

**NORTH PLATTE NATURAL RESOURCES
DISTRICT BOARD OF DIRECTORS
MEETING**

September 8, 2016

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:00 p.m. MDT, September 8, 2016, by Kent Andreas at the North Platte NRD conference room, 100547 Airport Road, Scottsbluff, Nebraska. Notice of the meeting was given to the public by publishing a legal notice in the September 1, 2016, 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 in the meeting room for public inspection.

Board members present: Kent Andreas, Dave Deines, Roger Eirich, Chuck Henkel, and Dan Weinreis. Absent: Gary Darnall, Gerald Dillman, Dave Ostdiek, and Pete Lapaseotes. Others present: John Berge, Barb Cross, Dave Wolf, Tracy Zayac, Elizabeth Miller, Lydia Hanson, Jody Fiscus, Seth Popp, Kyle Anne Hopkins, Jackie Bishop, Travis Preston, and Amanda Shepperd, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc, Steve Smith, Smith, Snyder, Pettit, Hofmeister, & Snyder; and Robert Busch, Margie Schnedier, Terry Jessen, Judy Durnall, and Wayne Pack from the public.

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

1. Meeting Notice

2. Agenda
3. Minutes, North Platte Natural Resources District Board of Directors Meeting, August 11, 2016.
4. Treasurer's Report
5. Manager's Report
6. Budget Subcommittee Report, August 25, 2016
7. Minutes, North Platte Natural Resources District, Budget & Personnel Subcommittee, August 25, 2016.
8. Water Resources Subcommittee Report, August 25, 2016
9. Minutes, North Platte Natural Resources District, Water Resources Subcommittee, August 25, 2016.
10. Letter from JEO Consulting Group, dated August 9th 2016, to Hazard Mitigation Planning Participants, regarding an adoption of the plan in our jurisdiction for project grant funding, and assist with implementation of actions in the plan.
11. Letter from Central Nebraska Public Power and Irrigation District, dated August 23, 2016, regarding a modeling review in the upcoming months by Western Water Use Management Modeling group.
12. Public Hearing Notice, North Platte Natural Resources District, Public Hearing – FY 2017 Budget, September 8, 2016.
13. Statement read at hearing on FY 2017 Property Tax Request.

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

1. Meeting Notice
2. Agenda
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11. Letter from Central Nebraska Public Power and Irrigation District, dated August 23, 2016, regarding a modeling review in the upcoming months by Western Water Use Management Modeling group.

12. Public Hearing Notice, North Platte Natural Resources District – FY 2017 Budget,
September 8, 2016.

13. Statement Read at Hearing on FY 2017 Property Tax Request.

3. Approval of Minutes of Previous Meetings

The Board reviewed the minutes of the August 11, 2016, regular Board meeting.

Moved by Eirich, seconded by Deines, to approve the minutes of the August 11, 2016,
regular Board meeting. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

4. Treasurer's Report and Accounts Payable

John Berge reviewed the Treasurer's report in Dave Ostdiek's absence with the Board.

Moved by Weinreis, seconded by Eirich, to accept the Treasurer's report and pay the bills as
listed. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

5. Comments from the Public

There were no comments from the public.

6. Manager's Report

Berge reported plans are underway for our third annual employee appreciation dinner. This dinner will take place at the Gering Civic Center again and will be held in January. As more details become available we will share with Board Members to mark their calendars to attend and participate. The board will be considering the budget for FY 17 today. This budget has been a several month long work in progress and took a great deal of staff time and board member time to develop. It represents a monumental shift in prioritizing groundwater management, and the staff is quite proud of what we have accomplished here.

Tracy Zayac, Steve Smith and Berge will be meeting several times over the coming weeks to develop permanent excess flow agreements with our surface water partners for the potential of diverting excess flows during flood events for recharge. The District currently has five year agreements in place. The goal here would be to create permanent agreements, so we can be nimble when a situation arises that would allow us to divert excess flows and realize recharge. The District is working on submitting a grant with Ducks Unlimited to study the impacts of recharge through a wetland. This study may be beneficial as we are constantly looking for ways that we might be able to use our vast surface water resources in intentional recharge through a wetland for stream augmentation and for habitat.

