

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

7:30 p.m., Thursday, July 28, 2016

Lower Elkhorn NRD

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, July 28, 2016 at the Lower Elkhorn NRD, 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 July 22, 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: Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Tighe, Winkelbauer, Kluthe. Absent, Present Later: Gustafson, Schultz. Absent: Krueger. (Subdistrict 2 vacant, due to the resignation of Chris Carlson.)

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

Due to the director vacancy in Subdistrict 2, the board advertised for candidates to fill the vacancy. Applications have been received from two interested in the position. Since the vacancy occurred during the last year of a four year term, the appointment is only good for approximately 5 months

The directors interviewed Mark Hall and Garry Murren. At the conclusion of tonight's meeting the board will make the appointed to fill the Subdistrict 2 vacancy.

The reading and/or action on the minutes of the June 23, 2016 Board of Directors meeting was next on the agenda. Motion was made by Loftis and seconded by Shelton that the minutes of the June 23, 2016 Board of Directors meeting be approved as printed. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

The Finance Subcommittee report was given by Treasurer Bob Huntley. Motion was made by Huntley and seconded by Shelton to approve income in the amount of \$185,139.23 and expenses in the amount of \$636,482.31 as printed and distributed. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Huntley and seconded by Shelton to approve income in the amount of \$97,663.84 and expenses in the amount of \$32,945.66 for the Logan East Rural Water System as printed and distributed. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Huntley and seconded by Schultz to approve the income in the amount of \$6,643.52 and expenses in the amount of \$5,131.90 for the Wau-Col Regional Water System as printed and distributed. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. 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 on the upcoming NARD Annual Conference in Kearney in September.

There was no report from Garry Anderson for the Nebraska Natural Resources Commission.

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 by Brian Bruckner. He announced that the new Bazile GMA Project Coordinator, Tanner Jenkins, started on July 25. (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 Huntley to appoint Terry Rasmussen to a three year term on the Logan East Rural Water System Advisory Committee. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Loftis and seconded by Shelton to accept the Logan East Rural Water System minutes of July 11, 2016. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. 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 accept the Wau-Col Regional Water System Advisory Committee minutes of July 7, 2016. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

The Committee of the Whole report was given by Vice-Chairman Dennis Schultz. Motion was made by Schultz and seconded by Hansen to accept the draft language for the Lower Elkhorn Natural Resources District Policy for Flow Meter Installation and Maintenance Inspections as recommended by district staff. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to direct the district staff to budget the necessary funds to implement the Lower Elkhorn Natural Resources District Policy for Flow Meter installation and Maintenance Inspections for the current fiscal year and to develop and advertise a Request for Proposals for consideration by interested parties. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to contract with Phoenix Web Group for

Phase 3 of the Database Management Program and the public meter reporting tool, for a combined amount of \$95,000. DNR will contribute \$35,000 towards this effort.

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

Chairman Kluthe announced that the board would entering Executive Session for the protection of public interest at 8:39 p.m.

Motion was made by Korth and seconded by Hansen to reenter regular session. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Reentered regular session at 9:02 p.m.

Vote on original motion: Aye: Gustafson, Hansen, Huntley, Janke, Loftis, Otten, Schultz, Shelton, Tighe, Kluthe. Nay: Korth, Noonan, Winkelbauer. Absent: Krueger. MOTION CARRIED.

The Budget Subcommittee report was given by Treasurer Bob Huntley. Motion was made by Huntley and seconded by Shelton to advertise and present the proposed Fiscal year 2017 Budget and Long Range Plan at a Public Hearing, 7:30 p.m., Thursday, August 25, 2016, at the Lower Elkhorn Natural Resources District board room, 601 East Benjamin Ave, Suite 101, Norfolk, Nebraska. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: None. Absent: Krueger. MOTION CARRIED.

Motion was made by Huntley and seconded by Schultz to approve an additional 1% increase in Restricted Funds Authority for Fiscal Year 2017. Aye: Gustafson, Hansen, Huntley, Janke, Loftis, Noonan, Otten, Shelton, Schultz, Tighe, Winkelbauer, Kluthe. Nay: Korth. Absent: Krueger. MOTION CARRIED.

Chairman Kluthe reviewed the procedure for the appointment to the Board of Directors, Subdistrict 2. Voting will be by voice vote according to the Nebraska Open Meetings Act. The successful candidate must have the majority of those voting, 7 votes.

Mark Hall – 7 – Gustafson, Janke, Korth, Loftis, Noonan, Winkelbauer, Kluthe
Garry Murren – 6 – Hansen, Huntley, Otten, Schultz, Shelton, Tighe

Mark Hall was declared the winner and the Oath of Office was administered by Assistant Manager Ken Berney.

The meeting adjourned at 9:19 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 July 28, 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