

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

7:30 p.m., Thursday, August 22, 2019
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 Gary Loftis on Thursday, August 22, 2019 at the Lower Elkhorn NRD, 1508 Square Turn Blvd, Norfolk, Nebraska. Chairman Loftis informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on August 19, 2019 and the Nebraska Open Meetings Act information posted.

Roll call was taken by Administrative Supervisor Vickie DeJong with 15 of 15 Directors present. Present: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Absent: None.

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

The reading and/or action on the minutes of the July 25, 2019 Board of Directors meeting was next on the agenda. Motion was made by Steffen and seconded by Janke that the minutes of the July 25, 2019 Board of Directors meeting be approved. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

The Finance Subcommittee report was given by Treasurer Dave Kathol. Motion was made by Kathol and seconded by Alleman to approve income in the amount of \$130,637.41 and expenses in the amount of \$336,177.77. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

Motion was made by Kathol and seconded by Hall to approve income in the amount of \$85,244.37 and expenses in the amount of \$56,407.48 for the Logan East Rural Water System as printed and distributed. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

Motion was made by Kathol and seconded by Hansen to approve income in the amount of \$7,798.66 and expenses in the amount of \$6,236.81 for the Wau-Col Regional Water System. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. 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 Scott McHenry. The upcoming NARD Annual Conference will still be held in September in Kearney despite flooding of the conference center and hotels.

The Nebraska Natural Resources Commission report was not given.

The Natural Resources Conservation Service report was given by Robin Sutherland, District Conservationist. Her written report is attached to the official minutes.

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

No Bazile Groundwater Management Area report was given.

The Administrative Report was given by General Manager Mike Sousek. (Copy attached to the official minutes.)

The Logan East Rural Water System Advisory Committee report was given by RWS Manager Shawn Blahak and new RWS Assistant J.J. Johansen. Motion was made by Gustafson and seconded by Hall to accept the Logan East Rural Water System Advisory Committee minutes of August 12, 2019. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

The Information, Planning, Programs, Projects, Equipment & Legislation Committee of the Whole report was given by Kurt Janke. City of Battle Creek and JEO Consulting Group representatives gave a report to the board on the flood risk reduction and interior drainage improvements completed by the City.

Motion was made by Janke and seconded by Hansen to authorize the General Manager to sign the contract with JEO Consulting Group in the amount, not to exceed \$200,000, to complete Phase 2A Hydrogeologic Framework project for the Lower Elkhorn Natural Resources District Groundwater Model. (Copy attached to the official minutes.)

Discussion followed. Motion was made by Allemann and seconded by Clausen to table the motion. Aye: Allemann, Clausen, Gustafson, Hall, Korth, Noonan, Steffen. Nay: Hansen, Huntley, Janke, Kathol, McHenry, Schultz, Zimmerman, Loftis. Motion Failed.

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

Motion was made by Janke and seconded by Zimmerman to authorize an additional two acre-inches per acre for any irrigation well subject to an Annual Groundwater Allocation in a Lower Elkhorn Natural Resources District Quantity Management Subarea, under Section 17.7.2.1 of the Lower Elkhorn Natural Resources District Rules and Regulations for the Management of Groundwater. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

Motion was made by Janke and seconded by Kathol to ratify the submission of a resolution to allow general obligation bonds for Natural Resources Districts flood control, water quality and quantity projects. This resolution is intended to begin discussion at the NARD fall conference with all NRD's providing input to draft a bill for legislative consideration. Aye: Hansen, Huntley, Janke, Kathol, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: Allemann, Clausen, Gustafson, Hall, Korth. Motion Carried.

The Budget Subcommittee report was given by Treasurer Dave Kathol. Motion was made by Kathol and seconded by Schultz to approve an additional 1% increase in Restricted Funds Authority for Fiscal Year 2020. Aye: Gustafson, Hansen, Huntley, Janke, Kathol, McHenry, Schultz, Loftis. Nay: Allemann, Clausen, Hall, Korth, Noonan, Steffen, Zimmerman. Absent: None. Motion Failed.

Motion was made by Kathol and seconded by Clausen to advertise and present the proposed Fiscal Year 2020 Budget and Long Range Plan at a Public Hearing, 7:00 p.m., Thursday, September 12, 2019, at the Lower Elkhorn NRD Board Room, 1508 Square Turn Blvd., Norfolk Nebraska. Aye: Allemann, Clausen, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: None. Motion Carried.

The Ad-Hoc Variance Committee report was given by Vice-Chairman Kurt Janke. Motion was made by Janke and seconded by Kathol to approve the existing score sheets for the Hydrologically Connected, or 10/50 Area, and the Non-Hydrologically Connected, or Non 10/50 Area in the Lower Elkhorn NRD, and to re-authorize the use of the Lower Elkhorn NRD "Conditions for Approval Policy" for new wells constructed under approved variances for the upcoming Standard Variance Sign-up. Aye: Hansen, Huntley, Janke, Kathol, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: Allemann, Clausen, Gustafson, Hall, Korth. Absent: None. Motion Carried.

Motion was made by Janke and seconded by Hansen to allow up to 450.00 Acre Feet of new stream water depletions for new groundwater irrigation development in the Hydrologically Connected or 10/50 Area in the Lower Elkhorn NRD under the District's standard variance process for the upcoming sign-up period; and to allow up to 2,500 acres of new groundwater irrigation development in the Non-Hydrologically Connected or Non 10/50 Area under the District's standard variance process for the upcoming sign-up period. As a condition for approval, a minimum soil score of 90 must be met in the Soil Conservation category for any standard variance application to be considered for approval, regardless of the total score. Geographic portions of the District that are eligible to be considered for standard variances are areas that fall within the top three categories of the classification map entitled "Using a Score of 500 and Greater" as presented by District staff. Also excluded from consideration for this sign-up period will be any parcel of land located in any Quantity Management Subarea or Phase 3 Area located within the Lower Elkhorn NRD. In addition, to authorize staff to advertise and prepare application materials for a sign-up period which would extend from October 1st through October 31st, 2019 for the receipt of standard variance requests. Discussion followed.

Motion was made by Korth and seconded by Clausen to amend the motion to remove the language that would prohibit eligibility for land located in a Phase 3 Area. Discussion followed.

Motion was made by Steffen and seconded by Korth to amend the amendment to include language that would allow land located within the Phase 3 Area to be eligible in the sign-up period if the intended land-use of the parcel is not for more intensive use (non-row crop to row crop). Aye: Allemann, Clausen, Gustafson, Hansen, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: Hall. Absent: None. Amendment Carried.

Vote on amended amendment: Aye: Alleman, Clausen, Hall, Korth, Steffen, Zimmerman. Nay: Gustafson, Hansen, Huntly, Janke, Kathol, McHenry, Noonan, Schultz, Loftis. Absent: None. Amended amendment failed.

Vote on the original motion: Hansen, Huntley, Kathol, McHenry, Noonan, Schultz, Steffen, Loftis. Nay: Allemann, Clausen, Gustafson, Hall, Janke, Korth, Zimmerman. Absent: None. Motion Carried.

Meeting adjourned at 9:55 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 August 22, 2019, 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.

Matt Steffen, Secretary

Others Present:

Larry L Obst

Rod Zohner

Derek Zohner

Greg Schmidt