We are entertaining the idea to take over a permanent conservation easement as the holder of the easement on a property south of Oshkosh. We have been working with DU on the easement language and would bring to the board for approval in the event that we were to recommend approval.

The city of Oshkosh has run into a difficulty in mitigating the effects of their new wellfield on third party diverters. They intended to use federal funds to offset the water required to mitigate the effects, and their funder will not allow them to “purchase” water with federal funds. This is a mirror image of the issue that we ran into with Minatare. We will be working with Oshkosh and their funder to the extent possible to ensure that mitigation is met. As of this writing, we are working in conjunction with SPNRD, ARI and NDNR to develop acceptable language in our Western Water Use Management Model (WWUMM) to renew our partnership through this ILCA with the Nebraska Department of Natural Resources.

The District has continued our one minute biweekly updates on KNEB radio. Berge spoke to Leadership Nebraska and the Nebraska Chamber of Commerce on August 19 to provide an overview of our groundwater management west of Lake McConaughy. Tim Anderson of CNPPID provided a similar presentation to the group from their perspective. Berge will be speaking to the Nebraska Water Symposium on October 20 at the University of Nebraska in Lincoln, and he will be on a panel with Carlie Ronca of the Bureau of Reclamation and Kevin Adams of

Farmers Irrigation District.

Seth Popp, Scott Schaneman, Dave Wolf and Berge will be presenting to the entirety of the NARD Fall Conference on our Telemetry project. Topics covered will include funding, outreach, installation techniques, cost savings and data collection. The drought tournament is scheduled for November 18. We have identified potential participants and alternates that have received invitations (potential participants only) and pre- tournament surveys (both potential participants and alternates). This will be an all-day event at a location to be determined. We look forward to the outcomes of this discussion.

Staff has begun meeting with current and potential state senators prior to the legislative session in January. We recently met with Senator Stinner, and will be meeting with both candidates for LD 47 and both candidates for LD 49. There will likely be a contest for the new Chair of the Natural Resources Committee and for Speaker. We will keep you updated on those contests as they progress. Senator Stinner is currently the only candidate for Chairman of Appropriations.

7. Report from Budget & Personnel Committee

Berge reported the subcommittee met on August 25, 2016 for updates on the recommended budget request to the full board. Under the direction of the subcommittee, the staff has been making adjustments to the previously recommended budget to accommodate some new funding needs. Specifically, staff has added in contingency funds

for necessary Yensen Drain repair work, has made specific requests for performance increases for staff salaries, incorporated audited financials into the budget including beginning balances carried forward from last year. They increased expenses related to personnel including travel and training and added expenses related to the construction of the proposed greenhouse project. After the discussion, the subcommittee agreed to recommend the budget with these changes to the full board for consideration.

8. Report from the Water Resources Committee

Berge reported the Water Resources Subcommittee met on August 26th to discuss a potential change in rules and regulations for the North Platte NRD. This change would add a variance process back to the rules that was removed during the last rule change. The language would mimic the old language and provide a process by which the board could consider proposals by landowners that don't neatly fit into the current rules and regulations. As noted in the attached minutes, the Subcommittee voted to refer this change to the whole board, and staff will be asking the board to set a hearing date for the October Regular Board Meeting

9. Consideration of setting a Public Hearing for the Purposes of Amending Chapter 1 of the Rules and Regulation for the Enforcement of the Nebraska Ground Water Management and Protection Act to Include Variance Provisions

In conjunction with item 8 on the agenda, the staff has requested the Board to set a hearing date for the rule changes proposed for October 13, 2016 during the October Board

of Director's meeting. Moved by Eirich, seconded by Henkel, to set a hearing to amend Chapter 1 of the Rules and Regulation for the Enforcement of the Nebraska Ground Water Management and Protection Act to include variance provisions. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

