

LOWER LOUP NATURAL RESOURCES DISTRICT BOARD OF DIRECTORS MEETING

September 26, 2013

Ord, Nebraska

The September 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 September 26, 2013. Chairman Kruse called the meeting to order at 5:02 p.m.

CALL TO ORDER

Directors in attendance

James C. Adams
Darwin B. Anderson, Secretary
Joseph L. Citta, Jr., Vice Chairman
Virgil W. Gellermann
Thomas L. Knutson
Clifford P. Loseke
James C. Nelson
Dean J. Rasmussen
Gerald P. Smith
Kim C. Walden

Rollie D. Amsberry, Treasurer
Timothy E. Bartak
James J. Eschliman
N. Richard Hadenfeldt
Gary A. Kruse, Chairman
Matt Lukasiewicz
Alan D. Petersen
Darwin R. Sieh
Henry J. Thoene

Directors absent

Michael P. Gutzmer

Randy Kauk

Staff in attendance

Leon "Butch" Koehlmoos, General Manager
Dell R. Harris, Water Resources Specialist
Cheryl K. Hornickel, Programs Assistant
Larry D. Schultz, I&E Coordinator
Tylr D. Naprstek, Water Modeling Coord.
Jane K. Klanecky, Receptionist

Russell G. Callan, Assistant Manager
Irene F. Kreifels, Financial Secretary
Richard L. Woollen, District Forester
Rita A. Goldfish, Administrative Assistant
Jason Moudry, Water Programs Specialist
Anne Freeman, Program Secretary

Guests in attendance

Bryce Bauer, LDC, NRCS, Ord

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 was a modification to the agenda under Manager’s Report, adding “NRD Logo Proposal” and that all postings were updated more than 24 hours in advance of the meeting.

Eschliman motioned, seconded by Anderson, to approve the verification of the meeting notice, adopt the modified 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 August 22, 2013, Board meeting minutes. Hearing none, Chairman Kruse ruled that the August 22, 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 that the Spalding storage building and electrical work had been completed and a payment of \$45,961.00 had been made to Thome Construction; a 5-yd International dump truck was purchased from Reed Company for \$32,500.00; and Lake Ericson Corporation was paid \$8,499.61 for some repair work. Koehlmoos said that tire collection expenses will be paid to Butler County Landfill for \$9,800.80 and Resource Management Company for \$30,970.72, but the NRD would be reimbursed by a state grant. Fire grills were purchased from Cornhusker State Industries for Davis Creek and Pibel Lake at a total cost of \$2,208.00.

Other expenditures highlighted were a payment to Husker Sales & Service for \$18,012.88 for concrete and rebar on the Aagaard Farm building pad; and \$8,990.00 to JEO Consulting Group for the watershed plan and survey.

Koehlmoos answered questions about the purchase of the new dump truck. He said that the new dump truck did not require a CDL and it better fit the needs of the District. Once the dirt is hauled at the Aagaard Farm, the NRD’s orange dump truck will be sold. Koehlmoos said that

the NRD plans to sell a couple pickups, as well as the small skid steer and a brush hog mower. He said the sale items would be put on the NRD website as excess government equipment nearer to the time of sale.

Knutson motioned, seconded by Loseke, to approve the September, 2013, Treasurer's Report and pay all bills. Motion carried by roll call vote, all present voting yes.

PUBLIC COMMENTS

There were no comments.

FORESTER'S REPORT

District Forester Rich Woollen reported that he attended Husker Harvest Days and had the opportunity to visit with several people who came to the Natural Resources building. He said the NFS display featured a "Wood ID Contest" and Conservation Trees drawing. The NARD booth gave away 4,000 containerized Colorado blue spruce seedlings.

Woollen said other forestry assistance included working with NRCS on windbreak renovation requests, contract reviews for tree practices in the Conservation Reserve Program, and assisting with ongoing forest fuels management plans and tree planting plans.

Woollen said that when he was growing up on a farm in south-central Nebraska, a lot of grain sorghum was produced. He said that, after several field trials, the Abengoa plant in Ravenna was now looking at using grain sorghum to produce ethanol.

NRCS REPORT

Bryce Bauer, LDC with NRCS, reported that 70 CSP contracts were completed and that the Burwell office has 40% total land area of Garfield, Loup, and Wheeler Counties in CSP.

Bauer reported that \$100,000 was received for EQIP which will fund 3 pivots in Howard County. He said the reason that irrigation was selected over livestock was due to the Burwell office workload with CSP. It meant there was not enough staff to handle livestock EQIP requests.

Bauer said that a 10% budget cut is expected in 2014, and potentially the same in 2015. He said the lower budget would be handled with no new equipment, less travel, teleconferences, and cutting back on agreements with NRDs.

Bauer reported that Kraig Beck is the new technician in Spalding, replacing Mark Buettner, who retired. He said Tony Lampert is the new engineer in St. Paul. Lampert is still in training and will be in St. Paul two years; then he will either be assigned to that location permanently or will be moved to a location with a vacancy.

Bauer mentioned the possible government shutdown and said if it happens, the field office secretaries would be allowed to work.

PROGRAMS/PROJECTS COMMITTEE REPORT

Aagaard Farm Progress

Callan reported that the concrete pad for the building at the Aagaard Farm has been poured. He said the Water Resources Committee toured the farm and looked at soil slopes. He said the septic system was being put into the ground. Callan said that 125 loads of dirt were hauled in around the building site.

Davis Creek Recreation Area

Callan said there was a problem in obtaining an easement across a landowner's property, so electrical progress is stalled at the present time. Negotiations are ongoing with the landowner, but Koehlmoos mentioned the NRD is looking at other options. Callan said the District is still waiting on the historical evaluation by the Bureau of Reclamation, checking for archaeological sites, but that it should be completed soon.

LONG-RANGE IMPLEMENTATION PLAN

Koehlmoos said staff hadn't had time to work on an upgraded plan, due to Annual Conference and meetings.

ASSISTANT MANAGER'S REPORT

Variance Committee

The Variance Committee did not meet in September.

Water Resources Committee

Callan said the Committee met on the 25th and discussed proposed rule changes to the NRD's Groundwater Management and Protection Act, in preparation for a public hearing. The Committee looked at soil slopes at the Aagaard Farm and then looked at a development west of Ord.

Callan gave a powerpoint presentation on the proposed changes to Rules 2, 14, 15, 18, 19, and the addition of Rule 20.

In Rule 2, Callan said the definition of "Flow Meter" was added and the definition of "Lagoon water" was revised.

Rule 14, the Groundwater Quality section of the rules, deals with Phases I, II, and III nitrate management. Callan said the purpose of split reporting is to get the nitrogen soil sample

information back in the producer's hand before fertilizer is applied. As it is now, the information doesn't come until fall. Callan said the proposal is to require the soil samples to be submitted prior to March 1st. He said that Phase III management area rules indicate fertilizer can't be applied until after March 1st. Callan said this would be a significant change, as producers in Area 28 have submitted crop information only in the fall. Callan said that soil samples could be taken any time after harvest and before March 1st. Callan told the Board that the NRD isn't telling the producer how much nitrogen to put on their field, just giving a recommendation of what should be applied.

Bartak suggested that soil samples be submitted prior to February 1st instead of March 1st because he felt that farmers would apply nitrogen March 1st if they could. The earlier date would allow more time for the nitrogen recommendation to get back to the producer.

Callan said the next proposed change in Rule 14 is the requirement for flow meters. The producer would indicate the meter reading and how much water was applied to the field. Callan said that use of an electrical meter or hour meter was deleted from the rule and added that the flow meter shall be installed and approved by District staff prior to December 31, 2016. The '2016' date was used because of the NRD's 3-year cost-share program for the installation of flow meters. Callan said that anyone who is applying water to land within the Phase II or III management areas will be required to install a flow meter.

Regarding Rule 15, the Variance rule, Callan said the proposed change is to add an expedited variance for lagoon water that is applied to land. NRD rules presently say a producer can not apply lagoon water through an irrigation system without the land being certified to groundwater or surface water; it has to have an irrigated certification. The Rule 15 proposal is to allow lagoon water to be applied to non-certified land to get rid of water that is tied to a significant weather rainfall event; an emergency, must-pump situation. A plan and map would need to be submitted stating the acres where the water would be pumped.

Callan said the total application of lagoon water would have to be less than 3 acre-inches per acre per year. He said this puts a limit on the application of the water; therefore, not irrigating a crop, but just trying to get rid of some excess water.

Other proposals to Rule 15 concerning lagoon water include that proper management of the lagoon has been followed according to DEQ specifications and that the District be notified prior to pumping and agrees that the requirements of the Rule 15 lagoon rules have been met.

There was discussion regarding DEQ rules vs. NRD rules, reporting and notification procedures, emergency situations, and water quality.

Citta said that if there is a significant rainfall event, weather data is available that the landowner can collect to show the inches of rainfall which would force his must-pump situation, and that it wasn't just a mismanagement of his operation.

Koehlmoos said that the proposed rule of the expedited variance regarding lagoon water is not for a landowner's mismanagement or an attempt to bypass the NRD's expansion of

irrigated acres. It is going to be for a situation where the NRD can give a lagoon owner some relief in an emergency situation.

Smith said the lagoon water rule could also help the cities. Instead of dumping the excess water over the edge of the lagoon and possibly pooling there for several months, it could be pumped away onto fields or pasture.

Callan said that a line was inserted into *Rule 18 – Transfer Agreements* which states the NRD can put conditions on transfers. He said the NRD has done it in the past, but there was never anything in the rules that said the NRD could.

In Rule 19 regarding transfers, Callan said that the proposed change would be to use ranking criteria for the transfer of irrigated acres to a property, similar to the LB-483 process. Callan highlighted what the transfer application would include, and that the application shall be ranked based on historic data, when available, prior to any land leveling or dirt work. Regarding percentage slope, Callan said the NRD does not want to encourage a lot of land leveling prior to applying for a transfer.

Walden asked if it should really matter to the NRD if a producer levels his ground or not. Koehlmoos answered that the NRD has authority for soil erosion prevention and is the administrator of the *Erosion and Sediment Control Act*. It was also mentioned that leveling a piece of ground may have an effect on the flow of natural drainage in the area.

Callan said there have been past transfers of ground to highly erodible land, and he said this rule would help keep fields below HEL. Callan reviewed criteria for slopes and presented examples.

Nelson didn't think it was right that a landowner might level his ground to reduce the slope and then wouldn't be allowed to irrigate it. He expressed concern that the NRD wouldn't come back and take another look at it. Callan questioned that if land leveling was allowed prior to applying for a transfer, would this rule even be necessary.

There was discussion about slopes, conservation measures, NRCS guidelines, Farm Program, and possible criteria for land transfers.

Smith noted that the Committee discussed the transfer being a perpetual agreement that would be put on the deed. The next owner would have to follow the same criteria.

Thoene mentioned that, in some instances, leveling hills would reduce erosion.

Bryce Bauer said that approximately 20% of the HEL contracts are out of compliance every year when reviews are done, and they're always on sodbusted pivots with transferred acres.

Chairman Kruse asked about the criteria timeline and having something for the Board. Callan answered that the Water Resources Committee would have to work on this and hoped that

the rules and criteria could be effective by January 1st. Koehlmoos said there needs to be a public hearing to make changes to the rules and regulations, but not to the criteria. Callan said the public hearing on the proposed changes to the rules and regulations is being set for the October meeting.

Continuing with *Rule 19 – Transfers*, Callan said that another proposed change would be that the applications for transfer shall be based on criteria set by the Board of Directors. He said that items to be considered may be, but are not limited to, soil classification, slope, and infiltration rates.

Callan clarified a field boundary change – “When an irrigated acre is moved from its original location to another location within a parcel, it shall be subject to the same criteria as a transferred acre, but shall not be considered a transfer.”

Callan then talked about the addition of *Rule 20 – Flow Meters* which deals with flow meter installation and what is required.

Walden said he would recommend eliminating any reference to “ranking” in Rule 19.

Loseke asked for clarification regarding flow meter calibration notification and service and maintenance responsibility of flow meters. He wondered if the District was responsible for making sure the meter is calibrated. Callan said it is the landowner’s responsibility to tell the NRD if the meter has been moved from one place to another. Callan said that Rule 20(d) would be revised to delete “and prior to performing any maintenance or calibration to the flow meter.”

Toene questioned whether permanent retirement of irrigated acres had been discussed. Callan said it had been discussed at the Water Resources Committee meeting and was in those minutes, but failed to get included in the proposed rules and regulations sheets being discussed. Callan said the addition will be part of *Rule 19 – Transfers* of the rules and regulations. Callan said that any time there is a permanent easement to set aside irrigated acres, they will not be allowed to be transferred, such as Wetland Reserve Program acres. If the acres are in a temporary easement or contract, such as CRP acres, those would be able to be transferred.

Toene motioned, seconded by Smith, to move forward with the proposed rules and regulations for public hearing purposes scheduled for the October Board meeting, and set the public hearing for 5:15 p.m. Motion carried by roll call vote, all present voting yes.

Area 28 Activities

Callan said that violation paperwork had been sent to some producers. Callan said that one producer will get his Schedule of Compliance mailed to us; another said he was retired; and the third violator picked up his documentation but hasn’t responded.

Callan said the NRD is still on the district court schedule regarding the Robert Prokop case.

Callan said Moudry is collecting water samples within wellhead protection areas for the 319 grant.

ELM Update

Tyler Naprstek invited the Directors to a webinar on October 2nd. USGS officials and the designers of the ELM Model will be presenting a program about capture maps. They will discuss how the stream depletion factor came about and why it was used. During the webinar, Naprstek will be presenting a 15-slide portion that shows how the Lower Loup NRD is utilizing stream depletion factor. Naprstek said the presenters were from different parts of the country and encouraged Directors to tune in. Naprstek said if there is a government shutdown, the webinar would probably be rescheduled.

MANAGER'S REPORT

NRD Logo Proposal

A proposed new Lower Loup NRD logo was shown to the Board. Koehlmoos said the present logo is 10 years old, and IdeaBank, who is modifying the NRD website, also revised the logo. Koehlmoos said the cost involved in reproducing the new logo for shirts would be less because only 3 colors would be used instead of 4; but there would be a new set-up charge to take the image and convert it to a pattern. Staff recommended updating the logo.

Schultz said the new logo has a modern look, it has a river/field, the "L" for Lower Loup is brought out in the design, and it would look good on letterhead, but may not be quite as reproducible for shirts.

Bartak motioned, seconded by Petersen, to update the Lower Loup NRD logo. Directors voting yes: Amsberry, Anderson, Bartak, Eschliman, Gellermann, Hadenfeldt, Knutson, Kruse, Loseke, Lukasiewicz, Nelson, Petersen, Rasmussen, Sieh, Smith, Thoene, and Walden. Director voting no: Adams. Director abstaining: Citta. Directors absent: Gutzmer and Kauk.

Government Shutdown

Koehlmoos said the field office staff was wondering what to do if there was a government shutdown. Koehlmoos said he and Chairman Kruse discussed the situation prior to the Board meeting. There are options should a shutdown and/or anything else occur that is outside the NRD's personnel policy which presently includes 11 holidays plus 1 discretionary day. If the field office is closed, employees have the option of working (if allowed, as determined by the office manager), use vacation time, or take leave without pay.

Koehlmoos mentioned an extension of the three options and suggested co-workers possibly donating some of their vacation time if field office staff didn't have enough time accumulated to cover the closure. In the past, policy has been that time is not donated. Koehlmoos suggested changing the policy to allow employees to donate up to two days of their

vacation time per year towards a co-worker who might need it for an office shutdown or a sick leave situation.

Koehlmoos said this change would be included in the personnel policy, but wanted something in place now in case offices close in October.

Citta asked if the donation for sick leave purposes would be used only after an employee has used up their own sick leave and vacation time; and for an office closure, the employee would have to use their own vacation time before using donated time. Koehlmoos said yes.

Koehlmoos suggested a minimum amount of donated time from an employee would be four hours and the most would be two days. Lukasiewicz commented that, in the spirit of a donation, should the NRD attach a 'maximum' amount? Koehlmoos said it is up to the Board, but just didn't want workaholics donating several days without taking any time off themselves.

Hadenfeldt wondered if the donations would be on a case-by-case basis or would all donated hours be put in a pool for use by anyone. Koehlmoos felt that it should be up to the employees as to where their donations go.

Chairman Kruse suggested that staff write up a proposed policy regarding donated time. Koehlmoos said that the proposed policy would go to the Executive Committee for review and recommendation to the full Board. He said it would take a public hearing to add the new policy to the NRD's personnel policy.

Citta commented that scenarios need to be narrowed in which an employee can donate hours, such as office closures, employee sick leave, and sickness/emergency in the family.

New Hires

There were no new hires.

INFORMATION & EDUCATION REPORT

State Range Judging

Information & Education Coordinator Larry Schultz reported that the State Range Judging Contest was held today in Platte County. He said the contest was held today because land judging starts next week. Schultz said Kyle Linders of West Holt won the Junior division and Seth Wetovick of Fullerton won the Senior division. The Area IV Range Judging Contest was last week in Custer County. Schultz reported that a total of 880 kids attended the contests. Schultz commended staff for their help at the contests.

NARD REPORT

Director's Report

Rasmussen said the NARD met at the annual conference in Kearney. The Outstanding Grassland Award was presented to Alvin Kruml of Sargent. Rasmussen commended the water task force on its work. He reported that the auction brought in \$11,960; golf, \$489; and the raffle, \$3,900. He said the audit went well and the insurance looks good. Rasmussen said he moderated a panel regarding nitrates.

Annual NARD Conference

Koehlmoos reported to the Board that there were four resolutions considered at the conference – 2013-1 dealt with trails along state highway right-of-ways, submitted by Lower Platte South NRD (passed); 2013-2 regarding Erosion and Sediment Control Act amendments, submitted by Little Blue NRD (passed); 2013-3 regarding renewable energy (failed); and 2013-4 dealt with change of ownership of irrigated acres (passed).

Koehlmoos thought the conference was good, but said he felt it was losing its focus as being a pre-Legislative conference where issues are brought to the group and leaning more towards making money for the Foundation.

Eschliman commented that he attended a session that dealt with converting non-cropland to cropland, i.e., grass to crop. He said Nebraska leads the nation with nearly 55,000 acres converted in 2012. South Dakota ranked second with 27,000 acres.

Rasmussen commended staff on the Basin meetings and being able to explain many current issues and programs to others. Koehlmoos suggested possibly meeting with a different Basin in the future, saying Lower Loup has issues more compatible with Central Platte than with the Niobrara NRDs. Gellermann suggested staff put together a list showing what NRD is in what Basin.

NRC REPORT

Commissioner's Report

Hadenfeldt reported that NRC met in Kearney during the annual conference. He said the Water Sustainability Task Force has met 10 times and has 14 more meetings. Hadenfeldt commended Callan on his presentation in Grand Island, saying that it was very informative. The Commission won't meet again until January.

RC&D REPORTS

Loup Basin RC&D

Rasmussen said he wasn't able to attend the regular meeting because he was in Kearney at the annual conference.

PrairieLand

Gellermann reported that there have been tire collections. He said the group isn't meeting because there is no full-time coordinator. He said they want to keep the organization open because it is a tax exempt organization and in case a good project comes up. Presently, the group will probably have only a couple meetings a year.

ANNOUNCEMENTS

Rasmussen said Bredthauer Dam discussions are popping up in the North Loup area.

ADJOURNMENT

With no further business before the Board, Chairman Kruse declared the meeting adjourned at 7:26 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, October 24, 2013, at 5:00 p.m., at the Headquarters Office in Ord, Nebraska.

Darwin B. Anderson
Secretary