

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

August 25, 2011

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, 2011. Chairman Gary Kruse called the meeting to order at 5:04 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Joseph L. Citta, Jr., Vice Chairman
Craig E. Frenzen
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Alan D. Petersen
Darwin R. Sieh
Bradley R. Staab

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
James J. Eschliman
Virgil W. Gellermann
Thomas Knutson
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Kim Walden

Directors absent

Michael P. Gutzmer
Henry J. Thoene

Lyle D. Rasmussen

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Cheryl K. Hornickel, Programs Assistant
Tylr Naprstek, Water Modeling Coordinator
Jason Moudry, Water Resources Specialist
Jane Klanecky, Receptionist

Russell Callan, Assistant Manager
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
Richard L. Woollen, NC District Forester

Guests in attendance

Bryce Bauer, DC, NRCS, Ord

Joe Mangiamelli, City Administrator, Columbus

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.

Eschliman 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 July 28, 2011, Board meeting minutes. None being heard, Kruse ruled that the July 28, 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 from Pace Analytical was for the analysis work for the Area 28 special study and would be reimbursed the NRD’s “319” grant. Koehlmoos said the bill from Inspro Insurance was for the District’s commercial insurance package. He said that the costs had decreased from the previous year.

D. Rasmussen motioned, seconded by Adams, to approve the August, 2011, 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

North Central District Forester Rich Woollen of the Nebraska Forest Service told the Board that participants in the Nebraska Buffer Strip Program can re-enroll in the program when their current contracts expire. Re-enrollment has happened in a number of cases.

Woollen said that he has been answering a number of insect and disease questions and has also been working in the Niobrara Valley since the departure of the forester in that area. Woollen said he was able to attend a bio-fuels conference in Washington, D.C. in July.

PUBLIC HEARING ON LLNRD FY 2012 BUDGET

Chairman Kruse opened the public hearing on the Lower Loup NRD's FY-2012 Budget at 5:15 p.m. He asked for public comments. None were heard.

Koehlmoos told the Board that the initial budget information received was in error and referred them to revised figures included in the supplemental agenda. Koehlmoos said the budget increased 1.05%. The property tax request remained the same as 2011 and the levy was reduced by 3%.

Knutson asked about \$1.6 million in capital improvements and Koehlmoos said that was the amount of funding required for projects approved by the Board.

Kruse asked for comments from the NRD Directors. Knutson asked if additional categories could be developed for capital improvements and Koehlmoos said that it would come under the project participation policy.

Chairman Kruse closed the hearing at 5:19 p.m.

PUBLIC HEARING TO SET FINAL TAX REQUEST FOR FY-2012

Chairman Kruse opened the hearing at 5:19 p.m.

Hadenfeldt motioned, seconded by Petersen, to approve the FY-2012 Budget as presented. Motion carried by roll call vote, all present voting yes.

Resolution to Approve Additional One Percent Increase

Koehlmoos told the Board that approval of the one percent increase would require a super majority vote of the Board. He explained the 1% increase was part of the regular budget and if not passed, it would require a reposting of our proposed property tax request since it was not simply going to unused budget authority this year, as was the case in past years.

Knutson asked if the increase was normal Board procedure and Koehlmoos said that its passage was recommended by the state auditor's office and Lower Loup NRD's auditor.

Citta motioned, seconded by Sieh, to approve a Resolution for an additional one percent increase in the budget. Motion carried by roll call vote, all present voting yes.

Resolution to Set the Property Tax Request

Koehlmoos said the Resolution stated the 2012/2013 property tax request be set at \$3,260,583.00.

Walden motioned, seconded by Citta, to approve the Resolution to set the property tax request at \$3,260,583.00. Motion carried by roll call vote, all present voting yes.

Resolution to Set Levy for the Lower Loup Natural Resources District for Fiscal Year 2012

Koehlmoos said the Resolution stated the District property valuation is \$8,687,029,088 and the levy for FY-2012 be established at \$0.037534 per \$100 of property valuation.

