

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

7:30 p.m., Thursday, May 24, 2018

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 Dennis Schultz on Thursday, May 24, 2018 at the Lower Elkhorn NRD, 601 East Benjamin, Norfolk, Nebraska. Chairman Schultz informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on May 17, 2018 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Supervisor Vickie DeJong with 12 of 15 Directors present. Present: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Steffen, Schultz. Absent: Barr, Krueger. Absent, Present Later: Korth.

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

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

The Nebraska Department of Natural Resources Director, Jeff Fassett, gave an update of DNR's activities.

The reading and/or action on the minutes of the April 26, 2018 Board of Directors meeting was next on the agenda. Motion was made by Hall and seconded by McHenry that the minutes of the April 26, 2018 Board of Directors meeting and the Certification of Acres Hearing be approved. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

The Finance Subcommittee report was given by Treasurer Dave Kathol. Motion was made by Kathol and seconded by Huntley to approve income in the amount of \$1,246,204.51 and expenses in the amount of \$294,052.13. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Motion was made by Kathol and seconded by Loftis to approve income in the amount of \$72,756.44 and expenses in the amount of \$80,247.15 for the Logan East Rural Water System as printed and distributed. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Motion was made by Kathol and seconded by Hansen to approve income in the amount of \$5,112.15 and expenses in the amount of \$3,868.85 for the Wau-Col Regional Water System. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

The conservation cost share report was given by Project Manager Curt Becker. A copy of the report is attached to the official minutes.

The Nebraska Association of Resources Districts report was given by Gary Loftis.

The Nebraska Natural Resources Commission report was not given.

A Natural Resources Conservation Service report was given by Waylon Petsche, Resource Conservationist. (A copy of the report attached to the official minutes.)

Gary Loftis reported on the Loess Hills RC&D and Dave Kathol reported on the Northeast Nebraska RC&D.

The Bazile Groundwater Management Area report was given by Bazile Groundwater Project Coordinator Phil Steinkamp and is attached to the official minutes.

The Administrative Report was given by General Manager Mike Sousek. (A copy of the report attached to the official minutes.)

The Logan East Rural Water System Advisory Committee report was given by RWS Manager Shawn Blahak and Advisory Committee Chairman Ron Dierking. Motion was made by Loftis and seconded by Gustafson to appoint Dalvin Scheer to the Logan East Rural Water System Advisory Committee for a three year term. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Motion was made by Loftis and seconded by Gustafson to accept the Logan East Rural Water System Advisory Committee minutes of May 14, 2018. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

The Committee of the Whole report was given by Director Roger Gustafson. Motion was made by Gustafson and seconded by Loftis to authorize \$500,000 Conservation Cost Share and Lands for Conservation sign up beginning July 1, 2018. Reserve \$200,000 for the District's Groundwater Quality Management Areas. Establish \$200,000 annual lid on Cover Crops outside the Groundwater Management Areas. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Motion was made by Gustafson and seconded by Korth to instruct the staff to develop a tree mitigation policy to be used in any cost share or variance process in which trees will be removed. The object of the policy will be to replace any trees removed for various practices by an equal number of trees. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Schultz. Nay: Allemann, Steffen. Absent: Barr, Krueger. Motion Carried.

Motion was made by Gustafson and seconded by Hansen to accept the proposed changes to the Lower Elkhorn Natural Resources District Groundwater Management Area Rules and Regulations for the enforcement of the Nebraska Groundwater Management and Protection Act and to direct staff to schedule and prepare for an Open House Public Hearing on July 26, 2018. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Motion was made by Gustafson and seconded by Hansen to accept the terms of the contract with Phoenix Web Group, not to exceed \$72,500, for the Lower Elkhorn NRD Small Data Water Level Project, and to direct the General Manager to sign the contract on behalf of the District. Aye: Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: Allemann. Absent: Barr, Krueger. Motion Carried.

Motion was made by Loftis and seconded by Kathol to approve the JEO Consulting Group Inc. Phase 1 – Pilot Scale Model of the Lower Elkhorn NRD Regional Groundwater Model, not to exceed \$84,000. Aye: Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Schultz. Nay: Allemann, Gustafson, Hall, Korth, Steffen. Absent: Barr, Krueger. Motion Carried.

Chairman Schultz reported that our legal counsel has asked us to hold a closed session of the Board of Directors. Therefore, he asked for a motion and a second, requesting a closed session for the prevention of needless injury to the reputation of an individual, involving issues relating to the NRD personnel and the Board of Directors. The closed session will also discuss investigative proceedings regarding allegations relating to the NRD personnel and other personnel matters.

Motion was made by Hansen and seconded by Kathol to move into closed session for the prevention of needless injury to the reputation of an individual. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Kathol, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: Janke, Korth. Absent: Barr, Krueger. Motion Carried.

Chairman Schulz indicated that the closed session is for the prevention of needless injury to the reputation of an individual, and involves issues relating to the NRD personnel and the Board of Directors. The closed session will also discuss investigative proceedings regarding allegations relating to the NRD personnel and other personnel matters.

Moved into closed session at 10:27 p.m.

Motion was made by Hansen and seconded by Korth to return to regular session. Aye: Allemann, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Barr, Krueger. Motion Carried.

Returned to regular session at 10:47 p.m.

Meeting adjourned at 10:48 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 May 24, 2018, 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.

Mark Hall, Secretary