

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

7:30 p.m., Tuesday, November 20, 2018

Lower Elkhorn NRD

1508 Square Turn Blvd, Norfolk, Nebraska

The Board of Directors Meeting of the Lower Elkhorn Natural Resources District was called to order by Chairman Dennis Schultz on Tuesday, November 20, 2018 at the Lower Elkhorn NRD, 1508 Square Turn Blvd, Norfolk, Nebraska. Chairman Schultz informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on November 12, 2018 and the Nebraska Open Meetings Act information posted.

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

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

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

The reading and/or action on the minutes of the October 25, 2018 and November 8, 2018 Board of Directors meetings was next on the agenda. Motion was made by Hall and seconded by Barr that the minutes of the October 25, 2018 and November 8, 2018 Board of Directors meeting be approved. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson, Korth. Motion Carried.

The Finance Subcommittee report was given by Treasurer Dave Kathol. Motion was made by Kathol and seconded by Hall to approve income in the amount of \$68,533.23 and expenses in the amount of \$339,172.05 as printed and distributed. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Kathol and seconded by Janke to approve income in the amount of \$70,721.97 and expenses in the amount of \$31,136.29 for the Logan East Rural Water System as printed and distributed. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Kathol and seconded by Hansen to approve income in the amount of \$4,006.13 and expenses in the amount of 4,818.699 for the Wau-Col Regional Water System. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. 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 Dave Kathol. He attended the NARD board meeting held on November 12th at Holdrege.

No Nebraska Natural Resources Commission report was received.

A Natural Resources Conservation Service report was given by Robin Sutherland, District Conservationist.

Bob Huntley reported on the Northeast Nebraska RC&D and Gary Loftis reported on the Loess Hills RC&D. (Copy attached to official minutes.)

The Bazile Groundwater Management Area report was given by Assistant Manager Brian Bruckner 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.)

Action was taken on the final ranking of the Standard Variance Requests for new irrigated acres in the Lower Elkhorn NRD hydrologically and non-hydrologically connected acres.

Motion was made by Loftis and seconded by McHenry to adopt the final ranking of applications for a standard variance as proposed by the district staff in the Excel Spreadsheet titled "Exhibit A 10/50 Area." Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Noonan to allow up to 2428.56 new groundwater irrigated acres for the September 4 – October 3, 2018 application period in the District's hydrologically connected area in accordance with the District's Rule 13 and Nebraska Revised Statute Section 46-714(12)c. Aye: Allemann, Barr, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Abstain: Hall. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Kathol to approve and authorize staff to issue variances for the highest ranking applications up to the 2428.56 new groundwater irrigated acres authorized for the September 4 – October 2, 2018 application period in the District's hydrologically connected area, subject to the conditions set forth in Rule 13.12 and the Lower Elkhorn Natural Resources District – Conditional Approval Policy, reauthorized on August 16, 2018. Aye: Allemann, Barr, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Abstain: Hall. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Huntley to authorize staff to contact those applicants for a variance in the hydrologically connected area for the 2018 sign-up period whose applications were not approved to notify them of the Board's decision and their opportunity to reapply in the future. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: Korth. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by McHenry to adopt the final ranking of applications for a standard variance as proposed by the district staff in the Excel Spreadsheet titled "Exhibit B Non 10/50 Area." Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Noonan to allow up to 2515.29 new groundwater irrigated acres for the September 4 – October 3, 2018 application period in the District's non hydrologically connected area in accordance with the District's Rule 15 and Nebraska Revised Statute Section 46-714(12)c. Aye: Allemann, Barr, Hall, Hansen, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Schultz. Nay: Huntley, Zimmerman. Abstain: Steffen. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by McHenry to approve and authorize staff to issue variances for the highest ranking applications up to the 2515.29 new groundwater irrigated acres authorized for the September 4 – October 2, 2018 application period in the District's non hydrologically connected area, subject to the conditions set forth in Rule 15.12 and the Lower Elkhorn Natural Resources District – Conditional Approval Policy, reauthorized on August 16, 2018. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Zimmerman, Schultz. Nay: None. Abstain: Steffen. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Kathol to authorize staff to contact those applicants for a variance in the non hydrologically connected area for the 2018 sign-up period whose applications were not approved to notify them of the Board's decision and their opportunity to reapply in the future. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: Korth. Absent: Gustafson. Motion Carried.

The Logan East Rural Water System Advisory Committee report was given by Gary Loftis. Motion was made by Loftis and seconded by Janke to accept the Logan East Rural Water System Advisory Committee minutes of November 13, 2018. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

The Wau-Col Regional Water System Advisory Committee report was given by Joel Hansen. Motion was made by Hansen and seconded by Zimmerman to approve an increase to the Wau-Col Regional Water System water rates by 14% effective January 1, 2019. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Hansen and seconded by Kathol to accept the Wau-Col Regional Water System Advisory Committee minutes of November 1, 2018. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

The Information, Planning, Programs, Projects, equipment & Legislation Committee of the Whole report was given by Gary Loftis. Motion was made by Loftis and seconded by Barr to approve the Community Forestry Incentive applications for a total Lower Elkhorn NRD cost of \$32,867.95.

APPLICANT	DESCRIPTION	TOTAL PROJECT COST	FUNDING REQUESTED
City of Madison	Memorial Park Retree	\$1,951.00	\$1,463.25
City of Norfolk	Park Beautification Project – Spring 2019	\$4,069.90	\$3,052.42
City of Pender	Pender Street Tree Revitalization Initiative - Phase 6	\$5,325.00	\$3,993.75
Pierce Public Schools	Baseball/Softball Complex Tree Planting	\$2,210.00	\$1,657.50

Village of Pilger	Village of Pilger Tree Recovery and Maintenance Program	\$3,601.37	\$2,701.03
City of Wakefield	Plant 2019 - Civic Center & City Park	\$8,400.00	\$5,000.00
City of West Point	West Point Trails and Pathways – Tree Project	\$16,144.00	\$5,000.00
West Point Public Schools	West Point Public Schools Tree Planting - Football Field	\$7,489.50	\$5,000.00
City of Wisner	Wisner Parks Enhancement Project	\$6,895.50	\$5,000.00
TOTAL:		\$56,086.27	\$32,867.95

Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Kathol to establish a combined annual budget for both the Urban Conservation Assistance Program and the Recreation Area Development Program at \$150,000. To also establish a ranking system for applications that consists of awarding funds to Urban Conservation Assistance Program applications first, then award entities that have not received funds from the District within the last three fiscal years for these programs as well as the Community Forestry Program and finally awarding funds to entities that have received the least amount of funding during the last three fiscal years for these programs as well as the Community Forestry Program. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Barr to amend the policy for the Recreation Area Development Program to increase the maximum amount of funding available for playground equipment from \$10,000 to \$25,000. Aye: Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Zimmerman. Nay: Allemann, Steffen, Schultz. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by McHenry to approve the Interlocal Agreement with the City of Norfolk for the North Fork Elkhorn River Project and authorize the General Manager to sign the agreement.

Moved to amend by Hall and seconded by Korth to modify the agreement that the Lower Elkhorn NRD would receive 33.3 cents per every \$1 of grant received. Aye: Allemann, Hall, Korth, Steffen. Nay: Barr, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Zimmerman, Schultz. Absent: Gustafson. Amendment Failed.

Vote on original motion: Aye: Barr, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Zimmerman, Schultz. Nay: Allemann, Hall, Korth, Steffen. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Barr to authorize District staff to schedule and advertise for a Public Hearing to be conducted on December 6, 2018 at 7 p.m. at 1508 Square Turn Boulevard, Norfolk, NE, to receive comments and testimony on Rules One and Seventeen of the District's Groundwater Management Area Rules and Regulations. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent:

Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Barr to set the 2019 allocation amounts for the Lower Elkhorn NRD Quantity Management Subareas at: 18 acre-inches per irrigated acre for gravity/flood irrigation systems, 13 acre-inches per irrigated acre for subsurface drip irrigation systems, and 14 acre-inches per irrigated acre for all other irrigation systems in the Eastern Madison County Quantity Subarea; and 17 acre-inches per irrigated acre for gravity/flood irrigation systems, 12 acre-inches per irrigated acre for subsurface drip irrigation systems, and 13 acre-inches per irrigated acre for all other irrigation systems in the Wayne County Quantity Subarea. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Motion was made by Loftis and seconded by Huntley to approve the Memorandum of Understanding between the University of Nebraska Lewis & Clark NRD, Upper Elkhorn NRD and Lower Elkhorn NRD for an Extension Educator in the Bazile Groundwater Management Area and authorize the General Manager to sign the agreement. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

The Building Committee report was given by Joel Hansen. Motion was made by Hansen and seconded by Barr to untable the motion: to instruct the staff to purchase and install a new Lower Elkhorn NRD logo sign for the front of the new office building as per the spec of the attached quote. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Korth, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: None. Absent: Gustafson. Motion Carried.

Vote on motion with a clarification: to instruct the staff to purchase and install a new Lower Elkhorn NRD logo sign for the front of the new office building as per the spec of the attached quote from Love Signs in the amount of \$11,424.27. Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Loftis, McHenry, Noonan, Steffen, Zimmerman, Schultz. Nay: Korth. Absent: Gustafson. Motion Carried.

Meeting adjourned at 9:02 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 20, 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