

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

March 21, 2013

Ord, Nebraska

The March 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 March 21, 2013. Chairman Kruse called the meeting to order at 5:05 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
James J. Eschliman
Michael P. Gutzmer
Thomas L. Knutson
Clifford P. Loseke
James C. Nelson
Dean J. Rasmussen
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Virgil W. Gellermann
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Matt Lukasiewicz
Alan D. Petersen
Gerald P. Smith
Kim C. Walden

Directors absent

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

Randy Kauk

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell R. Harris, Water Resources Specialist
Irene F. Kreifels, Financial Secretary
Jason W. Moudry, Water Programs Specialist
Larry D. Schultz, I&E Coordinator
LeeAnn Smith, Water Resources Assistant

Russell G. Callan, Assistant Manager
Rita A. Goldfish, Administrative Assistant
Robert T. Mohler, District Engineer
Cheryl K. Hornickel, Programs Assistant
Tylr D. Naprstek, Water Modeling Coordinator

Guests in attendance

Bryce Bauer, DC, NRCS, Ord
Richard Hodson, Sargent
Duane Dilsaver, Burwell

Dennis Derner, Bartlett
Terry Booth, Bartlett
Mary Peterson, Omaha

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. He also said that there was an agenda modification to the Manager’s Report. “Davis Creek Recreation Area Handicapped Fishing Dock” and “Davis Creek Recreation Area Electrical Service” were added. The modification was made 24 hours before the Board meeting and was posted on the web site. The meeting notice was also posted at the NRD Headquarters office in Ord and the eight field office locations. Koehlmoos verified that the meeting notices were properly published in all newspapers.

Smith motioned, seconded by Anderson, to approve the verification of the meeting notice, adopt the amended 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 February 28, 2013, Board meeting minutes. Hearing none, Chairman Kruse ruled that the February 28, 2013, 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.

Tohne motioned, seconded by Gutzmer, to approve the March, 2013, Treasurer’s Report and pay all bills. Motion carried by roll call vote. Directors voting yes: Amsberry, Anderson, Bartak, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Knutson, Kruse, Loseke, Lukasiewicz, Nelson, Petersen, Rasmussen, Smith, Tohne and Walden. Director abstaining: Adams. Directors absent: Citta, Kauk and Sieh.

PUBLIC COMMENTS

Duane Dilsaver of Burwell said that his domestic well ran dry last summer and began pumping air, yet new irrigation wells were being proposed for his neighborhood. He was concerned that more sand was going to be irrigated, but wells are going dry. Dilsaver was worried about being put out of business because of no available water. He said people are expecting another drought this year and he wanted to encourage the NRD to take a closer look at the water problem.

Dennis Derner of Bartlett was concerned that his ranch of 135 years might not be able to sustain itself due to the drought and continued unlimited water use for irrigation. Derner said the groundwater level was down 4 to 6 feet and the subirrigated hay meadows have no water. He was concerned that his livelihood was in jeopardy.

FORESTER'S REPORT

District Forester Rich Woollen reported that he visited Ord High School and talked about forestry and forest management. The students are interested in forest measurements and Woollen said he took some time to give them some general background in forestry and then demonstrated some of the instruments used in forest measurements.

Woollen said that forest fuels management projects continue in the Central Niobrara Watershed. Recently, the Nature Conservancy had some forestry/range college students come from New Mexico, Idaho, and Colorado to show them some work being done in forest fuels management and to help plan prescribed burns.

Woollen reported that tree orders continue to come in and that Bessey Nursery will start lifting seedlings on the 25th.

NRCS REPORT

Bryce Bauer, District Conservationist, reported that NRCS got its list for HEL compliance reviews and said there were about 20 per county, which is up from previous years. He said a lot of variances were carried over from past years and that there would probably be a lot of waivers.

Bauer said NRCS finished up with its civil rights review today. They come out every 3 to 4 years to check on handicap accessibility features.

Bauer said NRCS came out with a CRP waiver for not allowing producers to put back their interseeding for a year because of the drought.

Bauer reported that there might be another CRP signup in May. NRCS is still working on EQIP contracts.

Walden asked about sequester cuts and Bauer said that 25% of the NRCS budget is for agreements and contract employees, and 75% is budgeted for permanent personnel. Bauer thought NRCS might lose some of the 25% monies, but overall, he thinks NRCS will be fine.

Lukasiewicz asked Bauer if he knew where and if burn permits might be issued. Bauer said that John Ortmann, burn specialist, would be the one to decide that. Bauer said if fires continue to get away, there might be a statewide stop on burns.

Callan asked how history is looked at on CRP signup regarding irrigated acres. Bauer answered that NRCS looks at crop history, not irrigation history. Bauer said there is no difference in soil rental rate vs. irrigated/non-irrigated.

ENGINEERING REPORT

North Loup River Public Power & Irrigation District – Hardenbrook Diversion

District Engineer Robert Mohler reported that work on the Hardenbrook Diversion began last fall and is still continuing. NLRPP&I District hopes to be able to divert water into the canals by April 15th, with a completion date set for May 1st. Mohler said the same type of structure was built both at Sargent and west of Taylor. Mohler gave a powerpoint presentation on construction progress.

Mohler said the NRD committed over \$50,000 to this project, but put in the stipulation that the irrigation district would need to have its map transfers completed with DNR before the NRD payment would be made. The map transfers will take 2 or 3 more years to complete.

Activities Update

Mohler reported that “Invitations to Bid” were sent out this week for the Arboretum Connecting Trail, requesting bids be sent to the NRD by April 12th.

Mohler said the NRD has been working with a supplier for the Davis Creek fishing pier and are close to an agreement about what is needed for the pier.

Koehlmoos reported that there is money in the budget for the equipment building at the Aagaard Farm. The NRD hopes to get an RFP sent out and estimates in by next month. Koehlmoos said an addendum may be added for a partial pad and restroom. Demonstrations and meetings could be held at the farm. Koehlmoos said that a well had been drilled and electricity hooked up at the Aagaard Farm.

INFORMATION AND EDUCATION REPORT

North Central Region Envirothon

Information & Education Coordinator Larry Schultz reported that a team from Ord won the North Central Region Envirothon Contest held in Columbus on March 5th. He said that each team that competed and won a division or the overall win in the contest won certificates for their schools for their victories. Qualifying for the State Envirothon in Omaha on May 4th is Ord as contest winner for our region. Aurora will likely qualify as a wild card for being one of the higher-point scoring teams in the state.

Schultz said that he is working on another edition of *In the Loup* newsletter.

ASSISTANT MANAGER’S REPORT

2013 Static Water Level Report

Assistant Manager Russell Callan gave a powerpoint presentation on some of the results of the 2013 static water levels in the District. He told the Board that the Lower Loup NRD is divided into 10 water quantity areas and that the District average was a 2½ foot decline after a 1 foot average recovery from the fall readings. Callan pointed out that this is the biggest decline the NRD has seen since levels began being measured in 1976. Callan said that 350 wells are measured twice a year.

Callan announced that the Water Resources Committee would meet on April 9th at 10:00 a.m. Callan hopes to present to the committee information including several maps, the number of irrigated acres that have been transferred between water quantity areas, and how many irrigation wells are in each area.

Kruse asked about the distribution of test wells and Callan responded that the original method for the static water level wells was to try and read one in every 36 square miles or one in every township. Later, the NRD decided to read one in every 9 square miles, or less proximity, if an area was showing problems or discrepancies.

Callan said that the 2013 Static Water Level Report would be on the web site next week.

Groundwater Management Area Activities

Area 28 Activities

Callan said the NRD has received a list of potential violations in Area 28 and will be bringing it to the Water Resources Committee for review. About 80% of the annual reports are entered into the computer.

Update on Robert J. Prokop's Cease and Desist Order

Callan reported that the Nance County District Court ruled in the NRD's favor that Nance County can hear the case in Nance County based on the NRD's jurisdiction. The court needs to set a date.

ELM Update

Callan said that he, Naprstek, and Dennis Schueth will be meeting with Steve Peterson of USGS on April 11th to discuss budget items and what the status is in the process of getting the final Phase III report from USGS. Callan said they would also discuss the web-based access to the ELM for the NRD's use and monies available for that.

Variance Committee

Callan said that the Variance Committee met prior to the Board meeting, hearing six requests.

Callan said that Quenton Ondrak's variance request was to certify 9.66 acres that had only one year of history between 1998 and 2008, but had history prior to 1998. Ondrak wants to move acres to another piece of ground to complete a small pivot.

Amsberry motioned, seconded by Adams, to approve the Quenton Ondrak variance request to certify 9.66 acres as irrigated in Section 11, Township 12 North, Range 15 West, Buffalo County, and transfer up to 6.66 acres. Motion carried by roll call vote. Directors voting yes: Adams, Amsberry, Anderson, Bartak, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Knutson, Kruse, Loseke, Lukasiewicz, Nelson, Petersen, Rasmussen, Smith, and Thoene. Director abstaining: Walden. Directors absent: Citta, Kauk, and Sieh.

Callan said that the variance request from Cedar River Feeders, LLC, pertains to the NRD's lagoon irrigated acre rule. Callan said their nutrient plan for their CAFO had some acres designated to which they could apply lagoon water, but had never been done. Because of the passage of the NRD's lagoon water rule, Cedar River Feeders could not develop those acres based on lagoon water through an irrigation system and were seeking a variance to allow that to happen.

Amsberry motioned, seconded by Thoene, to deny the Cedar River Feeders, LLC, variance request. Motion carried by roll call vote, all present voting yes.

Callan told the Board that Mark Koperski had been granted 23.95 acres of new irrigation under the LB-483 process and wanted to move those acres to the edge of a pivot so he could transfer the surface water acres there to another piece of ground that he had already started developing. The NRD's rule on LB-483 acres is that they are granted based on where they're located, so a producer can't move them once they're granted.

Callan said this was Koperski's first meeting in front of the Variance Committee and was requesting an answer right away so he knew what route to take next. The committee voted to waive the second hearing of the request and act immediately.

Amsberry motioned, seconded by Nelson, to deny the Mark Koperski variance request based on the LB-483 non-transferrable acres. Directors voting yes: Adams, Amsberry, Anderson, Bartak, Eschliman, Gellermann, Gutzmer, Hadenfeldt, Kruse, Loseke, Nelson, Petersen, Rasmussen, Smith, Thoene, and Walden. Director voting no: Knutson. Director abstaining: Lukasiewicz. Directors absent: Citta, Kauk, and Sieh.

Callan told the Board that Rick Behrendt would like to transfer some private surface water rights to a piece of property upstream. This was Behrendt's first meeting with the Variance Committee, so a recommendation to the Board will come next month.

Callan told the Board that Joe Happ wants to transfer 26.5 irrigated acres with no history. A recommendation for this variance request will also be next month.

Callan told the Board that a potential violation had been found regarding the H & M Farms variance request. The NRD notified the producer and he requested a meeting with the Variance Committee. Callan felt that it should have gone through the violation process and not through the committee. Callan said the committee thought this was something different than the Variance Committee should be discussing as far as making a settlement out of a violation.

Amsberry motioned, seconded by Walden, to deny the H & M Farms variance request and proceed with the violation process. Motion carried by roll call vote, all present voting yes.

MANAGER'S REPORT

General Manager Leon "Butch" Koehlmoos said that the Lower Platte River Basin Coalition vote regarding Delegates would be postponed until next month. He reported that Loseke, Adams, Sieh, Bartak and Thoene had expressed interest in serving on the Coalition board. Koehlmoos reported that half of the signatures were on the agreement. Koehlmoos said there would be a minimum of two Coalition meetings per year. He said there would be a managers group, directors group and technical group.

Davis Creek Recreation Area Handicapped Fishing Dock

Koehlmoos said that \$10,000 was budgeted last year for the purchase of a new handicapped dock at Davis Creek. He said a dock has not been there for a couple of years, but there is interest in getting one put in again. The company was contacted and informed the NRD that the cost was now \$20,000 for a new ADA-accessible dock. Koehlmoos said that 1) money is available in NRD funds and the dock could be installed this year; 2) the NRD could carry over the \$10,000 until the new budget cycle and add another \$15,000; or 3) eliminate the dock and proceed no further.

Koehlmoos said the original intent when the recreational area was built was to keep it handicapped accessible.

Eschliman motioned, seconded by Rasmussen, to proceed with the purchase of a new handicapped fishing dock for Davis Creek Recreation Area. Motion carried by roll call vote, all present voting yes.

Davis Creek Recreation Area Electrical Service

Koehlmoos said that REA was asked to provide the NRD with some preliminary cost figures for installing electricity at Davis Creek. The estimated cost of the overhead line from the road to the recreation area, approximately 2,640 feet, would be about \$12,144. The underground line, approximately 1,900 feet, is estimated to cost about \$12,920. The transformer and voltage regulator is estimated to cost around \$3,000. Estimated total cost would be \$28,064. Koehlmoos said security lighting would be an additional cost.

The consensus of the Board was to proceed with the project of getting electricity installed at Davis Creek. Koehlmoos said he would contact the Bureau of Reclamation to see if they would participate with some funding.

New Hires

Koehlmoos said the water programs take a lot of time with visits and paperwork. He feels that hiring a water administration assistant would be helpful with transfers and variances and the accompanying paperwork. Koehlmoos will put together a job description.

Koehlmoos said we still need a groundskeeper/shop employee.

Koehlmoos told the Board that Ryan Callan and Nolan Clausen would be returning to help during the summer, along with a couple high school kids.

Callan mentioned that the NRD would be hiring part-time summer help to collect and read water samples from the Calamus, Davis Creek, Mira Creek and other water bodies in the area as part of DEQ's five-year basin rotation to test streams and lakes across the state.

NARD REPORT

Director's Report

Rasmussen said that the NARD Board met at Monsanto in Gothenburg earlier in the month. He said that Jim Bendfeldt from Central Platte NRD was appointed the new NPAIT NARD representative. The next NARD meeting will be in June in Valentine. Rasmussen said the insurance looks good.

Edson's Legislative Updates

Koehlmoos said some recent legislative updates were provided in the agenda and supplemental agenda. Koehlmoos mentioned that he tries to listen to the NET legislative debates when time permits.

NARD Washington, DC Conference – March 9-14, 2013

Tylr Naprstek said the overall theme of the conference was sequestration and limitations of federal funds. The directors and staff who attended the conference heard legislative updates and had a chance to visit with most of Nebraska's elected representatives. Naprstek said concerns were expressed involving EPA's non-point source 319 funding and other conservation funds utilized by the Districts. Naprstek said EPA is attempting to get more regulating authority under the current regime and a lot of legislation could come down hard locally.

Walden said the state attorney general's deputy had an interesting talk about the litigation against EPA. The deputy painted a catastrophic picture of air and water issues. Walden mentioned that the group went to Arlington Cemetery for the changing of the guard ceremony, which he said was very impressive.

NRC REPORT

Hadenfeldt reported that the Natural Resources Commission hasn't met since January. Regarding LB517, he said Commission members had been asked to present background information on Commission members and activities to the legislative committee hearing the bill. Koehlmoos said NARD saw a new task force as another layer of bureaucracy. Hadenfeldt said the NRC wouldn't meet until June.

RC&D REPORTS

Loup Basin RC&D

Rasmussen told the Board that Loup Basin RC&D held their executive session and aren't sure how the RC&D is going to pay their employees' wages and health insurance in a few months. He said there will be a computer collection in Burwell in April.

PrairieLand RC&D

Gellermann reported that there had been a meeting in Madison earlier in the month. The group decided to have 6-8 meetings a year since there isn't as much activity because of funding decreases. He said the Environmental Trust has approved a grant extension of two years for the Shell Creek Watershed Group.

Gellermann said the NDEQ is making some changes in their recycling program. Gellermann is hoping the RC&D will receive more funding from NDEQ for recycling projects.

Gellermann reported that there has been a shake-up in the *No-Till on the Plains* committee, run out of Kansas. He said that the Environmental Trust will give preliminary approval for another three years for the Nebraska Statewide Continuous No-Till Program, so there are funds for the Nebraska side. It's a shared program and Gellermann said a lot of those funds came from the Kansas side. The object of the organization is to get as many people as possible involved in no-till farming.

Gellermann said part of Shell Creek Watershed is in the Lower Loup NRD. He said there is a Shell Creek Improvement Project in which FFA and biology students from Schuyler and Newman Grove high schools collect water from Shell Creek every year and then give a report. The report will be on March 26th at 7:00 p.m. at Platte College.

Gellermann said the grant that Shell Creek receives is from the Environmental Trust.

Amsberry said there was a No-Till Field Day north of Gothenburg on March 28th.

ANNOUNCEMENTS

Kruse announced that the Directors Retreat this year would be a one day meeting and would include a ½-day tour of the Aagaard Farm, and the other ½ day will involve discussion on project or retreat-type issues. The retreat will probably be held in May or June.

Eschliman mentioned that the Programs/Projects Committee will meet April 23rd at 10:00 a.m.

Knutson inquired about the Environmental Trust grant money for Pibel Lake. Koehlmoos said Naprstek worked up the grant and the project is a multi-phase endeavor. The money would be used for the sediment basin retention structure, among other things. Naprstek said it was a three-year grant for \$300,000. He said the NRD can spend only \$60,000 this year and said that it would be used to hire a consultant to do the engineering work, design the structure, and start the work on the "404" permit. The Watershed Management Plan is a separate project. The whole project is extensive but will result in many improvements at Pibel Lake, both in conservation and recreation.

Koehlmoos said that Moudry submitted a successful grant for a no-till drill and the NRD received \$20,000.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 6:57 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 Thursday, April 25, 2013, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary