

**North Platte Natural Resources
District Board of Directors Meeting Held Telephonically**

May 14, 2020

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order via conference call at 3:00 p.m. MDT, May 14, 2020, by Kent Andreas, via a conference call initiated from the North Platte NRD Offices (Agenda item #1). Notice of the meeting was given to the public by publishing a legal notice in the May 7, 2020, Scottsbluff *Star-Herald*. Andreas informed meeting attendees that this meeting would be conducted in accordance with the Open Meetings Act, a copy of which is posted on the NPNRD website for public inspection (Agenda item #2).

Board members present: Kent Andreas, Gary Darnall, Dave Deines, Roger Eirich, Chuck Henkel, Pete Lapaseotes, Ryan Reuter, and Mark Westphal. Board member absent: Dan Weinreis. Others present: John Berge, Barb Cross, Danielle Schafer, and Kyle Ann Hopkins of NPNRD staff; Thad Kuntz, Adaptive Resources, Inc; Megan Dockery, Simmons Olson Law Firm.

The following items of informational material were made available to the Directors electronically prior the Board Meeting:

1. Meeting Notice
2. Agenda
3. Minutes, North Platte Natural Resources District, April 9, 2020
4. Treasurers Report
5. Manager's Report
6. Report on Budget Process for FY 2021
7. Report on "Reopening" Strategy
8. Consideration of 1% Increase of Budget Lid for FY 2021

The following items were provided to the Directors at the Board Meeting:

Due to the meeting being conducted telephonically, all items were provided electronically prior to the meeting.

3. Approval of Minutes of Previous Meeting

The Board reviewed the minutes of the April 9, 2020, regular Board meeting.

Moved by Eirich seconded by Henkel, to approve the minutes of the April 9, 2020 regular Board meeting. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Westphal

Nay: none

Abstain: none

Absent: Weinreis

4. Treasurer's Report and Accounts Payable

Ryan Reuter reviewed the Treasurer's report with the Board. *Motion made by Westphal, seconded by Lapaseotes, to accept the Treasurer's report and pay the bills as listed. Motion passed.*

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Reuter, Westphal

Nay: none

Abstain: Lapaseotes

Absent: Weinreis

5. Comments from the Public

None

6. Manager's Report

General Manager John Berge indicated that the written report was sent to the board and was available on the NPNRD website and reviewed the following items:

Administrative:

- Budget Planning Process – As you will see later in the agenda, the staff has been hard at work at developing the budget for FY 2021 for your consideration. It is our hope to have this in front of the Budget Committee by the end of the month for their comments and changes, and then for them to take formal action in July after we receive our valuations from the county assessors. That action will refer the budget to the full board for their consideration in September.

Projects and Programs:

- Greenhouse Storage Building – In order to properly store the materials related to the Greenhouse operations, and to maximize growing space in the greenhouse, we will be placing a pre-constructed storage building on our campus in the coming month. This is a 12X24 building and the greenhouse footprint will also be complimented by a fence around the outside garden.
- Schaneman Recharge Project – The Schaneman Recharge project will be operational this spring, and permit applications have been finalized for submittal to DNR. Thad and I will be having a conference call with the appropriate staff in the Planning Department at DNR to ensure that our permit applications are in order and appropriate for the operations before submittal. We also have received interest from some additional landowners on Enterprise Canal for their land to be included in the project. Given our capacity in the recharge pits, there is potential this year or next to expand.
- Excess Flows – As many of you know, or have seen, there are several canals and irrigation districts that are currently diverting for excess flows. While we were contacted by DNR several months ago to gauge our interest in participating in this excess flow event, we declined given our budget position at the time. This did not delay the diversion of excess flows, so no opportunity was squandered to put that excess surface water into the ground – we just simply cut out the middleman (the NRD) in the process. This

recharged water will provide benefit in water storage and benefit against our depletions, but it is all being paid for by DNR.

- Database Changes – ARI and Kyle Ann are wrapping up database changes, resulting in significant progress in development of the database.
- EPIC 2019/2020 – As you know, the EPIC allocation buy-down program has been amongst our most popular in our history. Over the history of this project - about four years - we have been able to keep upwards of 6,000 ac/ft in the ground at a cost of approximately \$1 million, and the Platte Basin Coalition has reimbursed that amount over the same time frame approximately \$600,000. This has certainly been a cost-effective way of managing water.
- Plant Sale/Operational Fundraiser for the Greenhouse – This week, the second annual “Plant Sale for Sustainability” is taking place for an operational fundraiser for the greenhouse. The project is selling both crop vegetables and ornamentals to the public. These ornamentals are low-water-use. These funds help sustain our operations of the greenhouse.
- Pumpkin Creek Restoration – I emailed you all about the potential for a planning and construction project to restore the creek. I heard back from several you about this potential, and the answer was a resounding no, so that potential project will not be on this or any future agendas.
- Grand Plan – As you know, I have been involved in discussions with DNR, CNPPID, NPPD and all of the Upper Platte NRDs about a “Grand Plan” for us to achieve a designation of “fully appropriated” while at the same time not increasing our water management in exchange for helping CNPPID and NPPD achieve their streamflow/revenue goals. I have asked DNR to provide a briefing to the Executive Committee and/or the Water Resources Committee to walk them through the framework of that plan and to allow board members to ask questions or express concerns about the

plan. It is still fairly general and light on details, but it would be helpful to get your input on this framework. I will work with DNR to get something scheduled in the coming weeks. This plan came about before Jeff Fassett retired.

7. Report on Budget Process for FY 2021

Berge indicated that last year, NPNRD had to convert long term savings to meet the financial obligations for the FY. The new budget that staff will be finalizing should reduce operating expenses while maintaining reserves. Expenses would be cut by \$265,000 and the final count would raise the FY 21 budget by \$82,000.00. This would allow meny to be returned to reserve funds and could make our long-term savings level. It bridges the July to September expenses that were funded with the reserves in FY20. Once the budget is final, it will be posed to the website. Meetings are being scheduled for the Budget Committee.

8. Report on “Reopening” Strategy

The purpose of this item is to alert the board of a soft re-opening of the office in June. This assumes that the open meeting regulations set forth by the Governor have not been extended. Currently, Field staff are working out of their vehicles and at home. Administrative staff have been successfully teleworking from home. There have been no complaints about how the office has been operating. If the board meeting is in person next month, face masks and hand sanitizer will be available. This office has not had any Covid-19 exposures. If the governor extends the current regulations, Berge asked if the June meeting could be conducted through Zoom. After discussion, due to concerns about internet band width availability for board members, the meeting will be held telephonically.

9. Consideration of 1% Increase of Budget Lid for FY 2021

This consideration item is voted upon and approved every year, and the staff recommends doing the same again this year. It is a one percent increase in the budget that is

allowed by law above the levy lid limit of 4.5 percent. This action requires a three-fourths vote of the Board. Approval of this one percent does not mean the money has to be spent, and it has not been spent during Berge's tenure, but it can go into the unused restricted fund authority. Berge explained that this item may be tabled, or the board can act now.

Moved by Henkel, seconded by Lapaseotes, to approve the 1 percent levy increase above the levy lid limit. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Lapaseotes, Reuter, Westphal

Nay: Darnall

Abstain: none

Absent: Weinreis

10. Adjourn

There being no further business, the Chairman called for a motion to adjourn.

Motion made by Reuter, seconded by Westphal to adjourn at 3:33p.m., MDT. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Westphal

Nay: none

Abstain: none

Absent: Weinreis