**MINUTES OF**
**LOWER ELKHORN NATURAL RESOURCES DISTRICT**
**BOARD OF DIRECTORS MEETING**
7:30 p.m., Thursday, February 25, 2016
Lifelong Learning Center
601 East Benjamin, Norfolk, Nebraska

The Board of Directors Meeting of the Lower Elkhorn Natural Resources District was called to order by Chairman Danny Kluthe on Thursday, February 25, 2016 at the Lifelong Learning Center, 601 East Benjamin, Norfolk, Nebraska. Chairman Kluthe informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on February 19, 2016 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Assistant Vickie DeJong with 11 of 14 Directors present. Present: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Absent: Carlson, Otten, Winkelbauer. (Subdistrict 4 position vacant due to resignation.)

Motion was made by Huntley and seconded by Shelton *to excuse the absence of Chris Carlson and Jarvis Otten*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Motion was made by Shelton and seconded by Huntley *to adopt the agenda*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Due to the vacancy of the Subdistrict 4 director the board advertised for candidates to fill the vacancy. Applications have been received from four interested in the position. Since the vacancy occurred during the first year of a four year term, the appointment is only good until the next election cycle, at which time the position would be open for election to a two year term. Incumbents had the filing deadline of February 16th and non-incumbents have a filing deadline of March 1st. All four have filed for election for the two-year term.

The directors interviewed Eugene Hemmer Jr., David Kathol, Robert Lueninghoener, and Robert Noonan. At the conclusion of tonight's meeting the board will make the appointed to fill the Subdistrict 4 vacancy.

The reading and/or action on the minutes of the January 25, 2016 Board of Directors meeting was next on the agenda. Motion was made by Loftis and seconded by Schultz *that the minutes of the January 25, 2016 Board of Directors meeting be approved as printed*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

The Finance Subcommittee report was given by Treasurer Bob Huntley. Motion was made by Huntley and seconded by Schultz *to approve income in the amount of $256,467.58 and expenses in the amount of $304,815.59 as printed and distributed*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Motion was made by Huntley and seconded by Shelton *to approve income in the amount of*

*$79,750.68 and expenses in the amount of $38,079.88 for the Logan East Rural Water System as printed and distributed*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Motion was made by Huntley and seconded by Krueger *to approve the income in the amount of $4,858.35 and expenses in the amount of $3,520.83 for the Wau-Col Regional Water System as printed and distributed*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

The conservation cost share report is attached to the official minutes.

The Nebraska Association of Resources Districts report was given by Kurt Janke. He reported that the next NARD meeting will be held March 7th in Lincoln.

Assistant Manager Ken Berney received a report from Garry Anderson for the Nebraska Natural Resources Commission. He reported that NNRC will approve Water Sustainability applications at their April meeting.

A Natural Resources Conservation Service report was given by Robin Sutherland. (A copy of the report attached to the official minutes.)

Bob Huntley gave the Northeast Nebraska RC&D report and Gary Loftis gave the Loess Hills RC&D report.

The Bazile Groundwater Management Area Project report was given. (A copy of the report attached to the official minutes.)

The Administrative Report was given by the staff. General Manager Mike Sousek gave a manager's report. (A copy of the report attached to the official minutes.)

The Logan East Rural Water System Advisory Committee report was given by Gary Loftis and RWS Manager Shawn Blahak. Motion was made by Loftis and seconded by Shelton *to accept the Logan East Rural Water System minutes of February 8, 2016*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

The Committee of the Whole report was given by Vice-Chairman Dennis Schultz. Motion was made by Schultz and seconded by Huntley *to hold a public hearing in conjunction with the monthly board meeting on March 22, 2016 to receive public comment regarding proposed modifications to the District's Rules for Chemigation, which includes changing the frequency of renewal permit inspections, and to instruct staff to advertise and make necessary preparations for the hearing*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Motion was made by Hansen and seconded by Krueger *to move into Executive Session for the protection of public interest*. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Moved into Executive Session at 9:03 p.m.

Motion was made by Hansen and seconded by Shelton *to return to Regular Session.* Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Carlson, Otten, Winkelbauer. MOTION CARRIED.

Moved into Regular Session at 9:21 p.m.

Chairman Kluthe reviewed the procedure for the appointment to the Board of Directors, Subdistrict 4. Voting will be by voice vote according to the Nebraska Open Meetings Act. The successful candidate must have the majority of those voting, 6 votes.

Eugene Hemmer – 0
David Kathol – 4 – Hansen, Huntley, Shelton, Tighe
Robert Lueninghoener – 2 – Gustafson, Schultz
Robert Noonan – 5 – Janke, Korth, Krueger, Loftis, Kluthe

No candidate received the majority vote.

Eugene Hemmer – 0
David Kathol – 5 – Hansen, Huntley, Schultz, Shelton, Tighe
Robert Lueninghoener – 1 – Roger Gustafson
Robert Noonan – 5 – Janke, Korth, Krueger, Loftis, Kluthe

No candidate received the majority vote.

Eugene Hemmer – 0
David Kathol – 5 – Hansen, Huntley Schultz, Shelton, Tighe
Robert Lueninghoener – 0
Robert Noonan – 6 – Gustafson, Janke, Korth, Krueger, Loftis, Kluthe

Robert Noonan was declared the winner and the Oath of Office was administered by Assistant Manager Ken Berney.

The meeting adjourned at 9:30 p.m.

I, the undersigned Secretary of the Lower Elkhorn Natural Resources District hereby certify that the foregoing is a true and correct copy of the proceedings had and done by the Board of Directors on February 25, 2016 that all of the subjects included in the foregoing proceedings were contained in the agenda for at least twenty-four hours prior to said meeting, the minutes of the Chairman and the Board were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body, that all news media requesting notification of the time and place of said meeting and the subjects to be discussed at said meeting.

_____
Gary Loftis, Secretary

Others Present:
Travis Hazard, Lincoln
Bob Lueninghoener, Stanton
Bob Noonan, Humphrey
Mike Buhler, Norfolk
Tom Nathan, Meadow Grove
Eugene Hemmer Jr, Humphrey
David Kathol, Norfolk