10. Consideration of Resolution Adopting the North Platte Natural Resources District Multi-Jurisdictional Hazard Mitigation Plan

John Berge reported that the Hazard Mitigation Plan that is required to be updated every five years is nearing completion. The plan was paid for by a Federal Emergency Management Agency grant and the bulk of the work was done by JEO Consultants. By adopting the resolution, the NRD will be able to access funds for disaster preparations and relief. Moved by Weinreis, seconded by Eirich to adopt the resolution for the North Platte Resources District Multi-Jurisdictional Hazard Mitigation Plan. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

11. Consideration of CNPPID Request Regarding the Western Water Use Management

Model (WWUMM)

For the past three years, the District has strived to improve/repair relationships with downstream water interests, which included Central Nebraska Public Power and Irrigation District (CNPPID). The District has provided presentations, briefings, tours, and other outreach mechanisms to be as transparent as possible with our modeling and water management efforts. CNPPID would like a deeper look into our WWUMM, and they have provided a letter requesting so. The South Platte NRD has received the same request. The Board requested the request be referred back to the Water Resources Subcommittee to gather more details on the request. Moved by Deines, seconded by Eirich to table the request and refer it back to the Water Resources Subcommittee to gather more specifics.
Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

12. Public Hearing on Proposed FY-17 Budget

The public hearing on the proposed North Platte NRD FY-17 budget was opened at 3:27 p.m., MDT, by Hearing Officer John Berge. Notice of this hearing was published in the Scottsbluff Star-Herald on Thursday, September 1, 2016. Two members of the public offer testimony on the Proposed FY-17 Budget. Terry Jessen raised concerns about

increasing the budget while the agricultural economy is down. He requested that the Board approve a reduction in the budget by 10 percent. Margie Schnieder testified that producers simply do not any more money to pay for a tax increase. She asked the Board to table to FY-17 Budget to consider the impacts the tax implications on their neighbors and constituents. The hearing was closed at 3:53 p.m., MDT.

13. Public Hearing on Setting Final Tax Request

The public hearing on the proposed North Platte NRD Tax Request for the FY-17 budget was opened at 3:54 p.m., MDT, by Hearing Officer John Berge. Notice of this hearing was published in the Scottsbluff Star-Herald on Thursday, September 1, 2016. Two members of the public offered testimony. Terry Jessen requested the board to not raise the levy, because of the impacts it will have on producers. Robert Busch ask the Board on how much they received from the raise in evaluations. He also asked the Board to consider the impacts it will have on producers. The hearing was closed at 4:06 p.m., MDT.

14. Adoption of Proposed FY-17 Budget

Moved by Henkel, seconded by Eirich to approve the FY-17 Budget as proposed.

Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

15. Adoption of Final Tax Request

Berge read the following resolution on setting the property tax request.

North Platte Natural Resources District Resolution Setting The Property Tax Request

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the Governing Body of the North Platte Natural Resources District passes by a majority vote a resolution setting the tax request at a different amount; and

WHEREAS, a special public hearing was held as required by law to hear and consider comments concerning the property tax request; and

WHEREAS, it is in the best interests of the North Platte Natural Resources District that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW, THEREFORE, the Governing Body of the North Platte Natural Resources District, by a majority vote, resolves that:

1. The 2016-2017 property tax request be set at \$3,221,703.91
2. A copy of this resolution be certified and forwarded to the County Clerk on or before October 8, 2016.

Moved by Eirich, seconded by Deines, to adopt the resolution on setting the North Platte NRD property tax request for FY-17. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek

16. Adjourn

Moved by Deines, seconded by Eirich, to adjourn at 4:11 p.m., MDT. Motion passed.

Ayes: Andreas, Deines, Eirich, Henkel, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Dillman, Lapaseotes Ostdiek