

**MINUTES OF
LOWER ELKHORN NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING**

7:30 p.m., Thursday, January 23, 2014

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 Joel Hansen on Thursday, January 23, 2014 at the Lifelong Learning Center, 601 East Benjamin, Norfolk, Nebraska. Chairman Hansen informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on January 18, 2014 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Secretary Vickie DeJong with 14 of 14 Directors present. Present: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Absent: None. (*Director vacancy in Subdistrict 5.*)

Motion was made by Kluthe and seconded by Krueger to adopt the agenda. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

The reading and/or action on the minutes of the December 19, 2013 Board of Directors meeting was next on the agenda. Motion was made by Schultz and seconded by Anderson that the minutes of the December 19, 2013 Board of Directors meeting be approved as printed. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

The Finance Subcommittee report was given by Treasurer Mike Krueger. Motion was made by Krueger and seconded by Kluthe to approve income in the amount of \$539,227.71 and expenses in the amount of \$323,735.23 as printed and distributed. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Krueger and seconded by Loftis to approve income in the amount of \$81,444.13 and expenses in the amount of \$28,056.31 for the Logan East Rural Water System as printed and distributed. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Krueger and seconded by Kluthe to approve the income in the amount of \$3,673.26 and expenses in the amount of \$7,112.35 for the Wau-Col Regional Water System as printed and distributed. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

The conservation cost share report was given by Assistant Manager Ken Berney.

The Nebraska Association of Resources Districts report was given by Ken Peitzmeier. He reported on the upcoming NARD Legislative Conference to be on January 27-29 in Lincoln.

The Nebraska Natural Resources Commission report was given by Garry Anderson. He reported

that the next meeting of the Commission will be held January 29 in Lincoln.

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

The Loess Hills Nebraska RC&D report was given by Gary Loftis, Bob Huntley gave the Northeast Nebraska RC&D report and Chris Carlson gave the PrairieLand RC&D report.

The Administrative Report was given by staff employees.

The Logan East Rural Water System Advisory Committee report was given by Director Gary Loftis and Manager Shawn Blahak. Motion was made by Loftis and seconded by Zessin to appoint the current Logan East RWS Advisory Committee members, Roger Fehrer, Don Johnson and Larry Wulf to an additional three year term. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Loftis and seconded by Kluthe to accept the Logan East Rural Water System Advisory Committee minutes of January 13, 2014. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

The Wau-Col Regional Water System Advisory Committee report was given by Director Garry Anderson and Manager Ken Bloomquist. Motion was made by Anderson and seconded by Tighe to pay Gary Von Rentzell crop damage in the amount of \$1004.40 for the Wau-Col Regional Water System. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Anderson and seconded by Loftis to accept the Wau-Col Regional Water System Advisory Committee minutes of January 9, 2014. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

The Information, Planning & Programs Subcommittee report was given by Subcommittee Chairman Gary Loftis. Motion was made by Loftis and seconded by Krueger to approve the preliminary list of Integrated Management Plan Goals and Objectives recommended by staff. (Copy attached to official minutes.) Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe. Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Loftis and seconded by Meyer to approve 50% Lower Elkhorn NRD cost share (currently up to \$625 per meter) for flow meters without the requirement of applying for EOIP, up to a maximum of \$5000 per producer. Discussion followed.

Moved by Kluthe and seconded by Loftis to amend the motion that after May 1, 2014 those applications that have not completed installation are no longer eligible for Lower Elkhorn NRD cost share. Aye: Carlson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Zessin, Hansen. Nay: Anderson, Gustafson, Tighe. AMENDMENT CARRIED.

Motion by Loftis and seconded by Anderson to amend the motion that this motion applies to all non-allocation subareas. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer,

Peitzmeier, Schultz, Shafer, Hansen. Nay: Tighe, Zessin. AMENDMENT CARRIED.

Vote on amended motion: To approve 50% Lower Elkhorn NRD cost share (currently up to \$625 per meter) for flow meters in all non-allocation subareas without the requirement of applying for EOIP, up to a maximum of \$5000 per producer. After May 1, 2014 those applications that have not completed installation are not longer eligible for Lower Elkhorn NRD cost share. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Hansen. Nay: Tighe, Zessin. AMENDED MOTION CARRIED.

Motion was made by Loftis and seconded by Kluthe to leave the flow meter list unchanged, with only McCrometer flow meters; but to grant an exemption for two years (May 1, 2014 – December 31, 2015) to anyone who has an existing flow meter within the current non-allocation subareas. Discussion followed.

Motion was made by Tighe and seconded by Krueger to amend the motion to grant an exemption for four years (May 1, 2014 – December 31, 2017) and to include new flow meter within the current non-allocation subareas. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Meyer, Peitzmeier, Schultz, Tighe, Zessin, Hansen. Nay: Loftis, Shafer. AMENDMENT CARRIED.

Motion was made by Kluthe and seconded by Huntley to amend the motion to cost share only on McCrometer meters and provide no cost share for the exempted flow meters. Nay: Kluthe, Loftis, Shafer, Zessin, Hansen. Nay: Anderson, Carlson, Gustafson, Huntley, Krueger, Meyer, Peitzmeier, Schultz, Tighe. AMENDMENT FAILED.

Vote on amended motion: to leave the flow meter list unchanged, with only McCrometer flow meters; but to grant an exemption for four years (May 1, 2014 – December 31, 2017) to anyone who has an existing flow meter or purchases a new flow meter within the current non-allocation subareas. Aye: Anderson, Carlson, Gustafson, Huntley, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Tighe, Zessin, Hansen. Nay: Kluthe, Shafer. AMENDED MOTION CARRIED.

The Projects, Equipment and Legislation Subcommittee report was given by Subcommittee Chairman Tim Tighe. Motion was made by Tighe and seconded by Huntley to approve the Agreement for the Scribner Section 14 Streambank Protection Project with the Corps of Engineers and the Interlocal Cooperative Agreement with City of Scribner and Dodge County, subject to legal counsel approval. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Tighe and seconded by Shafer to accept the bid from Krasa Well Services in the amount of \$34,945 for the capping of 21 observation wells. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Motion was made by Tighe and seconded by Kluthe to approve a donation in the amount of \$1000 to the NARD Foundation for the Nebraska State Fair Agriculture Experience Building. Aye: Anderson, Carlson, Gustafson, Huntley, Kluthe, Krueger, Loftis, Meyer, Peitzmeier, Schultz, Shafer, Tighe, Zessin, Hansen. Nay: None. Absent: None. MOTION CARRIED.

Due to the vacancy of the Subdistrict V director, the board advertised for candidates to fill the vacancy. Candidates applying for the position were James Lutter and David Shelton. Chairman Hansen reviewed the procedure for the appointment to the Board of Directors, Subdistrict V. Voting will be by

voice vote according to the Nebraska Open Meetings Act. The successful candidate must have the majority of those voting, 8 votes. Voting will continue until someone receives the majority vote.

Vote #1:

James Lutter – 6 – Gustafson, Krueger, Peitzmeier, Schultz, Shafer, Tighe

David Shelton – 8 – Anderson, Carlson, Huntley, Kluthe, Loftis, Meyer, Zessin, Hansen

David Shelton was declared the winner. Mr. Shelton was given the Oath of Office by Assistant Manager Ken Berney.

The election of officers was conducted by General Manager Stan Staab. According to the By-Laws, any officer is limited to two successive one year terms. The only current officer that has served two successive years is Treasurer Mike Krueger. Voting was held by ballot. Ballots will be held in the headquarters office for 30 days for public review.

Nominated for Chairman was Joel Hansen. After ballots were counted it was announced that Director Joel Hansen was elected Chairman for 2014. (Hansen – 15)

Nominated for Vice-Chairman was Danny Kluthe. After ballots were counted it was announced that Director Danny Kluthe was elected Vice-Chairman for 2014. (Kluthe – 15)

Nominated for Secretary was Dennis Schultz. After ballots were counted it was announced that Director Dennis Schultz was elected Secretary for 2014. (Schultz – 15)

Nominated for Treasurer was Chris Carlson. After ballots were counted it was announced that Director Chris Carlson was elected Treasurer for 2014. (Carlson – 15)

Nominated for NARD Delegate was Ken Peitzmeier. After ballots were counted it was announced that Director Ken Peitzmeier was elected NARD Delegate for 2014. (Peitzmeier – 15)

Nominated for NARD Alternate was Bob Huntley. After ballots were counted it was announced that Director Bob Huntley was elected NARD Alternate for 2014. (Huntley – 14)

The meeting adjourned at 10:04 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 January 23, 2014 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.

Dennis Schultz, Secretary

Others Present:

David Shelton, Wayne

Tom Nathan, Meadow Grove

Keith Wiehn, Battle Creek

Ray Glaser, Grand Island

Andrew Rogers, Norfolk
Jeff Herrick, Fremont
Clayton Fischer, Pierce
Jim Lutter, Carroll
Greg Wees, Norfolk