Knutson motioned, seconded by Anderson, to set the levy for the Lower Loup Natural Resources District at \$0.037534 cents per \$100 valuation. Motion carried by roll call vote, all present voting yes.

Chairman Kruse closed the hearing at 5:29 p.m.

NRCS REPORT

District Conservationist Bryce Bauer told the Board that NRCS was able to utilize funding from other states to hire about 30 employees statewide. Five of the new employees will be in the Lower Loup NRD, in Burwell, St. Paul, Albion, Broken Bow and Fullerton. He said the new employees will be working for one year in the field as TSPs.

Bauer reported that preparations are underway for range and land judging contests, EQIP dockets had been submitted to the state and forwarded to the federal level for approval, and a new docket was created based on a regional basis, lumping Nebraska with other Midwestern states.

Bauer said that the 2012 NRCS budget looks to be reduced by approximately 15 percent. He said that the statewide budget was \$40 million. About \$26 million is salaries and benefits, and another \$3 million is in office building leases. He said that there could be cuts in other areas to absorb the 15 percent. Koehlmoos asked if funding for TSPs would be targeted in the reduction and Bauer said that funding for salaries for full-time employees would likely be the last to be targeted. Koehlmoos asked what the status of the Spalding office and Bauer said that a list of people interested in building a new building for an office had been requested and sent out by Matt Glesinger.

Bauer told the Board that an aerial spraying of cedar trees had been done on school land between Ord and Burwell. Staff is investigating whether a combination of spraying and burning would help control larger cedars.

ENGINEERING REPORT

Loup River Levee Recertification

District Engineer Robert Mohler directed the Board to information included in the agenda and introduced Joe Mangiamelli, city administrator for Columbus. Mangiamelli said that the Loup River Levee was built in the 1960s by the Corps of Engineers following some flooding in the Columbus area. He said that FEMA notified the city that the levee was conditionally certified and needed recertification to FEMA standards. Work was started to determine what would be needed to achieve that certification. In some spots, an additional few inches of earth would be needed and in others up to a foot. He said that 45,000 to 50,000 cubic yards of dirt would be needed. The Corps then came back and said that because substantial changes were being made, an environmental assessment would be

needed, which, in turn, meant that a two-year deadline had to be exceeded because of the additional work to meet both Corps and FEMA requirements.

The Corps also requires an independent peer review and said that the review recommended replacement of toe drains. Plans are nearly complete and will be submitted to the Corps and the peer review contractor in mid-September. He said within 60-90 days, the comments should be returned and modifications made so that the project can then be bid and construction can begin in early spring, 2012, with completion in fall, 2012. Corps "408" permit will allow the process to move forward.

Mangiamelli said the additional requirements have doubled the costs of engineering on the project. The current cost estimate for the project is \$2.5 million. He said that the project, when complete, would then be eligible for re-certification. About 30-35 percent of Columbus is protected by the levee.

Sieh asked how much additional funding was being sought and Mangiamelli said that no funding was being sought at the moment. When a more concrete cost for the project had been established, he would come back to discuss funding. Knutson asked if FEMA funding would be available and Mangiamelli said that FEMA had made it clear they would not fund the project. Eschliman asked if the peer review engineering firm had been selected by the city and Mangiamelli said that the peer review firm was recommended by the city's consultant and approved by the Corps. Sieh asked how the Corps would be responsible for a levee breach and Mangiamelli said that since the original levee was built by the Corps and the renovation would be certified to their standards, the Corps would be responsible.

Subdistrict Realignment

Mohler referred the Board to maps of potential subdistrict realignment for the NRD that were included in the agenda. The maps were based on the voting precincts used by the counties. He said that the new maps would change the subdistricts for two current Directors, Hadenfeldt and Frenzen. As expected, the subdistricts follow the state's population shift to the east. Mohler said that he would continue to revise the subdistrict maps and return them to the Board for approval. Mohler said that he had access to U.S. Census Bureau information regarding population as the source for his data. Koehlmoos said the ratio is now about 1 to 1.04. Knutson asked who reviewed the subdistricts at the state level and Koehlmoos said we report subdistrict descriptions to the Secretary of State.

INFORMATION AND EDUCATION REPORT

Husker Harvest Days

Information & Education Coordinator Larry Schultz told the Board that Husker Harvest Days would be held September 13-15 in Grand Island. Schultz said he and Directors Anderson, Gellermann and D. Rasmussen would be working in the Natural Resources tent during the farm show. Schultz said the NRDs would give away Colorado blue spruce seedlings again as an attraction to the tent.

Schultz said the NRDs would host a booth at the Nebraska State Fair in Grand Island. He would work at the NRD booth on Saturday afternoon.

Schultz referred the Board to the NRD's display unit set up in the lobby. He said the display included the same information that was presented at 2011 county fairs.

Schultz said that the Lower Loup NRD and NRCS would host the Area 4 Range Judging Contest in Howard County on September 20th. Registration and scoring would be done at the Howard County fairgrounds.

Environmental Festival

Schultz told the Board that the Environmental Festival would be held on October 5th around Auble Pond in Bussell Park in Ord. The theme for this year's festival is *On the Wild Side*, and 250-300 4th grade students are expected to attend.

Schultz passed to the Board a copy of the Loup River Basin information sheet. He and Denise Vinton of Upper Loup NRD prepared the sheet which will be passed to Nebraska legislators and others interested in natural resources in the Loup Basin.

ASSISTANT MANAGER'S REPORT

Groundwater Management Area Activities

LB-483 Acres

Assistant General Manager Russell Callan said that staff had been answering a number of questions regarding the preparation of the application forms.

Area 28 Activities

Callan said that water sampling had been completed on 492 wells. Lorenz is wrapping up work on the sampling.

ELM Update

Callan told the Board that staff is working on cuts to the ELM budget after the loss of part of the state funding.

MANAGER'S REPORT

Report on Senator Langemeier's LR-314

Koehlmoos told the Board that he and Director Knutson serve as part of a group established by State Senator Chris Langemeier to look at funding needs for water management activities in Nebraska. He said he serves as part of the "Existing Funding Sources" group and Knutson is chairing the "Future Water Needs & Costs." There have been numerous surveys sent out to gather data for the group. Koehlmoos said that the Senator has requested the information be compiled by October 1st.

Smith asked how much time Senator Langemeier had before term limits kicked in and Koehlmoos said this would be his last term. Koehlmoos said that the information will be valuable for new senators entering the Legislature.

New Hires

Koehlmoos said that there were no new hires.

NARD REPORT

Director's Report

D. Rasmussen said the NARD Board would meet in Kearney in September.

Fall Conference and Golf Tournament

Koehlmoos urged Directors interested in attending the conference and golf tournament to contact him or Schultz.

Resolutions for NARD Fall Conference

There was no discussion.

NRC REPORT

Hadenfeldt and Knutson said that the Commission would meet in September.

RC&D REPORTS

Loup Basin RC&D

D. Rasmussen told the Board that the RC&D met in Dannebrog. The group ate pizza, toured the Pawnee Art Center, and discussed ongoing projects.

PrairieLand RC&D

Gellermann reported that the RC&D had met in Albion. Discussion was underway indicating that multiple RC&Ds could be consolidated into area RC&Ds. PrairieLand was planning to remain in operation through the end of the year.

Koehlmoos referred the Board to information on resolutions to be considered at the NARD Conference. One would propose elimination of the Well Decommissioning Fund and the other would authorize fees for variance requests.

Kruse thanked Nelson for a tour of the South Loup River on his airboat. Callan, Naprstek, Kruse, and D. Rasmussen were shown various features on the river.

ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 6:37 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, September 22, 2011, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary