

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

May 24, 2012

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, 2012. Chairman Kruse called the meeting to order at 5:04 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
James J. Eschliman
Virgil W. Gellermann
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Dean J. Rasmussen
Bradley R. Staab
Kim Walden

Rollie D. Amsberry, Treasurer
Tim Bartak
Craig E. Frenzen
Michael P. Gutzmer
Thomas Knutson
James C. Nelson
Gerald P. Smith
Henry J. Thoene

Directors absent

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

Alan D. Petersen

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell Harris, Water Resources Specialist
Robert T. Mohler, District Engineer
Richard Woollen, N.C. District Forester
Ed Drozd, Conservation Technician, Columbus

Russell Callan, Assistant Manager
Rita Goldfish, Administrative Assistant
Larry D. Schultz, I&E Coordinator
Irene Kreifels, Financial Secretary

Guests in attendance

Mike Armstrong, Ericson
Dixie Laughlin, Ericson
Paul Claus, Ericson
Joe Wadas, Ord
Bryce Bauer, DC, NRCS, Ord

Gary Laughlin, Ericson
Derald Watson, Grand Island
Theresa Claus, Ericson
Craig Critel, NLRPP&ID, Ord
Richard Uhrenholdt, Elgin

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.

Knutson motioned, seconded by Eschliman, 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 April 26, 2012, Board meeting minutes and none were heard. Kruse ruled that the April 26, 2012, 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 said that a payment to NARD for the 2012 Basin Tour would be reduced due to cancellations. The \$2,093 payment to M. K. Hansen Company for moisture meters were for items that would be re-sold to the public. A \$7,403.37 payment to Olsson Associates was for work completed on the Area 28 Groundwater Study, and a payment of \$4,182 to Pace Analytical Services was for lab work on the Area 28 Nitrate Study samples. Koehlmoos said that payments to various producers for flow meters would utilize Environmental Trust grant money. A payment to Young Custom Spraying was for leafy spurge and musk thistle control at the Aagaard Farm. Koehlmoos also noted that the \$1 payment to the Nebraska Game and Parks Commission for the transfer of Pibel Lake Recreation Area had been made.

Rasmussen motioned, seconded by Bartak, to approve the May, 2012, 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

Koehlmoos told the Board that North Central District Forester Richard Woollen was attending a Nebraska Forest Service staff meeting and was not present for the meeting. Koehlmoos directed the Board to Woollen's written report in the agenda.

NRCS REPORT

District Conservationist Bryce Bauer said that additional EQIP funds had been made available. He said an additional \$60,000 had been received, with more possible as other states return their unused funding. Bauer said that payments for range practices are made at a higher cost-share percentage. He directed the Board to a chart showing the various EQIP practices and the number funded. Bauer said that CSP contracts were still coming in and were being funded with funds returned from other states. He said that contracts covering 134,000 acres had been written in the Lower Loup NRD. Compliance reviews were being completed.

ENGINEERING REPORT

FEMA Hazard Mitigation Plan

District Engineer Robert Mohler told the Board that NEMA had responded to the NRD's request for an update on the District's Hazard Mitigation Plan. He said that the consultant had also reviewed the letter. Mohler reported that Kirkham Michael planned to resubmit the plan for final review.

North Loup River Public Power & Irrigation District – Hardenbrook Diversion

Mohler told the Board that two drawings on the Hardenbrook Diversion were included in the agenda. The existing dam will be replaced as the cost to repair it was over 50% of the replacement costs, approximately \$4.8 million. He said that the irrigation district was seeking 10% of the local share of the project. NLRPP&ID General Manager Craig Critel thanked the Board for the payment on the Taylor Diversion. He said that his Board would consider bids at its June meeting and the bids would be opened June 7th. Kruse asked when the project would begin and Critel said it would start in the fall, with completion in May, 2013.

Hardenbrook Diversion Pedestrian Walkway

Mohler said that the Hardenbrook Diversion Replacement Project does not include provisions for public access. He directed the Board to plans, included in the agenda, for a public walkway for the structure. Mohler said the estimated cost for the walkway project was approximately \$33,000. Koehlmoos said that the city of Ord and Valley County Economic Development have been approached regarding potential collaboration on a walkway. He said that the access is currently a popular feature on the current structure. Critel said that the reconstructed Burwell and Taylor Dams did not include public access. Gutzmer suggested Nebraska Game and Parks Commission as a potential partner in the project. Critel said the dam might be locked to public access during bad weather and other times when public safety might be questionable.

Frenzen motioned, seconded by Staab, to direct staff to develop a partnership to pursue the public access on the Hardenbrook Diversion. Motion carried by roll call vote, all present voting yes.

Lake Ericson Repair

Mohler told the Board that a letter requesting financial assistance from the Ericson Lake Corporation Board of Directors had been received. Mohler directed the Board to a breakdown of the costs associated with the flooding damage and redesign of the structure. He said that he could recommend participation at \$3,897.20, which was based on 20% participation on the debris collection structure. Lake Corporation President Joe Wadas told the Board that the lake gets widespread use from the surrounding area. The only monies the lake corporation receives are from dues and fundraisers. He said that Roger Frahm has begun construction on the project. A clay core is being placed at a depth of 14 feet and is 14 feet wide. He said that the project has been delayed by weather. Wadas said fly ash will be used to firm up the soil and slag would be used for stabilization purposes. About \$95,000 has been spent to this point. Koehlmoos asked if the geo tube had been replaced and Wadas said it was repaired. Around \$170,000 had been spent using funding from various sources.

Koehlmoos said that there were improvements in the overall design thanks to the repairs. Smith said that Lake Ericson was a benefit to the river and land downstream, even though the spillway was breached. Thoene said that there were water storage benefits, which the Board gave high marks to during its retreat. Hadenfeldt said the lake has provided benefits to the area. Rasmussen said he supported financial assistance, but would like to see a cap on the assistance. Koehlmoos said the financial assistance could be split between fiscal years, with partial payment this year and a final payment next year.

Eschliman motioned, seconded by Adams, to approve financial assistance for Lake Ericson repairs at 10 percent of the total costs, not to exceed \$37,422. Motion carried by roll call vote, all present voting yes.

INFORMATION AND EDUCATION REPORT

State Envirothon

Information/Education Coordinator Larry Schultz told the Board that the State Envirothon was held on Saturday, May 5th at the State 4-H Camp at Halsey and was won by a team from West Holt. Ord and St. Edward High Schools competed in the contest. Ord was third in range and St. Edward was fourth in wildlife. Schultz assisted and served as a team guide for Aurora and Bellevue West at the event. The Canon Envirothon national contest will be held in Pennsylvania.

Schultz told the Board that a number of NeRain gauges were damaged by the recent hail storm. A number of replacement parts have been provided to the volunteers.

Farm Safety Day Camp would be held in Ord in early June. Schultz said District Secretary Bev Smedra was one of the event organizers and that he would serve as safety coordinator for the event.

Schultz said that the Ord FFA had presented the NRD with an honorary membership. Staab said the FFA Chapter appreciated the efforts of the NRD in providing educational opportunities and he accepted the award on the NRD's behalf.

Schultz told the Board that the deadline for registering for the Adventure Camp about the Environment (ACE) was the following day.

ASSISTANT MANAGER'S REPORT

Water Resources Committee

Assistant General Manager Russell Callan told the Board that the Water Resources Committee had met the previous Wednesday. The group discussed the potential for requiring producers to do split reporting of fertilizer use in the spring and fall. Callan said split reporting would be a challenge given the difficulty the District has in getting a single report from some. The Committee would consider the idea further following additional work by staff.

Callan told the Board that there were five violators of groundwater management rules in Area 28 and those parties would receive violation notices. Walden asked if the violations were made public and Callan said that the names are included in the notice of the public hearing. Callan said that the Committee is recommending a copy of the violation letter also be sent to the landowner.

Gutzmer motioned, seconded by Frenzen, to approve sending a copy of a violation letter to the landowner when an operator is in violation of District rules and regulations. Motion carried by roll call vote, all present voting yes.

Callan told the Board that several locations in Wheeler County were showing high groundwater nitrate levels. New sampling done in the county showed some of the high levels.

Callan said a list of impaired waters in Nebraska had been compiled by the Department of Natural Resources, including Pibel Lake, Davis Creek, Calamus and Sherman Reservoirs.

Water Quantity

Callan told the Board that the Committee received a report that showed 258 irrigated acres transfers had been completed. Additional transfers were pending. The District has amassed 331.84 "banked" acres.

Callan told the Committee that there were approximately 3,000 irrigated acres available for distribution under LB-483. The Committee recommended that the remaining number of acres be granted for the coming year. Koehlmoos said that a decision would allow landowners to make plans for application.

Hadenfeldt motioned, seconded by Knutson, that the Lower Loup NRD use the LB-483 process to award the remaining balance of irrigated acres. Motion carried by roll call vote, all present voting yes.

Callan told the Board that there were unresolved issues regarding the use of lagoon water in irrigation. The Committee discussed the potential of use of lagoon water as groundwater for purposes of acre transfers. Smith said he was opposed to the use of lagoon water as groundwater because there was intentional abuse of the allowance. He said that the contamination of the groundwater would likely match the contamination of groundwater in Area 28. Callan said that the Committee would discuss the matter further.

Callan told the Board that a new state law allowed for a fee to be charged by an NRD for work done on variances to District rules and regulations. He said that the District had already voted to raise the fee for transfers of irrigated acres. The Committee had recommended adding a fee of \$300 for variance requests to the Lower Loup NRD Groundwater Management Rules and Regulations.

Eschliman motioned, seconded by Nelson, to approve a fee of \$300 be charged for the processing of variance requests to the LLNRD Groundwater Management Rules and Regulations. Motion carried by roll call vote, all present voting yes.

Groundwater Management Area Activities

Area 28 Activities

Callan said that information on Area 28 could be found in the Water Resources Committee minutes included in the agenda.

Area 18 Activities

Callan told the Board that there was nothing to report.

ELM Update

Callan said that he, Koehlmoos and Naprstek had met with Kent Zimmerman and Rex Giddens of DNR to discuss the grant monies available for the ELM Study. Funding of \$214,000 would be available for the ELM project in the coming year. He said that \$428,000 remained in the grant for the project. Staff would meet with USGS to discuss the work that could be completed given the available funding.

Walden asked about an item in the Water Resources Committee minutes titled "Groundwater/Surface Water Issues with Irrigation Districts." Callan said that staff had met with irrigation district managers to discuss irrigation development within their districts. Callan said that there were concerns with granting groundwater irrigation on top of surface water irrigation. He said that the NRD staff wants to meet to discuss the matter with their districts.

MANAGER'S REPORT

Direct Deposit of Payroll Checks

Koehlmoos told the Board that staff had discussed the direct deposit of payroll checks. He said that the fees are now only \$25 per month for direct deposit. Staff recommended the direct deposit option.

Frenzen motioned, seconded by Anderson, to utilize direct deposit for payroll checks. Motion carried by roll call vote, all present voting yes.

Spalding Property

Koehlmoos said that the developer has received approval to proceed with the construction of the new office and he said that he had discussed a new NRD shop in Spalding. He was seeking Board approval for negotiations with the contractor to determine costs for such a project, and the matter would then be brought back to the Board for consideration. Koehlmoos said that there was some zoning issues to be worked out. Kruse said that he and other Board members had visited the site in Spalding and there was discussion of curbside parking.

Smith motioned, seconded by Thoene, to permit staff to determine pricing for potential new construction at the Spalding property for Board consideration. Motion carried by roll call vote, all present voting yes.

Burwell Property

Koehlmoos told the Board that the NRD had received notice from the city of Burwell regarding the status of the NRD lot. Koehlmoos said that the building in Burwell is also in disrepair. He said that he could not see any reason to maintain the lot. The building and lot were given to the NRD when the District was formed. Koehlmoos said that there were several options available, including sale or gifting of the property, and demolition of the building.

New Hires

Koehlmoos said that Ryan Callan, Nolan Clausen, and Anthony Smith had been hired for the summer maintenance crew.

Adams asked if a new mechanic would be hired and Koehlmoos said that he felt a new mechanic might not be required. He said that service work and smaller repairs could still be done and that there was need to hire a park maintenance manager. He said that he hoped to find someone with qualifications to do both jobs.

NARD REPORT

Director's Report

Rasmussen said that the NARD Board would meet June 11th.

NRC REPORT

Knutson said the next regular commission meeting would be in June. Hadenfeldt said that there would be upcoming committee meetings.

RC&D REPORTS

Loup Basin RC&D

Rasmussen told the Board that the RC&D had met in Ericson. They discussed a number of topics, including the Pawnee Arts Center, Friends of Fort Hartsuff, and Happy Jack Chalk Mine. He said that there was a rumor that RC&Ds might get funding in the coming year.

PrairieLand RC&D

Gellermann reported that the RC&D met in Madison. He said that there would be some collections of electronics. Additional tire collections could be done, but fees would be charged. He said that North Star Farms, an organic farm between Fullerton and Wolbach, would host the next RC&D meeting.

ANNOUNCEMENTS

Gutzmer said that he needs names of suppliers with buffalo for a Native American celebration.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:08 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, June 28, 2012, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary