

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

November 17, 2011

Ord, Nebraska

The November 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 November 17, 2011. Chairman Kruse called the meeting to order at 5:00 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Joseph L. Citta, Jr. Vice Chairman
Virgil W. Gellermann
N. Richard Hadenfeldt
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Tim Bartak
Craig E. Frenzen
Michael P. Gutzmer
Gary A. Kruse, Chairman
Alan D. Petersen
Darwin R. Sieh
Bradley R. Staab
Kim Walden

Directors absent

James J. Eschliman

Thomas Knutson

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Cheryl K. Hornickel, Programs Assistant
Jason Moudry, Water Programs Specialist
Dan Ray, NRD Technician, Spalding
Richard L. Woollen, NC District Forester
Dell Harris, Water Resources Specialist

Russell Callan, Assistant Manager
Robert T. Mohler, District Engineer
Tylr Naprstek, Water Modeling Coordinator
Larry D. Schultz, I&E Coordinator
Jane K. Klanecky, Secretary Receptionist
Irene F. Kreifels, Financial Secretary

Guests in attendance

Mark Sintek, CPM, NRCS, Ord
David Glendy, Broken Bow

Matt Lukasiewicz, St. Paul
Eugene Bredthauer, Ord

NOTICE OF OPEN MEETING LAW POSTING

Chairman Kruse referred those in attendance to the open meeting law information posted in the Board room. Kruse thanked Citta for chairing the meeting in October.

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 Nelson, 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 October 27, 2011, Board meeting minutes and none was heard. Kruse ruled that the October 27, 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 listed on the supplemental agenda for \$64,875.00 to U.S. Geological Survey was for work on the ELM project. He said that the Lower Loup NRD would be partially reimbursed by the Nebraska Department of Natural Resources.

Rasmussen motioned, seconded by Anderson, to approve the November, 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 Richard Woollen of the Nebraska Forest Service reported that following a staff review, funds from the Community Forestry Program had been approved for a project at the Ord High School. Dave Ference and the FFA Horticulture class are having a design contest for tree, shrub, and perennial plantings. The winning design will be implemented at the school next

spring. This fall, three Colorado blue spruce trees were planted to begin the project. Sieh asked where the trees were planted and Woollen said at the entrance on the northeast side of the high school. Sieh responded that he felt it was a good project.

Woollen told the Board that he had included in the agenda the 2012 conservation trees species list, including provenance and descriptions.

NRCS REPORT

Mark Sintek, CPM, of the Ord NRCS office, made the report in the absence of District Conservationist Bryce Bauer. Sintek said that he and Bauer had been in the field looking at WRP and converted wetland issues. Sintek said the Ord NRCS office had been working on approximately 60 EQIP applications. He reported that many CRP fields had been seeded this fall and that Jason Moudry had helped order some of the seed.

Sintek said all NRCS offices had been working on the National Resources Inventory. In this process, land to be inventoried is assigned to each office and information from FSA records over the last four years is collected. Data is then sent to Lincoln and then on to Washington D.C., where the data will be used for future farm bills. Frenzen asked what issues were being reviewed and Sintek said that the reviews involved some WRP sites where contractors/producers did not complete excavation and spoil piles removal from wetland areas. He said that holes had been dug and 18 inches of excavation had been found on top of what had been a wetland area. Sintek said that might not sound like much, but it could really impact a wetland. Final decisions on the review results will come from Lincoln.

Sintek said NRCS is also dealing with converted wetland issues, many of them in Mira Valley in Valley County. In these cases, the water table had risen, leaving impenetrable soils below. He explained that, in an 80-acre quarter of pasture and 80 acres of cropland, now all used for crops, there was a lot of additional water for the drains to handle. Producers now have to dig a drain for their pivot to run in a place where it had previously circled for thirty years. Officials in Lincoln will make the final decision on handling these problems, too. Koehlmoos asked how long it would take before some areas that had been wet for five or six years could be considered modified or enhanced wetlands. Sintek said that if producers dug drainage ditches, but later abandoned them, let them fill back in, and the land reverted back to wetlands, and the work wasn't done prior to 1985, the wetland determination could be made. Officials in Lincoln would make the final decision.

ENGINEERING REPORT

a. FEMA Hazard Mitigation Plan

District Engineer Robert Mohler told the Board that Kirkham Michael, the NRD's consultant for the Hazard Mitigation Plan, had established a format for the multi-jurisdictional plan for the NRD's 92 different jurisdictions. Mohler said he had met with the consultant and representatives from Central Platte NRD at the NEMA office in Lincoln. He felt the meeting created a good rapport with the State Hazard Mitigation officer and a new completion date had been set. He said the LLNRD now had another year to get the plan completed. Citta asked if the NRD still had enough funds budgeted for

Kirkham Michael's work in light of the extended time frame and Mohler said that the Lower Loup NRD had not been approached yet, but that Kirkham Michael had requested an additional \$25,000 from Central Platte NRD. He explained that Kirkham Michael had waited a long time for their money, but that the NRD had made it clear in the contract that the Lower Loup NRD would make no additional payments. Mohler and Koehlmoos said we would have to wait and see if the Lower Loup NRD will be asked for more funding.

b. Loup River Levee Recertification

Mohler reported that plans were about 90 percent complete for the Loup River Levee Recertification project and had been submitted to the Corps of Engineers. He said that construction was expected to start next fall and no changes or new requirements were expected. Koehlmoos asked how long it would take to get construction underway and Mohler replied it would take 90 days. Koehlmoos told the Board that the NRD would have to carry the project on the budget for one more year.

c. Mira Creek – Bredthauer Dam

Mohler informed the Board that Eugene Bredthauer had submitted an application to the Corps of Engineers for a "404" permit to repair his dam. He said that Bredthauer brought the application in for his review. Bredthauer had taken the steps to begin the process and there would be more work to do.

INFORMATION AND EDUCATION REPORT

a. Land Judging

Information & Education Coordinator Larry Schultz told the Board that the State Land Judging Contest, hosted by Lower Platte North NRD, had been held November 2nd near Mead. He said that four teams from the Lower Loup NRD competed in the contest. Ord tied for 6th, Twin River was 8th, Fullerton was 15th and St. Edward was 17th. Individually, Alex Cornwell of Twin River was 7th, Dusty Staab of Ord was 16th and Johnny Ference of Ord was 19th. Schultz reported that five teams qualified for the national contest in Oklahoma: Tekamah-Herman, Norris, Franklin, Arapahoe and Raymond Central. The national contest will be held in May, 2012.

b. Annual Awards Dinner

Schultz told the Board that the Lower Loup NRD's Annual Awards Dinner would follow the next Board of Directors meeting on December 15th. The event will be at the Veterans Club in Ord at 6:30 p.m.

Koehlmoos said the Board needed to take action to change the start time for the December meeting to 4:30 p.m..

Sieh motioned, seconded by Anderson, to approve a 4:30 p.m. start time for the December, 2011, Board of Directors meeting. Motion carried by roll call vote, all present voting yes.

Kruse asked the Board for a motion to approve the \$30 per plate maximum for the meal and \$100 maximum for the awards for the event.

Gutzmer motioned, seconded by Walden, to approve the \$30 per plate maximum for the meal and \$100 maximum for the awards for the event. Motion carried by roll call vote, all present voting yes.

Schultz also told the Board that the deadline for the Master Conservationist Award had been moved to February, 2012. The award had been modified from a district competition to a single state-wide award and would now focus on groundwater management. Schultz asked the Board to let him know of potential nominees. Koehlmoos asked if the award was for private landowners and Schultz said it could be a public entity as well. He told the Board that he had copies of the awards brochure available. Citta asked Schultz if he knew why the award had been changed specifically to groundwater and Schultz responded that he assumed it was a decision made by the sponsoring organizations, the University of Nebraska-Lincoln and the Omaha World-Herald. Schultz said that non-winning nominees would automatically be considered again the following year.

ASSISTANT MANAGER'S REPORT

a. Variance Committee Meeting

1. LB 483

Callan said the Variance Committee had met earlier in the afternoon and reviewed LB-483 acres applications. He said that of applications brought to the Board, seventeen were ineligible for the program for various reasons, including transfers or location in a wellhead protection area. Lower Loup NRD staff had field-checked every site that was considered for approval. Callan said the highest ranked application scored 499.88 points, and the lowest score was 283.27. After ranking, NRD rules would allow a total of 3003.8 acres to be granted for 2012. Callan reported that of the 556 applications, 106 had qualified for approval. Callan provided a power point presentation showing a breakdown of new acres by county and photographs of various fields which had qualified for approval.

Gutzmer asked Callan how many variables contributed to the scoring process and Callan said that five criteria were used. Koehlmoos asked if a producer could move acres and Callan said LB-483 acres were not transferable. Callan said that staff had also examined applications for new irrigation in areas of the District outside the 10/50 line and recommended approval for all applications that scored 283.27 points and higher. He said that any acres granted within this area did not count against the total 10,000 acres allowed by law. Callan said that applications with acres outside the 10/50 line rank higher because they automatically get 90 points. Koehlmoos said those points are granted because there is no stream depletion factor. Callan said the acres qualifying for approval were spread throughout the entire District.

Frenzen asked if there was an increased potential for irrigated acre transfers and Callan said that transfers still come primarily from Sandhills counties and he expected more acres would be

transferred. Koehlmoos said transfer volume would be a factor of the type of land available and the overall prices for irrigation rights. He said transfers could go on indefinitely.

Sieh asked if anything was being done to keep track of the water which left a field through tiling and if that water goes from being considered groundwater to surface water. Callan said that the water would only be tracked at a river gauge as surface water. Koehlmoos said that it could pool, but the District was not aware of any that has flowed to the river. He said that it would be good to capture it and use it to augment the stream in a controlled method. Koehlmoos told the Board that the water has already provided a benefit because it is accounted for at the gauge and it is creating recharge. Sieh responded that some might also seep back into the aquifer before it reaches the gauge.

Smith asked if there was a method to check or regulate fertilizer or manure applications on tiled ground and Callan said it was reported in Phase II and Phase III Groundwater Management Areas. Koehlmoos said that there are state statutes regarding the application of chemicals to open water. He explained that DEQ was responsible and that the NRD had limited authority. Koehlmoos said the District tries to monitor such situations, but he said it was a gray area.

Callan directed the Board to the minutes of the Variance Committee included in the supplemental agenda. He said the Variance Committee recommended to the Board that all applications for new groundwater irrigation that ranked 283.27 and higher be approved.

Nelson motioned, seconded by Citta, to approve all applications for new irrigated acres granted through the 2011 LB-483 process that scored 283.27 points and higher. Motion carried by roll call vote, all present voting yes.

Kruse and Koehlmoos thanked the staff for the work done on the new irrigated acres process. Callan said that all the applicants would receive a letter informing them of their application's outcome by December 1, 2011. Kruse informed the Board that the information available at the meeting was for Board use only. Kruse said that Koehlmoos would check with the District's attorney to determine what information could be released to the public.

Groundwater Management Area Activities

Area 28 Activities

Callan told the Board that the partially completed Area 28 Annual Report forms would be sent to landowners in early December. The reports would be due back January 31st.

Area 18 Activities

Callan told the Board that the NRD's technicians would continue soil sampling from cropland sites in Area 18. He said that Moudry was graphing the results from non-cropland sites that had been sampled. Callan told the Board that over 900 wells had been sampled across the District and work on domestic wells still needed to be completed.

ELM Update

Water Modeling Coordinator Tylr Naprstek reported that Lower Loup NRD had been contacted by Jesse Bradley of DNR for assistance with the INSIGHT program. Naprstek explained that the INSIGHT program is a coordination of all water modeling efforts across the state of Nebraska. Lower Loup has been asked for very specific data from the ELM files. Naprstek and Jennifer Stanton from U.S.G.S. had assembled the information and sent it to DNR.

MANAGER'S REPORT

Spalding Property

General Manager Butch Koehlmoos told the Board that staff had negotiated an acceptable agreement with Mike Haggerty and the group in Spalding wanting to purchase the NRD's property in Spalding for new NRCS office space. Haggerty had agreed to the purchase price of \$12,000 for all of Lots 3 and 4 and the north half of Lots 5 and 6. The Lower Loup NRD is selling the three lots for the same price offered in 1985. Koehlmoos said he sent a purchase agreement to Haggerty to sign and return to the NRD's attorney. The agreement is that \$500 would be paid when the purchase agreement is sent to the NRD's attorney and \$11,500 would be paid at the closing.

Pibel Lake

Koehlmoos reported that he had received notice from Nebraska Game & Parks that the Commissioners had agreed to the transfer of Pibel Lake to the Lower Loup NRD. Koehlmoos said he would be working with Kirk Nelson to develop legislation which would give the District the state's approval for the transfer. Koehlmoos contacted Senator Kate Sullivan to sponsor that legislation when the Unicameral convenes in January. Gutzmer asked why Game & Parks no longer wished to operate Pibel Lake and Koehlmoos said that it was due to a lack of funds to maintain it. Koehlmoos told the Board that Game & Parks is trying to transfer several smaller and less-used state recreation areas to other agencies.

New Hires

Koehlmoos introduced Irene Kreifels to the Board and said she was hired to assist with bookkeeping, data processing and other duties as assigned. Also hired was a new part-time employee, Leann Smith, to work 20 hours a week on a part-time basis to assist Callan and Harris with irrigated acres transfers.

NARD REPORT

Director's Report

Virgil Gellermann represented the Lower Loup NRD at an NARD Board meeting in Gothenburg. Gellermann said the group toured the Monsanto Water Research facility, the closed Six Mile Canal, and the Gothenburg Canal. Kruse asked how the Six Mile Canal was filled and Gellermann said the adjacent landowners bulldozed it in and it was no longer visible.

Gellermann said the NARD is considering establishing a building on Husker Harvest Days grounds. NARD wanted all NRD's in the state to be aware as they might be asked to help with the building financially.

Gellermann said the health insurance risk management pool was also discussed at the meeting and reported that some larger health insurance claims had been submitted, but were not of concern.

Edson's Report

Koehlmoos told the Board copies of the Edson Report could be found in both the regular and supplemental agendas.

NARD Washington, DC Conference

Koehlmoos told the Board a head count was needed for the NARD Washington, DC Conference that will be held March 11-14, 2012. Kruse told the Board to notify Schultz by the December meeting to allow time to purchase airline tickets.

NRC REPORT

Hadenfeldt told the Board that the Natural Resources Commission had discussed the state budget and pipeline issues. The projections for funding from the budget were at zero. Hadenfeldt said that 93 applications had been submitted for grants from the Nebraska Environmental Trust. The applications totaled about \$50 million and approximately \$16 million would be granted. He said that the Commission would meet again in January at the Legislative Conference.

Koehlmoos said he would be bringing up the Irrigated Water Management Fund with the Commission at the Legislative Conference. DNR plans to re-evaluate the distribution formula.

RC&D REPORTS

Loup Basin RC&D

Rasmussen told the Board he attended the meeting in Ericson and the topic of discussion was Lake Ericson. Since the lake is a private organization, there will probably be no funding for flood repairs from NEMA or FEMA. Rasmussen said the lake is experiencing problems with the spillway and Nebraska Game and Parks would like to put in a fish ladder.

Rasmussen said that Loup Basin RC&D has some high school students coming to the office to further their knowledge in computers and help the office staff.

Rasmussen said the RC&D should have money for about two more years of operation. He said the RC&D had received a report that land in Burwell has been set aside for a convention center.

PrairieLand RC&D

Gellermann reported that the RC&D met in Newman Grove and the group received a report from high schools students involved with water sampling done on Shell Creek and Beaver Creek. He said they also discussed activities to keep the RC&D funded.

Gellermann also reported that all grants for tire recycling had been turned down last year. He urged the Lower Loup NRD to encourage funds be granted. He said this is an excellent way to keep tires from being disposed of improperly.

ANNOUNCEMENTS

Citta told the Board that effective November 1, 2011, the Nebraska Department of Environmental Quality had established a new set of regulations regarding application of pesticides and herbicides on or near waters of the state or waters that flow into waters of the state. Citta said that, in some situations, a permit would be required. He said that the producer would be required to keep a copy of the label, directions, date and amount applied and area where it was applied.

Koehlmoos said this had been primarily for aerial applications, but now covered all applications. He said it also included potential drift as well as actual applications.

Kruse reminded the Board of the annual Awards Dinner to be held December 15, 2011. A head count was taken.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 6:15 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, December 15, 2011, at 4:30 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary