

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

7:30 p.m., Thursday, January 26, 2017

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 Vice-Chairman Dennis Schultz on Thursday, January 26, 2017 at the Lower Elkhorn NRD, 601 East Benjamin, Norfolk, Nebraska. Vice-Chairman Schultz informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on January 20, 2017 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Assistant Vickie DeJong with 13 of 15 Directors present. Present: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Absent: Hansen, McHenry.

Motion was made by Loftis and seconded by Huntley to excuse the absence of Joel Hansen and Scott McHenry. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

The reading and/or action on the minutes of the December 15, 2016 Board of Directors meeting and Certification of Acres Hearing was next on the agenda. Motion was made by Loftis and seconded by Krueger that the minutes of the December 15, 2016 Board of Directors meeting and Certification of Acres Hearing be approved. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

The Finance Subcommittee report was given by Treasurer Bob Huntley. Motion was made by Huntley and seconded by Janke to approve income in the amount of \$645,913.29 and expenses in the amount of \$614,151.83 as printed and distributed. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Huntley and seconded by Krueger to approve income in the amount of \$93,529.59 and expenses in the amount of \$38,599.13 for the Logan East Rural Water System as printed and distributed. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Huntley and seconded by Hall to approve the income in the amount of \$5,311.21 and expenses in the amount of \$4,179.79 for the Wau-Col Regional Water System as printed and distributed. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

The conservation cost share report was given by Assistant Manager Ken Berney. A copy of the report is attached to the official minutes.

The Nebraska Association of Resources Districts report was given by Kurt Janke. He report on the Legislative Conference that was held in Lincoln on January 24 & 25.

No Nebraska Natural Resources Commission report was given, however at the Elkhorn Basin meeting held January 13, 2017, Garry Anderson was reelected as representative to the Natural Resource Commission.

A Natural Resources Conservation Service report was given by Dennis Smith. (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, RWS Manager Shawn Blahak and Advisory Committee Chairman Ron Dierking. Motion was made by Loftis and seconded by Krueger to reappoint the current Logan East Rural Water System Advisory Committee members, Roger Fehrer, Don Johnson and Larry Wulf, for an additional three year term. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Loftis and seconded by Gustafson to approve a resolution calling for the early redemption and prepayment of Water Revenue Funding Bonds, Series 2011, issued by the Lower Elkhorn Natural Resources District in the State of Nebraska. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Loftis and seconded by Gustafson to approve a resolution authorizing the issuance by the Lower Elkhorn Natural Resources District in the State of Nebraska of its Water Revenue Refunding Bonds, in one or more series and in an aggregate principal amount of not to exceed \$5,400,000; prescribing the form and details of the bonds and the covenants and agreements to provide for the payment and security thereof; authorizing certain officers to determine the principal amount, the maturities, the interests rates, and the redemption provisions, the financial covenants and other terms and provisions relating to the bonds; pledging the revenues derived from the district's operation of the Logan East Rural Water System to pay the principal of, premium, if any, and interest on the bonds; designating the bonds as qualified tax-exempt obligations; adopting certain post issuance tax compliance and disclosure policies and procedures with respect to the bonds; and authorizing certain actions and documents and prescribing other matters relating thereto. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Loftis and seconded by Janke to accept the Logan East Rural Water System Advisory Committee Minutes of January 9, 2017. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

The Committee of the Whole report was given by Roger Gustafson. Motion was made by

Gustafson and seconded by Huntley to approve the Interlocal Agreement with the Madison County Railroad Transportation Safety District, Nebraska Central Railroad Company, Nucor Steel, Vulcraft Nebraska, Elkhorn Valley Ethanol and Norfolk Iron & Metal Co., for the purpose of constructing a bank stabilization project along the Elkhorn River, and authorize the Chairman to sign the agreement. Lower Elkhorn NRD will be committed to \$250,000 as a partner in this project. Aye: Allemann, Barr, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: Gustafson. Absent: Hansen, McHenry. Motion Carried.

Motion was made by Gustafson and seconded by Hall to approve the Interlocal Agreement with the City of Scribner and Dodge County for the maintenance of the Scribner Bank Stabilization Project, and authorize the Chairman to sign it. Aye: Allemann, Barr, Gustafson, Hall, Huntley, Janke, Kathol, Korth, Krueger, Loftis, Noonan, Steffen, Schultz. Nay: None. Absent: Hansen, McHenry. Motion Carried.

According to the By-Laws, any officer is limited to one term of two years, but is immediately eligible for a different office; however, a Director is eligible for the same office after a two year absence from that office. The only current officer that has not served a term of two years is Treasurer Bob Huntley. Voting will be held by ballot. Ballots will be held in the headquarters office for 30 days for public review.

Nominated for Chairman was Dennis Schultz. After ballots were counted it was announced that Director Dennis Schultz was elected Chairman for 2017. (Schultz – 12)

Nominated for Vice-Chairman was Mike Krueger. After ballots were counted it was announced that Director Mike Krueger was elected Vice-Chairman for 2017. (Krueger – 13)

Nominated for Secretary was Mark Hall. After ballots were counted it was announced that Director Mark Hall was elected Secretary for 2017. (Hall – 13)

Treasurer Bob Huntley retained his position.

The Executive Board shall be composed of the officers of the board and the immediate past chairman. If the immediate past chairman is unavailable, the board will fill that position with a current board member through nominations and a vote of the board. The past chairman Danny Kluthe is unavailable.

Nominated for Past Chairman position on the Executive Board were Roger Gustafson and Gary Loftis. After ballots were counted it was announced that Director Roger Gustafson was elected Past Chairman for 2017. (Gustafson – 9; Loftis – 3)

Nominated for NARD Delegate was Kurt Janke. After ballots were counted it was announced that Director Kurt Janke was elected NARD Delegate for 2017. (Janke – 12)

Nominated for NARD Alternate was Gary Loftis. After ballots were counted it was announced that Director Gary Loftis was elected NARD Alternate for 2017. (Loftis – 9; Huntley 3)

The meeting adjourned at 9:12 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 26, 2017 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: