD.

ASSISTANT GENERAL MANAGER'S REPORT

Davis Creek Update

Tyler Naprstek, Assistant General Manager, reported that he had recently given an update at the BOR/NGPC cooperative meeting on the progress at Davis Creek. He had received reports that Game & Parks would be matching some of the designs of the NRD such as playground equipment and shower house buildings. Naprstek reported that the Bureau of Reclamation had been complimentary of the progress.

Pibel Lake Update

Brian Kolar, Projects Technician, reported that the 404 permit from the Corps of Engineers had been received which covers 2019 repair work for the auxiliary spillway replacement and the renovation work that was completed in 2016. He said staff would be calling HDR to work on setting up a timeline for the project to be completed. Naprstek said there were no fines for the 2016 work.

Lukasiewicz asked about the grant received from the Nebraska Environmental Trust. Moudry reported that the three-year grant was for flowmeters for municipal, industrial, and livestock use. Moudry reported that staff would be attending a meeting on April 12th regarding details of the grant. Moudry said that he had been collecting municipal well data and only one community (Comstock) was left to report.

Columbus Area Water Resources Assessment Study Update

Naprstek reported that an update would be provided during Water Resources Committee updates.

WATER RESOURCES COMMITTEE

Columbus Recharge Project

Naprstek reported that Pat Engelbert, HDR, had given a presentation on the Columbus Recharge Project and Naprstek presented the slideshow to the Board and discussed the invasive species contamination concerns from industrial uses. The data presented indicated that 1,4-Dioxane is a concern and additional monitoring may be required. Naprstek presented the three different water supply options -- three vertical wells, a horizontal well system, and a hybrid canal/well option. Engineers' estimated costs associated with the options were \$2.3M, \$2.8M, and \$2.6M, respectively, which includes a 30% contingency plan to cover unforeseen circumstances that might come up.

Callan stated that \$1.57 million was the original estimate on the project and staff proposed that the NRD investigate additional federal grants, matching the money already acquired with some federal dollars to cover most of the difference. Boesch asked if that would put the project on hold until funding was obtained. Callan stated that it was still in the design phase and that the NRD would likely apply for the additional funding to keep the design phase going so the project could move forward. Kruse said that \$400,000 could be taken off Option #3 if the 500-gallon well could be put at the discharge waters coming back instead of the installing additional pipeline to Christopher's Cove.

Further discussion was held on contamination issues that could arise. Naprstek stated that he and Cam Conrad, Water Modeling Coordinator, were looking into different modeling options and would bring results to the Board when obtained.

Naprstek stated that the U.S. Bureau of Reclamation's WaterSmart grant deadline was March 27th and the Nebraska Environmental Trust grant would be due on September 3, 2019. It was reported that the project could be put on hold for a little while until grant funds were obtained. He said other funding options were being considered.

Kauk asked if the total cost was NRD's share. Callan reported that the \$2.3M doesn't reflect the engineering costs that had already been done. The \$2.3M is the cost to build the project. Callan reported that the project income would be approximately \$700,000 short and that the cost predictions also include 20 years of operation and maintenance costs. He stated the NRD would need a motion to seek grant funding to cover the additional costs.

Boesch motioned, seconded by Bartak, to seek grant funding for additional costs related to the Columbus Area Recharge Project. Motion carried by electronic vote. Directors voting yes: Adams, Amsberry, Anderson, Bartak, Boesch, Citta, Coffey, Eschliman, Hadenfeldt, Kauk, Kruse, Lukasiewicz, Nelson, Petersen, Podolak, Smith, Thede, and Thoene. Director abstaining: Bauer. Directors absent: Mohrman and Vlach.

Lower Loup NRD Drought Management Study

Naprstek reported that Lower Loup's application to the Water Sustainability Fund for the Drought Management Study was not approved. He suggested the NRD apply for grants from sources such as the Nebraska Environmental Trust and WaterSmart to help finance the study.

Naprstek reported that this was a District-wide stakeholder led plan that would address how the District would handle another drought situation as was experienced in 2012, or worse.

Smith motioned, seconded by Thoene, to seek grant funding for the LLNRD Drought Management Study. Motion carried by electronic vote, all present voting yes.

2018 Water Quality Report

Naprstek presented the 2018 Water Quality Report. He reported that the Area 3 Wheeler County nitrate issues were getting worse. Naprstek showed a breakdown of the water samples that were collected and explained that staff was working on updates to the Groundwater Management Area Rules and Regulations that would allow designation of sub-areas that would allow for better control.

Naprstek reported that there were also nitrate increases and fluctuations in Area 12 in Custer County, Area 18 in Howard County, and Area 19 in the eastern part of the NRD. He said staff would continue to monitor the areas closely. Citta mentioned that, in addition to what staff was already doing to address the nitrate water quality issues being seen across the NRD, he would like staff to investigate and outline some possible additional solutions.

In Area 28, the District's Phase III Management Area nitrate readings are still high, but staff is noticing that many of the readings have plateaued in the past few years. Staff has taken over 1,700 samples and results are being entered into the Statewide Groundwater Monitoring database, making information available to the University, USGS, and others. Discussion was held on what could be done in the high nitrate areas.

Naprstek reported that with the proposed rule changes, the NRD would be better able to control problem areas.

Smith motioned, seconded by Adams, to approve the 2018 Water Quality Report. Motion carried by electronic vote, all present voting yes.

Naprstek said that water quality result letters showing results from the last 5 years had been mailed to constituents.

Groundwater Management Rules and Regulations

Naprstek went over drafts of the new District rule changes. He said changes were being made in response to high nitrate levels in Wheeler County and were best identified using

township boundaries. He said that among the proposed changes was one that would allow the Board to make changes to water quality boundaries, identified as township boundaries. Water quantity areas would also be able to be subdivided per the proposed rule change. He said the Water Committee would discuss other changes and additions, and hearings would be held regarding the changes. The proposed timeline for adopting the new rules would allow for the new rules to be set into place by July or August of 2019.

Eschliman asked if the NRD would be cost-sharing on flowmeters. Callan responded that the rules would indicate that the NRD could require flowmeters but didn't indicate anywhere that the NRD paid for them previously in Area 28. He said flowmeters were required in Area 28, but a second program was created for flowmeter cost-share and suggested the program could be done the same way in this instance.

Smith motioned, seconded by Eschliman, to set the public hearing date for the rule changes for April 25, 2019. Motion carried by electronic vote, all present voting yes.

Variance Committee

Naprstek reported that variance requests were heard earlier in the day from Ross Land & Cattle Company (Vaughn Ross) from Custer County to transfer 12 acres out of the District, and Paul Kettelson from Boone County to transfer 22 acres into the District. He said the requests would be discussed again in March.

PROGRAMS/PROJECTS COMMITTEE

City of Fullerton Swimming Pool Request

Kruse reported that Fullerton was requesting funding of 20% of \$100,000, or approximately \$20,000, to assist with the installation of a new swimming pool with a water park feature. He said Fullerton representatives indicated that the pool was a 1954 structure that leaked approximately 9,000 gallons of water daily when active in the summer. He said they would meet with the Programs/Projects Committee again in March and provide additional information.

Building Addition

Kruse reported that the Committee discussed the quote for \$7,500 and the 3 proposed ideas for building expansion received from Canon Moss Brygger Architects. Callan said the architect had provided designs for the original expansion.

Kruse motioned, seconded by Bauer, to accept CMBA architect's proposal of \$7,500 and explore options for building expansion. Motion carried by electronic vote, all present voting yes.

South Loup Project

Callan reported that he would be talking with Upper Loup NRD to discuss a joint project to determine the available water along the main stem of the South Loup River.

Mud Creek Plan

Naprstek reported that he and Callan had met with NRCS and discussed the potential development of a watershed and flood prevention plan on Mud Creek. He said the NRD would be responsible for permitting and easement access to the site properties, but the funding would help with construction costs. He said the project was 100% covered, less the land rights. Naprstek said there would be a stakeholder group formed to help develop the plan. The deadline for the application is in September, so there will be additional discussion in Committee in March.

MANAGER'S REPORT

Committee Assignments

Citta announced that if anyone was interested in being on a particular committee to talk to him. He would then meet with Callan to make the assignments and announcements would be made in March.

2018 Board Attendance Report

Callan reported that the 2018 attendance report was included in the agenda. He encouraged Directors to call Jane at the office if they won't be able to attend a Board meeting.

Litigation Update

Callan said that Executive Session would be held at the end of the meeting to discuss litigation.

New Hires

No new hires.

Non-action Reports

Callan reported that Columbus was experiencing flooding due to ice jams. Callan had been contacted by the Emergency Management Coordinator for the area. Kolar put together a timeline of past ice jams that was included in the Supplemental Agenda. The chain of contact in such an event was discussed, beginning with Region 26 in Taylor, State Patrol, and county. Citta announced that there has been reluctance to use dynamite because of potential liability downstream.

NARD REPORT

Director's Report

Eschliman reported on the Legislative Conference and mentioned that several bills were being discussed. Callan said most of them were still in committee. Amsberry attended the NARD meeting and said discussion items included the 2020 Envirothon to be held in Lincoln and possible White House tour in April.

NRC REPORT

Commissioner's Report

Hadenfeldt reported that there would be a meeting on March 6th in Kearney.

RC&D REPORT

Loup Basin RC&D

Thoene reported that the RC&D received a DEQ grant for \$46,000 for the Keep Loup Basin Beautiful Waste Reduction and Recycling Program which includes scrap tire collection, the tentative date being June 21st in Burwell. He said Custer County was considering discontinuing their recycling program that they've had for 21 years, collecting 28M pounds. Thoene reported that Schrunks from Wheeler County will be having 34 wind generators installed. He said there was to be an open house at the chicken ranch in Bartlett but was postponed due to weather.

ANNOUNCEMENTS/FUTURE MEETING TOPICS

No announcements were given.

Kauk suggested staff put together a map showing where the new irrigated acres are going in. Callan said they were all mapped out.

Eschliman motioned, seconded by Anderson, to enter into Executive Session at 6:43 p.m. to discuss legal action and proprietary matters. Motion carried by electronic vote, all present voting yes.

Boesch motioned, seconded by Anderson, to exit Executive Session at 7:08 p.m. Motion carried by roll call vote, all present voting yes.

ADJOURNMENT

With no further business before the Board, Citta declared the meeting adjourned at 7:09 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 March 28, 2019, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Henry J. Thoene
Secretary