

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

7:30 p.m., Thursday, November 22, 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, November 22, 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 November 16, 2016 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Assistant Vickie DeJong with 12 of 13 Directors present. Present: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Absent: Otten. (Subdistrict 4 vacant, due to the resignation of Tim Tighe and Subdistrict 2 vacant, due to the resignation of Luke Winkelbauer.)

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

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

Due to the director vacancy in Subdistrict 2, the board advertised for candidates to fill the vacancy. The district received one application who was interested in the position. The directors interviewed Jill Barr. At the conclusion of tonight's meeting the board will make the appointed to fill the Subdistrict 2 vacancy (2015-2018 term).

A Public Hearing was held regarding the adoption of Chemigation Rules and Regulations. The Public Notice for the hearing was in the Norfolk Daily News on November 4, 2016, November 7, 2016 and November 14, 2016.

It was noted that the amendments to the chemigation rules and regulations will allow producers the ability to remove the chemical injection line check valve from the pipeline during the offseason, or until they plan on chemigating. By allowing producers to remove the check valve when they are not chemigating, it should prolong the life of the check valve, as the plastic check valves tend to deteriorate quickly when left out year round.

Motion was made by Schultz and seconded by Shelton *to approve the proposed amendments to the Lower Elkhorn Natural Resources District Rules for Chemigation and forward the approved rules and all other necessary documentation to the Director of the Nebraska Department of Environmental Quality for their consideration and approval*. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

The reading and/or action on the minutes of the October 27, 2016 Board of Directors meeting was next on the agenda. Motion was made by Loftis and seconded by Krueger *that the minutes of the*

October 27, 2016 Board of Directors. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. 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 \$255,323.04 and expenses in the amount of \$297,654.76 as printed and distributed. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

Motion was made by Huntley and seconded by Krueger to approve income in the amount of \$73,846.20 and expenses in the amount of \$34,986.62 for the Logan East Rural Water System as printed and distributed. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

Motion was made by Huntley and seconded by Hansen to approve the income in the amount of \$4,575.11 and expenses in the amount of \$3,993.17 for the Wau-Col Regional Water System as printed and distributed. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

Motion was made by Huntley and seconded by Shelton to accept the Fiscal Year 2016 audit as prepared by Dana F. Cole and Company. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. 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. The Legislative Conference will be held in Lincoln on January 24 & 25.

No Nebraska Natural Resources Commission report was given.

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

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

The Bazile Groundwater Management Area Project written report was received from Tanner Jenkins, Bazile GMA Project Coordinator. (A copy of the report is 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 accept the Logan East Rural Water System Advisory Committee Minutes of November 14, 2016. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

The Wau-Col Regional Water System Advisory Committee report was given Joel Hansen. Motion was made by Hansen and seconded by Shelton to accept the Wau-Col Regional Water System Advisory Committee minutes of November 3, 2016. Aye: Gustafson, Hall, Hansen, Huntley, Janke,

Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. 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 approve the Community Forestry Incentive and Forestry Incentive for Public Facilities applications for a total Lower Elkhorn NRD cost of \$42,440.87:*

COMMUNITY FORESTRY INCENTIVE FY 2018			
APPLICANT	DESCRIPTION	TOTAL PROJECT COST	FUNDING REQUESTED
Bancroft-Rosalie Community School	John G. Neihardt Historic Site Forestry Project	4,280.00	3,112.50
City of Humphrey	Tree Renewal Project	5,022.75	3,767.06
City of Randolph	Randolph Veterans Memorial Park Reforestation Project	4,576.00	2,232.00
City of Battle Creek	Windbreak Establishment	1,659.00	1,244.25
Village of Uehling	Tree Replacement for Uehling City Park	5,232.00	3,924.00
Village of Pilger	Replace Pilger Trees	4,525.00	3,393.75
Village of Wisner	Wisner Care Center Landscaping Project	7,070.10	5,000.00
West Point Public Schools	New Windbreak and Tree Replacement	6,571.25	4,928.43
City of Madison	Historic Barnes Park Arboretum	2,605.00	1,953.75
City of Wakefield	Trees along walking trail	6,320.83	4,740.62
City of Norfolk	Seventh Street Beautification	4,693.32	3,520.37
Village of Leigh	Tree Planting at the Village Park	6,229.77	1,076.91
Village of Howells	Creation of new green area at 3rd & May Streets	1,879.31	726.98
City of Pender	Pender Community Club Child Development Center Park/Playground	2,787.00	2,090.25
TOTAL:		\$ 63,451.33	\$ 41,710.87
FORESTRY INCENTIVE FOR PUBLIC FACILITIES			
Concord Cemetery Association	Concord Cemetery	3,934.00	730.00
		\$ 3,934.00	\$ 730.00

Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

Motion was made by Schultz and seconded by Hansen *to approve the staff recommendations for Conservation Cost Share and Lands for Conservation programs and authorize \$500,000 signup for 2017 construction season.* Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: Hall. Absent: Otten. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton *to approve the Norfolk Area Visitors' Bureau request to fund 50% (\$500 each) of the cost of bike racks to be placed around Norfolk, up to a limit of \$5000, with the remaining 50% to be funded by businesses or other entities.*

Discussion followed. Motion was made by Korth and seconded by Krueger *to amend the motion to participate if the bike racks would be produced within the Lower Elkhorn NRD.* Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. AMENDMENT CARRIED.

Vote on amended motion: to approve the Norfolk Area Visitors' Bureau request to fund 50% (\$500 each) of the cost of bike racks to be placed around Norfolk, up to a limit of \$5000, with the remaining 50% to be funded by businesses or other entities if the bike racks would be produced within the Lower Elkhorn NRD. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: Hall. Absent: Otten. AMENDED MOTION CARRIED.

Motion was made by Schultz and seconded by Huntley to allow zero ("0") acres of new groundwater irrigation development district-wide under the District's standard variance process for 2017; and under the District's expedited variance process, to allow no transfer of irrigated acres district-wide, but allow approval of variance applications of 10 acres or less if the addition of the requested acres will allow the applicant's center pivot irrigation system to finish its circle and to allow for the approval of qualified good cause variances and, to approve a total of no more than 250 new irrigated acres in the hydrologically connected area and no more than 250 irrigated acres in the non-hydrologically connected area for expedited variance applications located outside of the District's quantity subareas for 2017. In addition, the Board directs the staff to allow for the approval of supplemental wells, only in situations where the certified irrigated acres have been severed from the source of groundwater. Aye: Gustafson, Hansen, Huntley, Janke, Korth, Loftis, Schultz, Shelton, Kluthe. Nay: Hall, Krueger, Noonan. Absent: Otten. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to authorize staff to negotiate and sign contracts to perform the services specified in the District's "Request for Proposal – Flow Meter Preventative Maintenance Services" (which is attached to these minutes) with Buchanan Well, Inc., of Osmond, whose proposal for the Northern Area of the District is to perform these services for \$46.00 per unit for an estimated 443 flow meters (for an estimated total of \$20,378.00), and with Derek Becker and Austin Becker of Norfolk, whose proposal for the Southern Area of the District is to perform these services for \$50.00 per unit for an estimated 434 flow meters (for an estimated total of \$21,700.00). Each proposal is attached to these minutes. Aye: Hansen, Huntley, Janke, Krueger, Loftis, Schultz, Shelton, Kluthe. Nay: Gustafson, Hall, Korth, Noonan. Absent: Otten. MOTION CARRIED.

Motion was made by Schultz and seconded by Shelton to approve the legal retainer agreement with Bromm, Lindahl, Freeman-Caddy & Lausterer at a cost of \$4800.00 per year and authorize the Chairman to sign it. Aye: Hansen, Huntley, Janke, Korth, Loftis, Schultz, Shelton, Kluthe. Nay: Gustafson, Hall, Krueger, Noonan. Absent: Otten. MOTION CARRIED.

Due to the resignation of Tim Tighe an appointment was considered to fill the position. Dave Kathol won the Subdistrict 4 election and agreed to be appointed to fill the vacancy until his official term begins in January. Motion was made by Huntley and seconded by Korth to appoint David Kathol to fill the Subdistrict 4 vacancy (2013-2016 term). Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

Motion was made by Huntley and seconded by Hansen to appoint Jill Barr to fill the Subdistrict 2 vacancy (2015-2018 term). Aye: Gustafson, Hall, Hansen, Huntley, Janke, Korth, Krueger, Loftis, Noonan, Schultz, Shelton, Kluthe. Nay: None. Absent: Otten. MOTION CARRIED.

The meeting adjourned at 9:28 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 November 22, 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:
Doug Hall