

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

June 23, 2011

Ord, Nebraska

The June 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 June 23, 2011. Chairman Gary Kruse called the meeting to order at 5:01 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Craig E. Frenzen
Michael P. Gutzmer
Thomas Knutson
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Virgil W. Gellermann
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Alan D. Petersen
Lyle D. Rasmussen
Bradley R. Staab
Kim Walden

Directors absent

Joseph L. Citta, Jr., Vice Chairman
Darwin R. Sieh

James J. Eschliman

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Rita Goldfish, Administrative Assistant
Tylr Naprstek, Water Modeling Coord.
Jason Moudry, Water Resources Specialist

Russell Callan, Assistant Manager
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
Dell R. Harris, Water Resources Specialist

Guests in attendance

Matt Glesinger, NRCS, Greeley
Wyatt Gutzmer, Columbus

Craig Critel, NLRPP&I District, Ord

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. The meeting notice was also posted at the NRD Headquarters office in Ord, the NRD web site, and the eight field office locations.

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 May 26, 2011, Board meeting minutes. None being heard, Kruse ruled that the May 26, 2011, Board meeting minutes would 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 told the Board that a bill for 2011 membership dues had been received from the Loup Basin RC&D. He said that he would like the Board’s input on whether the NRD should continue its membership in light of the loss of federal funding of the RC&D program. D. Rasmussen said the group met earlier in the week and the group remained in “limbo” and that there was concern that membership would drop off. Gellermann said that PrairieLand RC&D would be sending out dues requests shortly. Koehlmoos said that the NRD is a member of four RC&Ds. D. Rasmussen and Gellermann suggested that the NRD delay payment of any RC&D dues until the future of the organizations is clarified. The Board consensus was to remove the RC&D dues requests from the list of bills to be paid.

Koehlmoos told the Board that payment for 2011 conservation tree seedlings had been made to NARD. He said that the total was \$63,497.67 for 115,800 trees. The 2011 program was more successful than the past few years. Koehlmoos said Woollen would deliver a final report on the tree program at a future meeting.

Koehlmoos said that a \$1,000 payment to the University of Nebraska was for crop water use information for the Merna weather station. He said a payment of \$22,989 to Peerless Machine & Manufacturing in Kearney was for the drilling of six test holes for the ELM Project.

Petersen asked for details on a bill from Young Custom Spraying of Burwell and Koehlmoos said it was a payment to Zane Young for spraying leafy spurge at the Aagaard Farm. Knutson asked about the bill from NARD for conservation trees and Koehlmoos said the NARD served as the middle man for billing between the Districts and Bessey Nursery.

D. Rasmussen motioned, seconded by Anderson, to approve the June, 2011, Treasurer's Report and pay all bills except the RC&D dues requests. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Gutzmer introduced his son, Wyatt. Koehlmoos presented a power point slide show on the storm damage at the Davis Creek Recreation Area. He said about 50% of the trees at the site were damaged and the roof was pulled off the restroom across from the boat ramps. He said that numerous offers of assistance were received from around the area. Callan said that the downed trees would be chipped and used on seedlings that will replace the damaged trees. Koehlmoos said that the National Weather Service reported that the damage was done by an EF-1 tornado.

FORESTER'S REPORT

Koehlmoos said that North Central District Forester Rich Woollen of the Nebraska Forest Service was unable to attend. He asked Schultz for a report on the recent NARD Conservation Tree Workshop organized by Woollen, Jed Wagner of NARD, and Larry Schultz. Schultz said approximately 35 people attended the workshop. The weather was rainy and windy, so a plan to visit the Aagaard Farm was scrapped and a tour of the tree planting equipment, tree coolers, chipper, sawmill and shredder replaced the Aagaard visit. He said that the workshop included several roundtable discussions, including Bessey Nursery stock, tree diseases and pests, site preparation, seedling handling, and other topics. Koehlmoos said the event was well organized and that he received numerous compliments on the workshop.

NRCS REPORT

Resource Conservationist Matt Glesinger of the Greeley NRCS office said that District Conservationist Bryce Bauer was unable to attend the meeting. He reported that HEL compliance checks are about 80% complete. Three more CSP contracts were granted in the Burwell office, and an additional \$175,000 was received for four more EQIP contracts. NRCS staff is working on new CRP contracts, and haying and grazing modifications of CRP contracts would begin July 16th. Glesinger reported that the next round of applications for CSP and EQIP contracts was underway with local offices providing information to local media. He said that Craig Derickson reported Nebraska NRCS did well in a surprise audit of NRCS financial records in the state that had been conducted the prior week. He said staffing changes, due to the elimination of RC&Ds, would be taking place in the coming weeks.

Frenzen asked what the compliance checks of HEL showed and Glesinger said that there were some fields that would not make the cut. He said that there were a number of fields tilled for the first time and heavy spring rains caused considerable erosion.

ENGINEERING REPORT

North Loup River Public Power & Irrigation District Diversion Dam

District Engineer Robert Mohler told the Board that the North Loup River Public Power & Irrigation District was able to begin moving water through their canal system on June 7th. He said that the reconstruction project was nearly complete, with work remaining on the overflow. Mohler introduced Craig Critel of the NLRPP&ID and both provided the Board with narration to a power point presentation on the project prepared by Mohler. Mohler also provided photos from the Middle Loup Public Power & Irrigation District reconstruction project at Sargent.

Petersen asked if the facility at Taylor was open to the public and Critel said that it was open now, but the dam would eventually be fenced off. Knutson asked if the irrigation district had made any headway with U.S. Fish and Wildlife and Critel said that Jim Pinkman was continuing to work with the agency.

INFORMATION AND EDUCATION REPORT

ACE Camp

Information & Education Coordinator Larry Schultz told the Board that the Adventure Camp about the Environment wrapped up on June 8th with 30 campers from around the state. He said that the 6th, 7th, and 8th graders were led through sessions on water quality, forestry, soils, range, and wildlife. Approximately one-third of the students had attended the previous camp, so new presenters were used for each session.

Schultz said that a new issue of the LLNRD newsletter, "In The Loup," would be sent out to constituents across the District. He said that the NRD displays would be making the rounds to the county fairs in the District beginning in July.

ASSISTANT MANAGER'S REPORT

Variance/Water Resources Committees

Assistant Manager Russ Callan told the Board that the committees had not met.

Groundwater Management Area Activities

Irrigated Acres Certification Progress

Callan said that applicants granted new irrigated acres under LB-483 have until July 1st to have those new acres certified. He said that there were three landowners working on certification. Staff had

been unable to contact a fourth landowner, but that party came into the office today, so all the certifications should be completed by the deadline.

Area 28 Activities

Callan said that water sampling would begin once the irrigation season moved into full swing.

ELM Update

Water Modeling Coordinator Tylr Naprstek told the Board that a meeting of the ELM partners had been held on the 15th to work out funding issues in light of the state budget cuts. He said that each of the partnering NRDs planned to provide the matching funds for the project, even though state funds had been cut. He said that should additional state funds become available, the ELM project would be able to qualify with those matching funds.

Naprstek said that about \$9,000 remained in funding for flow meters under the NRD's Irrigation Monitoring program. There are about a dozen applications that had been unfunded.

Koehlmoos said that the Integrated Water Management Fund had been cut by 75 percent. He said that left very few funds for the projects like ELM. Most funds were distributed to fully and over-appropriated basins. Knutson asked how much funding had been cut from the ELM project and Callan said that about \$189,000 had been cut for the coming year. The Districts had agreed to supply the full 20% of the local match so that if additional state funds become available, they could all be leveraged. The funding cuts might extend the length of the project to five years rather than three. The cuts affect USGS because some staff will have to look for work other than ELM. Koehlmoos asked if USGS staff could be utilized if funding were found and Callan said that field staff could likely be found, but modelers might not be available. Hadenfeldt asked if the NRDs could make up some of the lost state funding and Callan said it wasn't discussed. Koehlmoos said that the Board should be thinking about whether additional funding from the Lower Loup NRD should be available. He said that NSWCP funds will also be short and consideration could be given to using District funds for conservation work.

FY-2012 BUDGET WORK

Koehlmoos directed the Board to the budget information included in the agenda. He said the Executive Committee had met for salary negotiations on June 16th, discussing employee wages and recommended a 3% average increase for the NRD's employees with \$25,000 for distribution at the Manager's discretion. The Manager's salary was not included in the discussion. Kruse told the Board that the Committee wished to discuss the Manager's salary in Executive Session and information on employee salaries was available from Koehlmoos.

Adams asked if individual evaluations had been completed with each employee and Koehlmoos said they had not. He said his evaluations had been delivered to the Executive Committee.

Gutzmer motioned, seconded by Walden, to approve the staff salary portion of the FY 2012 budget as presented and discussed. Motion carried by roll call vote. Directors voting yes: Amsberry, Anderson, Bartak, Frenzen, Gellermann, Gutzmer, Hadenfeldt, Knutson, Kruse,

Nelson, Petersen, D. Rasmussen, L. Rasmussen, Smith, Staab, Thoene, and Walden. Director voting no: Adams. Directors absent: Citta, Eschliman, and Sieh.

Koehlmoos presented the budget items for Auto and Truck Expense \$60,000; Auto and Trucks \$30,000; Director's Expenses \$35,500; Directors Per Diem \$27,500; Dues and Memberships \$50,000; Personnel Expenses \$28,000; Fees and Licenses \$39,000; and Public Information, Education, and Promotion \$69,000.

Koehlmoos continued his presentation on the budget items for Bonds \$500; Insurance \$53,000; Chemigation \$6,500; Legal Notices \$10,500; Miscellaneous Expenses \$7,500; Office Supplies and Expenses \$20,000; Office Equipment \$50,000; Employment Security \$5,500; Postage \$27,000; Professional Services \$50,000; Project Land Rights \$0; Project Legal Costs \$5,000; Telephone \$12,000; Utilities \$18,700; Soil Survey \$0; Building Maintenance \$37,500; Loan Repayment \$600,000; Farm Account \$42,500; Davis Creek Maintenance \$43,500; Corners For Wildlife \$35,200; Wildlife Habitat Program \$10,000; Buffer Strip Program \$175,800; and Arboretum Budget \$30,000.

Anderson motioned, seconded by D. Rasmussen, to give tentative approval to the portion of the FY-2012 budget as presented and discussed. Motion carried by roll call vote, all present voting yes.

MANAGER'S REPORT

RC&D Membership Dues

This item was discussed during the Treasurer's Report.

NARD Panhandle NRD Tour

Koehlmoos told the Board that he and Anderson attended the NARD Panhandle Basin Tour June 13-15. He provided the Board with a power point presentation of the tour. The Board discussed the Pathfinder Dam, which will be modified to increase the pool size of the reservoir.

New Hires

Koehlmoos introduced Jason Moudry, who had been hired as Wellhead Protection Coordinator and Water Resources Specialist. Koehlmoos said that Moudry was an Ord native and had been an employee at Upper Niobrara-White NRD in Chadron. Koehlmoos said that Dave Wamberg had been hired to return as a summer employee to pick up water samples in Area 28.

NARD REPORT

Director's Report

D. Rasmussen said the NARD Board met in Alliance on June 12th. The NARD Board approved a 4% increase in membership dues. The Association saw a net surplus of \$6,000 that was budgeted for a reserve. He said that the Association hoped to establish a six-month operating reserve.

The insurance program had a \$600,000 reserve with a goal of \$1 million in reserve. Koehlmoos said that the health insurance program had only a one percent increase.

NRC REPORT

Knutson said that the Commission met in June in Sidney. He said that he had argued for funds for the ELM Study and he was told that it was a statewide cut.

RC&D REPORTS

Loup Basin RC&D

D. Rasmussen told the Board that the RC&D met Tuesday night to discuss the group's future. A commissioner from Greeley County said that the TransCanada pipeline would likely be built as proposed. The Executive Board would meet in the coming week.

PrairieLand RC&D

Gellermann reported that the RC&D had met Tuesday in Stanton at a new building on the fairgrounds. The group's projects were funded, but there was little operating funding. He said that the funds for tire collections had been taken for the General Fund, so there were tire collections that were not funded in most cases. He said that the grants might be distributed to other organizations if no funding was found.

ANNOUNCEMENTS

There were no announcements.

EXECUTIVE SESSION – MANAGER'S SALARY

Frenzen motioned, seconded by Knutson, to go into executive session to discuss the General Manager's salary, a personnel matter. Motion carried by roll call vote, all present voting yes.

The Board entered into executive session at 7:06 p.m.

Walden motioned, seconded by Gutzmer, to come out of executive session at 7:24 p.m. Motion carried by roll call vote, all present voting yes.

Walden motioned, seconded by Amsberry, to increase the General Manager's salary by 5%. Motion carried by roll call vote, all present voting yes.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:26 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 newspaper in each county within the District. The next Board of Directors meeting will be held Thursday, July 28, 2011, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary