

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

7:30 p.m., Thursday, April 23, 2015  
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, April 23, 2015 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 April 17, 2015 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Assistant Vickie DeJong with 11 of 15 Directors present. Present: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Absent: Beller, Krueger, Loftis, Winkelbauer. Motion was made by Huntley and seconded by Schultz to excuse the absence of Cory Beller, Mike Krueger, Gary Loftis, Luke Winkelbauer. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Chairman Kluthe appointed Joel Hansen as Acting Secretary.

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

Chairman Kluthe opened a Public Hearing regarding the amendments to the Groundwater Management Area Rules and Regulations at 7:30 p.m. A general description of the proposed amendments for adoption are as follows:

1. Change the due date for flow meter reports to December 1<sup>st</sup> of each year;
2. Exempt land that is irrigated by one or more wells with a combined pumping rate of less than 50 gallons per minute from the requirement of certification by the District;
3. Change the date that the District determines the upcoming year's allocation limitations from December 1<sup>st</sup> to December 31<sup>st</sup> of each year;
4. Establish an Expedited Variance process for Good Cause Shown. Approval shall be limited to no more than 35 New Groundwater Irrigated Acres with the General Manager having authority to administratively approve applications subject to discretionary factors; and
5. Allow applications for Variance for Good Cause Shown under the Expedited Variance Process within Quantity Subareas.

Several members of the public offered testimony. The hearing closed at 7:54 p.m.

Motion was made by Shelton and seconded by Janke to: (a) approve amendments to the Lower Elkhorn Natural Resources District Groundwater Management Area Rules and Regulations as presented by staff and marked as Exhibit Five (5) in the public hearing record; (b) adopt the Order of Designation to amend the Rules with an effective date of May 11, 2015; and (c) authorize the staff to take all action necessary to place the rule change into effect. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

The reading and/or action on the minutes of the March 26, 2015 Board of Directors meetings was next on the agenda. Motion was made by Hansen and seconded by Shelton that the minutes of the March 26, 2015 Board of Directors meeting be approved as printed. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

The Finance Subcommittee report was given by Treasurer Chris Carlson. Motion was made by Carlson and seconded by Tighe to approve income in the amount of \$309,329.49 and expenses in the amount of \$485,969.30 as printed and distributed. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Carlson and seconded by Shelton to approve income in the amount of \$72,333.19 and expenses in the amount of \$126,925.55 for the Logan East Rural Water System as printed and distributed. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Carlson and seconded by Shelton to approve the income in the amount of \$4,593.21 and expenses in the amount of \$5,487.50 for the Wau-Col Regional Water System as printed and distributed. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

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

The Nebraska Association of Resources Districts report was given by Bob Huntley. He reported that the NARD has not met during the last month.

No Nebraska Natural Resources Commission report was given.

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

Bob Huntley gave the Northeast Nebraska RC&D report.

The Bazile Groundwater Management Area Project written report was submitted by Stephanie Butler. (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 Roger Gustafson. RWS Manager Shawn Blahak and RWS Committee Chairman Ron Dierking also gave a report. Motion was made by Gustafson and seconded by Huntley to accept the Logan East Rural Water System Advisory Committee minutes of April 13, 2015. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

The Wau-Col Regional Water System Advisory Committee report was given by Joel Hansen. Motion was made by Hansen and seconded by Shelton to renew and pay HD Supply invoice of \$2,172.60

for the annual Sensus support contract. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Hansen and seconded by Huntley to accept the Wau-Col Regional Water System Advisory Committee minutes of April 2, 2015. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

The Committee of the Whole report was given by Vice-Chairman Dennis Schultz. Motion was made by Schultz and seconded by Shelton to authorize the General Manager to sign a contract with Phoenix Webgroup in an amount not to exceed \$64,950. This contract will replace personal geodatabases with a shared SQL environment and will develop an interactive public website populated with information from the SQL database. These deliverables will become the foundation of future projects, reporting, and a shared database with the public. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Tighe to approve the Urban Recreation Area Development Program up to \$85,000 as recommended by staff:

City of Battle Creek	\$30,000.00	Community Club House
City of Madison	\$14,477.50	Park Trail, Rain Garden & Arboretum
Village of Winside	\$30,000.00	City Park Restroom & Picnic Shelter
Wayne Co Ag Society	\$10,565.00 (est.)	Handicap Access Sidewalk

Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Otten to approve the purchase of a 102" x 26' gooseneck trailer from Ken's Trailer Sales & Repair in the amount of \$9600.00. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to approve the purchase of a 2015 Grasshopper mower from Pete Bolln Distributing in the amount of \$7300, with the trade-in of the 2010 Grasshopper mower. Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to approve the updated Personnel Policy – 30 – Service Awards of the employee handbook as attached. This policy deals with the awards that are given to employees for time of service. (Copy attached to the official minutes.) Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Korth, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: None. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to approve the changes to Personnel Policy – 4 – Benefits of the employee handbook to better reflect current federal laws that deal with the Affordable Care Act. Changes were made to be eligible for medical coverage at a yearly average of 30 hours per week, rather than the current 36 hours per week. (Copy attached to the official minutes.) Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to add a Purchasing Policy to the Financial Operating Policies. This policy will set guidelines and expectations of what is needed for purchases made for the district and will set thresholds when certain activities such as bidding and bond requirements are required. This policy also covers purchasing for emergency situations and cost share projects. (Copy attached to the official minutes.) Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to accept the conditions of the provided Services Agreement (effective July 1, 2015) between the Lower Elkhorn NRD and the University of Nebraska – High Plains Regional Climate Center, for the installation and annual maintenance of a weather station to be located on private property in southern Knox County and to direct the General Manager to sign the agreement on behalf of the District. (Copy attached to the official minutes.) Aye: Carlson, Gustafson, Hansen, Huntley, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

The Ad-Hoc Building Committee report was given by Committee Chairman Tim Tighe. Motion was made by Tighe and seconded by Gustafson to ratify the change order to the Maskenthine poured basement contract with Dave Lurz Concrete for the option of a walkout basement with retaining walls as needed, insulation, walk out door, window and a concrete patio. This work is not to exceed \$13,192. Aye: Carlson, Gustafson, Hansen, Janke, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Huntley, Korth. Absent: Beller, Krueger, Loftis, Winkelbauer. MOTION CARRIED.

Information & Educational Specialist Julie Wragge demonstrated the new NRD website.

The meeting adjourned at 9:34 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 April 23, 2015 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.

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Joel Hansen, Acting Secretary

Others Present:

Carlin Synovec, Pierce

Tom & Terri Reppert, Pender

Scott Bohaty, Stanton

Marvin Werkmeister, Tilden

Ronald Dierking, Scribner

Jerry Alleman, Wayne

Kent Wilke, Wayne