

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

August 22, 2013

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 22, 2013. 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
James J. Eschliman
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Matt Lukasiewicz
Alan D. Petersen
Darwin R. Sieh
Henry J. Thoene

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
Virgil W. Gellermann
Randy Kauk
Clifford P. Loseke
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Kim C. Walden

Directors absent

Joseph L. Citta, Jr., Vice Chairman
Thomas L. Knutson

Michael P. Gutzmer

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell R. Harris, Water Resources Specialist
Robert T. Mohler, District Engineer
Larry D. Schultz, I&E Coordinator
Tylr D. Naprstek, Water Modeling Coord.
Jason Moudry, Water Programs Specialist
Ann Freeman, Program Secretary

Russell G. Callan, Assistant Manager
Irene F. Kreifels, Financial Secretary
Cheryl K. Hornickel, Programs Assistant
Rita A. Goldfish, Administrative Assistant
Richard L. Woollen, District Forester
LeeAnn Smith, Water Resources Assistant

Guests in attendance

Mark Sintek, RC, NRCS, Ord
Jason Buss, Columbus
Curt Alms, Columbus

Casey Hurlburt, Valley County Sheriff, Ord
Judy Trautwein, 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, posted at the NRD Headquarters office in Ord and the eight field office locations, and on the NRD web site. Koehlmoos said there were no modifications to the agenda.

Rasmussen motioned, seconded by Smith, 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 25, 2013, Board meeting minutes. Hearing none, Chairman Kruse ruled that the July 25, 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.

Koehlmoos reported on expenditures to Cornhusker State Industries for Schultz’s wall unit for \$1,955.00 and Kruml Law Office for Prokop and Howard County Road Structures for \$3,755.00. Koehlmoos said that Dworak Paint & Body repaired hail damage on the Suburban for \$4,064.00 and mentioned that insurance paid all but \$500.00. Callan explained that the expenditure to Ward Labs in Kearney for \$2,484.62 was for nitrate water testing of Area 28. The Central Nebraska Department of Health Lab in Grand Island formerly ran the tests, but there were several discrepancies in the results of duplicate samples.

Other expenditures highlighted were \$61,455.00 to Beaumont-Ries for the Arboretum connecting trail; \$7,750.00 to Jeffres Excavating for the demolition of buildings at the Aagaard Farm; and \$41,481.00 to USGS for the ELM Study.

Walden motioned, seconded by Eschliman, to approve the August, 2013, Treasurer’s Report and pay all bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

Koehlmoos introduced Ann Freeman who began working at the NRD as Program Secretary on August 19th.

FORESTER'S REPORT

District Forester Rich Woollen reported that multi-state funds were available from the Cooperative Conservation Partnership Initiative for windbreak renovations. He said there have been several requests in the District. Woollen noted that if the funds aren't used in Nebraska, they go to different states.

Woollen reported that *ReTree Nebraska* is a community forestry initiative with the Nebraska Statewide Arboretum and the Nebraska Forest Service. Also, the NRDs have the Community Forestry program, so there are several opportunities for grants and funding for community forestry tree planting.

Woollen said the Republican River Valley tour was interesting.

NRCS REPORT

Mark Sintek, RC with NRCS, reported that offices are still working on CSP, CRP, and EQIP contracts, and getting NSWCP projects completed. There are 60 WRP easements in the District ranging from 9 to 1,048 acres; Sintek said the average size is 160 acres.

Sintek referred to a handout he distributed to the Board regarding moisture sensors. He said the solar-powered sensors are available through EQIP and will help producers be more efficient in their irrigating practices. He said cooperators are able to log on to their computers, look at the data, and tell what's going on in the field. Sintek said there is funding of \$1104.00 per sensor. The company puts them in the ground in the spring and picks them up in the fall.

PUBLIC HEARING ON LLNRD FY-2014 BUDGET

Action to Adopt the FY-2014 Budget

Chairman Kruse opened the public hearing on the Lower Loup NRD's FY-2014 Budget at 5:18 p.m.

Chairman Kruse asked for public comments on the LLNRD FY-2014 budget. None were heard.

Koehlmoos reported that the levy went from 3.7534 cents per \$100.00 in valuation in FY-2012, to 1.9913 cents last year, to 3.3497 cents this year based on last year's valuations. This represents 33.1% increase in the levy, but our levy had dropped by half last year because of grants. Koehlmoos said the levy is down 20.73% from two years ago to this year. He said the

NRD's valuations went up 11.2% this year. With the valuation change, the NRD levy will drop from 3.34 cents per \$100.00 in valuation to 2.97 cents, which is an 11.1% change.

Chairman Kruse asked for comments from the members of the Lower Loup Natural Resources District Board of Directors. None were heard.

Chairman Kruse closed the hearing at 5:22 p.m.

Koehlmoos stated that the total budget for the Lower Loup NRD for FY-2014 would be \$8,456,480.90.

Rasmussen motioned, seconded by Loseke, to adopt the FY-2014 Budget as presented. Motion carried by roll call vote, all present voting yes.

PUBLIC HEARING TO SET FINAL TAX REQUEST FOR FY-2014

Chairman Kruse opened the public hearing to set the Lower Loup NRD's final tax request for FY-2014 at 5:25 p.m.

Chairman Kruse asked for public comments on the final tax request for the LLNRD FY-2014 budget. None were heard.

Chairman Kruse asked for comments from the Lower Loup Natural Resources District Board of Directors on the final tax request for the FY-2014 budget. None were heard.

Resolution to Approve Additional One Percent Increase

Koehlmoos told the Board that the additional one percent increase allows the NRD to increase its future budget authority by one percent. The one percent increase is recommended by the State Auditor and approval requires a super majority vote of the Board. Koehlmoos said the additional one percent would amount to approximately \$17,000.

Anderson motioned, seconded by Sieh, to adopt a resolution to approve the additional one percent increase. Motion carried by roll call vote, all present voting yes.

Resolution to Set the Property Tax Request

Koehlmoos said the resolution stated the 2013/2014 property tax request be set at \$3,138,626.80. He said the resolution would be sent to the Platte County Clerk on or before September 20, 2013.

Smith, seconded by Hadenfeldt, to approve the resolution to set the property tax request at \$3,138,626.80. Motion carried by roll call vote, all present voting yes.

Resolution to Set Levy for the Lower Loup Natural Resources District for Fiscal Year 2014

Koehlmoos said the resolution stated the District property valuation is \$10,548,151,148.00 and the levy for FY-2014 be established at \$0.029755 cents per \$100.00 of property valuation.

There was discussion on the increase in land values. Smith mentioned that once the property tax request is set, it won't change, regardless of valuations.

Gellermann motioned, seconded by Thoene, to approve a resolution to set the levy for the Lower Loup Natural Resources District at 2.9755 cents per \$100.00 of valuation. Motion carried by roll call vote, all present voting yes.

Chairman Kruse closed the hearing at 5:36 p.m.

DAVIS CREEK RECREATION AREA REPORT – SHERIFF CASEY HURLBURT

Sheriff Casey Hurlburt said that he and his family camped at Davis Creek for three days during the July 4th holiday and reported that there were no major incidents. The biggest concern was a noisy generator. He said that people are finding Davis Creek Recreation Area and it is becoming more popular. He recommended that the NRD and Sheriff's office draft an agreement to continue the law enforcement presence at the recreation area during the July 4th holiday. Hurlburt mentioned that he would get surveys to the NRD that campers had filled out.

INFORMATION & EDUCATION REPORT

Information & Education Coordinator Larry Schultz reported that Husker Harvest Days will be held in Grand Island September 10-12. Directors Rasmussen and Anderson will be handing out conservation trees and Schultz will be a greeter.

Schultz reported that Central Platte NRD will be hosting both the local and state land judging contests. He said Lower Loup shares range judging with only Central Platte, and when they don't host it, the Lower Loup NRD does. Schultz said Lower Loup NRD will be hosting the Area IV Range Judging Contest near Gates, NE on September 17th and the State Range Judging Contest in eastern Platte County on September 26th. The North Central Area Land Judging Contest will be in the Neligh area on October 9th.

Schultz mentioned that the NARD Annual Conference will be held September 22-24, 2013, in Kearney.

Schultz reported that the annual Environmental Festival for 4th graders will be held at Auble's Pond sometime in October. Two hundred forty kids are expected. Sessions will include the *Water Rocket Shoot* and *Wildlife C.S.I.*

Schultz said the quarterly newsletter, *In The Loup*, took longer to get sent due to a change of ownership at Ultra Graphics in Columbus. Also, the direct mail campaign was implemented, which reduced NRD mailing costs and hit every address. With the new system, Schultz doesn't have to maintain a mailing list that changes every time a newsletter is sent.

Koehlmoos said that Schultz was also working on *Water Matters*, a specialized water quality newsletter for Area 28 cooperators. Koehlmoos said the newsletter would be sent to residents in Columbus, Fullerton, and Genoa. The newsletter would include a map detailing specific areas of nitrate issues.

PROGRAMS/PROJECTS COMMITTEE REPORT

Aagaard Farm Progress

Koehlmoos said the tour of the Aagaard Farm before the Board meeting went well. Various projects continue at the farm.

Davis Creek Recreation Area

Koehlmoos said that the NRD got permission from the Board for RFPs for electrical and water line work at Davis Creek. The Bureau of Reclamation has received completed paperwork necessary for REA to go out to the site, but the District was now waiting on the State Historical Society to check Davis Creek for archaeological sites. Koehlmoos reported that pump rate testing was done and the wells are pumping 60-70 gpm.

Pibel Lake Renovation Project

Koehlmoos said that Naprstek gave a report to the Committee regarding RFPs that had been prepared for the Pibel Lake project. The proposals would be required by September 15th. A stakeholders meeting was held at Pibel Bible Camp on August 15th.

South Loup River Studies

Callan gave the Board a powerpoint presentation on the status of the South Loup River System. He said there are four NRDs that are a part of the South Loup Watershed. He said there have been steady groundwater declines in Areas 7 and 8, south of the river, for several years. Callan said surface water flows in the area are down about 0.07 cfs per year; Mud Creek is down about 0.03 cfs per year.

Callan reported that the South Loup system looks good during the winter months, but is hit hard with groundwater flow declines in July-August-September. He said that is a concern regarding fully-appropriated status.

Callan reported on work being done to acquire South Loup data. He said the ELM Model is a good base for looking at the groundwater in the South Loup Basin. The final report on the ELM Model will be next spring. Callan said another measure to acquire data is the use of

airborne thermal imagery to take water temperature to see if water is recharging the river. He said if there is an area where the river is being affected by groundwater, it would be a good place to have a recharge project because the water flows more freely there. The South Loup River studies will be a multi-year project.

Another project involves a group spawned from the ELM Group, and sponsored by Lower Elkhorn NRD, in which two sites are picked – one near Arnold and the other north of Swan Lake – to get recharge data on the border ground between the Sandhills and Loess hills. This information would give a better idea of the recharge through the area and make the ELM Model more detailed. Tensiometers, bromide tracers, lysimeters and gauges would be used to collect data. USGS wanted this data and are working with us and Lower Elkhorn. A grant has been received for this project.

Callan said that DEQ wants more statewide monitoring wells, wells that have good logs and data, so that water quality issues can be looked at statewide. DEQ will fund four wells and locations were picked in the South Loup Basin.

Callan said the goals for the South Loup River project are to get a better understanding of groundwater/surface water interaction; list an inventory of the watershed's resources, land uses, potential problems and assets; put together the data that is necessary to develop a detailed local groundwater model; and use these tools to determine the need for, or not for, a groundwater recharge/streamflow augmentation, recreation, and flood prevention structure(s) in the South Loup.

Nelson asked what is being learned about vegetation on the riverbanks. Koehlmoos responded that Rich Walters contacted the NRD about some issues in Valley and Garfield Counties. Koehlmoos said that phragmites will be a part of the assessment in the watershed plan.

Long-range Implementation Plan and Direction of Programs/Projects Committee

The Programs/Projects Committee will not meet in September, but will meet again October 23rd at 1:00 p.m. The Water Resources Committee will meet on September 25th at 10:00 a.m. to discuss transfer rules.

ENGINEERING REPORT

Columbus Area Recreational Trails

Jason Buss and Judy Trautwein spoke on behalf of the Columbus Area Recreation Trails (CART) group. Buss thanked the Board for its past support on projects. CART is working on two projects. The Monastery Road to Powerhouse Trail is a 1.2 mile, crushed limestone trail going from the old Monastery Road to the Powerhouse Park along Lost Creek. The total cost of the project is \$151,880.00 and the group requested a 10% match of the total cost, amounting to \$15,188.00, so they can approach the Nebraska Game & Parks Commission in September for grant funding. This is a smaller project that CART would like to move forward with first.

Trautwein read letters of support for the trail.

Koehlmoos said that in June the Programs/Projects Committee had discussed the CART trail projects and made a recommendation of \$16,000.00 for the RunAround Trail. The Committee, though, had questions regarding the Monastery Road to Powerhouse Trail. Buss and Trautwein answered questions regarding the trail pathways and future trail plans.

The larger project, the RunAround Trail, will be done next year due to its size and getting some easement work done. Buss said CART would come back to the Board in 2014 hoping it would reconsider their participation amount to 10% of the total project cost, which would be \$42,995.00. Koehlmoos said the NRD has a varied history on project participation on trails, ranging from less than 5% of the total project cost to 10%.

Eschliman motioned, seconded by Loseke, that the NRD approve 10% of the total cost of the Monastery Road to Powerhouse Trail, amounting to \$15,188.00. Motion carried by roll call vote, all present voting yes.

After some discussion, it was the consensus of the Board to not change the \$16,000.00 approved for the RunAround Trail at the June Board meeting at this time.

Davis Creek Water Line & Security Lights

District Engineer Robert Mohler said that information was sent to the Bureau of Reclamation to start their review for NEPA (National Environmental Policy Act) because “it is quite long at this point.”

Right-of-Way at Pibel Lake

Mohler reported that the process for acquiring the right-of-way containing the roadway and embankment forming Pibel Lake, is going slowly. Frank Blankenau from NDOR will try to encourage work on the project.

Announcement – Mohler

Mohler announced that he will be retiring the end of August after 32 years of service to the NRD.

ASSISTANT MANAGER’S REPORT

Variance Committee

The Variance Committee did not meet in August.

Water Resources Committee

Due to a mix-up in the notification of meeting time, the Water Resources Committee did not have a quorum. Information was presented, but no action was taken. Callan said that transfer rules criteria and rules and regulations topics will need to be discussed at the next Water Resources Committee meeting in September.

Area 28 Activities

Callan updated the Area 28 media campaign. He said the Area 28 article published in the Columbus Telegram did not include the map. He said the *Water Matters* newsletter would include the map.

ELM Update

Callan said USGS is in the process of writing the final ELM report, which is due next spring.

Bartak asked about the irrigated acres violations. Callan responded that the NRD is working with about 12 violators now. He said approximately 130 violation letters need to be sent out yet, and another batch will be mailed soon.

Adams asked if there had been any public comments about the NRD's decision to temporarily suspend transfer of acres and if there had been transfers in progress when the suspension took effect. Callan answered that the motion of the Board was to not accept any more transfers at this time; the ones that were already started are being worked through, but staff has not accepted anything new. Callan said landowners are concerned that the NRD won't be allowing any more transfers. He said that it is explained to the landowner that the NRD is looking at the criteria for transfer of acres and that transfers will happen again, but they may be judged differently.

Smith and Rasmussen have heard favorable comments regarding the temporary suspension of transfers.

Eschliman asked when transfers might begin again and Callan responded, "As soon as the criteria is decided on." Maps and information are being compiled by staff for the Water Resources Committee to take a look at. Callan gave a brief overview of possible criteria – Anything approved in the LB-483 process in Classes 1-4 could be put through; any soils that are more than 15% slope wouldn't be transferable; and a percentage of those in-between would be allowed. He said that is currently estimated at the 25-30% range.

Thoene requested a map of transfers that have already been approved that are over 15% slope.

MANAGER'S REPORT

Resolution Congratulating Farwell Irrigation District & Loup Basin Reclamation District

Koehlmoos read a resolution congratulating Farwell Irrigation/Loup Basin Reclamation Districts on their 50th anniversary. Chairman Kruse presented a framed certificate of the resolution to the Districts' Manager, Matt Lukasiewicz.

New Hires

There were no new hires.

NARD REPORT

Director's Report

Rasmussen said the NARD is getting ready for the annual conference in September.

Annual NARD Conference

Koehlmoos referred the Board to the resolutions in the agenda. He said 2013-1 deals with trails along state highway right-of-ways, submitted by Lower Platte South NRD; and 2013-2 regarding Erosion and Sediment Control Act amendments, submitted by Little Blue NRD.

NRC REPORT

Commissioner's Report

Hadenfeldt reported that the Water Funding Task Force continues its meetings, and the one held today was the 5th of approximately 25 days of meetings. Senator Carlson is calling the group a Water Sustainability Task Force, rather than a Water Funding Task Force. Hadenfeldt said the group is touring many parts of the state. He said many of the members are unaware of what is happening with the water in the state. He said the information presented at the meetings is interesting and valuable.

RC&D REPORTS

Loup Basin RC&D

Rasmussen said Loup Basin RC&D Executive Board met in Burwell. The regular meeting was held at the Chalk Mine near Scotia on the 20th. Loup Basin RC&D will host the state meeting in September. He reported that the vintage tractor parade from Taylor to Burwell and back will be September 21st. There will be a scrap tire collection on September 7th. Rasmussen said the next meeting of the RC&D will be in St. Paul.

PrairieLand

Gellermann reported that PrairieLand RC&D has not had any regular meetings due to limited funding. He said the tire collection in Platte Center went well and it was reported that several tires were brought to the tire collection in Albion.

ANNOUNCEMENTS

Chairman Kruse thanked staff for putting together the Aagaard Farm tour. He said it was a good opportunity to see what is happening there.

Chairman Kruse announced the passing of Alan Petersen's father.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:04 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 26, 2013, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary