

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

November 10, 2016

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:17 p.m. MDT, November 10, 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 November 3, 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, Gary Darnall (arrived at 3:14), Gerald Dillman, Chuck Henkel, Dave Ostdiek, Pete Lapaseotes, and Dan Weinreis. Absent: Dave Deines and Roger Eirich. Others present: John Berge, Barb Cross, Dave Wolf, Scott Schaneman, Kyle Ann Hopkins, Jackie Bishop, Jody Fiscus, Seth Popp, and Amanda Shepperd, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc, Steve Smith, Smith, Snyder, Pettit, Hofmeister, & Snyder; Nate Johnson, City of Scottsbluff; Dave Schaff, MC Schaff; Sarah Gray, NRCS District Conservationist; and Bob Busch and Dave Fisher 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, October 13, 2016.
4. Treasurer's Report

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

1. Agenda
2. Minutes, North Platte Natural Resources District Board of Directors Meeting, October 13, 2016.
3. Treasurer's Report
4. Manager's Report
5. North Platte Natural Resources District Chart of Flow Meters Read & Maintained.
6. North Platte Natural Resources District, Chart of Flow meters to Maintain.
7. North Platte Natural Resources District, Chart of Telemetry Installed as of 11-2016.
8. Letter from Kent Andreas to The Honorable Pete Ricketts, Governor, and The Honorable John Stinner, Chair-elect, regarding petition to government appropriations.
9. Letter from Jason Lambrecht, USGS Nebraska Water Science Center, regarding the continuation of NPNRD/USGS operations of the groundwater gage funding.

10. Summary of proposed funding for the operation of 15 real-time groundwater levels for the groundwater monitoring program supported by the North Platte NRD for the period of October 1, 2016 thru September 30, 2017.

3. Approval of Minutes of Previous Meetings

The Board reviewed the minutes of the October 13, 2016, regular Board meeting.

Moved by Ostdiek, seconded by Dillman, to approve the minutes of the October 13, 2016, regular Board meeting. Motion passed.

Ayes: Andreas, Dillman, Henkel, Lapaseotes, Ostdiek, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Deines, Eirich

4. Treasurer's Report and Accounts Payable

Dave Ostdiek reviewed the Treasurer's report. Moved by Dillman, seconded by Henkel, to accept the Treasurer's report and pay the bills as listed. Motion passed.

Ayes: Andreas, Dillman, Henkel, Lapaseotes, Ostdiek, Weinreis

Nay: None

Abstain: None

Absent: Darnall, Deines, Eirich

5. Comments from the Public

No comments from the public.

6. Manager's Report

Berge reported NRD the all staff Thanksgiving carry-in dinner will be held on November 17. The Board is welcome to attend. The all staff Christmas carry-in dinner will be held on December 15. The Board is welcome to attend. The annual staff appreciation dinner will be held at the Gering Civic Center on January 27. All staff and Board are encouraged to attend. A committee of employees to include Susie Kaufman, Jackie Bishop, Barb Cross and Dave Wolf are working on organizing the dinner. We will discuss and implement reorganization of the NRD Board of Directors at the December Meeting and officer changes/committee assignments will go into effect in January.

In January 2017, the Nebraska Department of Natural Resources will be holding individual caucuses of the biannual vote to elect members of the Natural Resources Commission by the NRD Board of Directors. Eligibility to vote is determined by the Boards members' residential addresses within the Nebraska river basin delineations. Therefore, in preparation of the January 2017 caucuses the Department requests that we provide names and residential addresses and email addresses for each of the 2017 Board of Directors as soon as possible after the November 2016 elections. Renay Smith will be following up with each of you to check your information, and then we will provide that information to DNR on your behalf.

Staff has nearly 700 acres of groundwater retirement projects either pending or executed under the WSF funds that we were awarded recently. Berge has asked an internal

working group to work with him on a potential major change in direction as it relates to management controls. Staff is considering recommending to the board that we move away from retirement and leasing, and move toward improving efficiencies on groundwater only tracts. This would include the use of Variable Rate Irrigation technology, including EC mapping, VRI planning and pivot packages for groundwater only tracts in certain depletion zones of the District. A potential funding mechanism would be the use of our cost-share dollars. The District is going to endeavor to schedule regular (perhaps quarterly) meetings of each of the committees save for the Executive Committee (which will continue to meet only when necessary). The first of these meetings for each of these committees are upcoming. The Budget Committee will be meeting on November 22 at 1 p.m. The Water Resources Committee will be meeting on November 30 at 10 a.m. The District Operations Committee will be meeting on November 30 at 11 a.m.

Cross and Berge have developed agendas for each meeting to be discussed, and those will be sent around soon. At long last, the PBC long term reimbursement contract was signed by both the NPNRD and NDNR last month, and as part of the agreement, the NPNRD was to set up a sequestered checking account to accept and distribute funds as reimbursement for past payments on Tighe's retirements and Hardt's retirement. As such, the District will realize about \$1.9 million of which, a bit over \$700,000 is a reimbursement for lease payments in the past. Per NET funding agreement, the money for phase 3 of the telemetry project (phase 2 of the NET funds) won't be available until next

spring. As such, and to ensure that the supplier/vendor is ready for the order and able to complete it, I sent a letter of commitment to AMCI for their purchase when funds become available. This order total will be \$571,000.

After much planning and much work by Elizabeth Miller and Tracy Zayac, the Drought Tournament is set and ready to go on November 18 at the NRD Office. This is a gathering of community leaders from across the District who will utilize a drought scenario developed by ARI to come up with responses and mitigation measures to combat the effects of that drought. The District is hopeful that there will be some instructive outcomes from the tournament that will help to inform our policies related to drought.

The Variance Rule that was voted on last month will become effective on November 14. We anticipate several applications for variance that will be heard by the appropriate committee(s) and then brought to the board for action in future months. Jackie Bishop, Cross and Berge are working on amendments to the Employee Manual that are long overdue and will (in some cases) require board action. They will be working with the Budget and Personnel Subcommittee as we address those issues. An internal working group of staff to include Cross, Zayac, Scott Schaneman, Carolyn Hudson and Berge is working on recommendations for a District-Wide Nitrate Management scheme. They hope to bring those to the appropriate committee(s) in the spring. The basin-wide planning group will meet again on November 16.

On November 14, staff will be developing our prioritization and scoring for cost-

share applications for this fiscal year. The applications will be scored in February and funds will be disbursed shortly thereafter. The Governance Committee of the Platte River Recovery Implementation Program passed an extension document contingent upon budget to extend the first increment of the PRRIP program. There is an effort to commit to the goals, but only if funding is available. The budget will be discussed at the December meeting of the Governance Committee.

Berge spoke to the Nebraska Water Symposium on October 20, highlighting our activities in addressing water quantity issues in our District. He has been asked to join and have accepted a role on the UNL Water Symposium Advisory Board. The first meeting that he will attend will happen after the first of the year. Schaneman and Berge will attend the annual factory tour at Western Sugar on December 7.

<Gary Darnall arrived at 3:14>

7. Legislative Update-State Budget and Water Sustainability Fund.

Berge reported the 2017 Unicameral will start this January, and the session will be focusing on budget, corrections, and Health and Human Services. Berge had received a call from Senator Heath Mello to discuss the state's budget concerns. He is concerned about the Water Sustainability Fund being targeted and emptied to help make up the shortfall. There is currently around \$38 million in the fund, and Berge feels the fund needs to be protected. He also reported that Senator John Stinner has been the only senator who expressed interest in the Chairmanship of Appropriations.

8. Presentation from IdeaBank on Website Development

IdeaBank was hired to completely redesign the District’s website, and Sherma Jones demonstrated some of the features and highlights from the new design. Some of the new features include an online tree order form, more streamlined navigation, better mobile accessibility, and a platform to do more videos, podcasts, and other alternative media forms.

9. Presentation and Update on Flow Meter Reading and Flowmeter Maintenance Program.

Schaneman updated the Board on flow meter reads. Staff has inspected over 1100 meters. They are making great progress and hope to be done by the end of the month. Scott also gave an update on the maintenance, and over 300 meters have been maintained. A representative from McCrometer came in to review our meter maintenance program, and they stated that our program is further along than anywhere in Nebraska or Kansas. Jody Fiscus also gave a brief demonstration on what the technicians do during a routine maintenance call.

10. Presentation by Nathan Johnson, Scottsbluff City Manager on the Proposed Panhandle Area Water System (PAWS)

Nathan Johnson and Dave Schaff provided an update on the proposed Panhandle Area Water System (PAWS). The proposal would bring water down from Guernsey Reservoir and pipe it down to cities along the North Platte River. The option would be

voluntary to any city to participate. The project would be a partnership with the Wyoming Water Development Commission. They are conducting an 18-month study to see the feasibility, so the plan is not set yet. The estimated costs are between \$328 to \$380 million.

11. Consider of Letter to be sent to Appropriator and the Governor in Support of The Water Sustainability Fund

The staff has drafted a letter stating their concerns of the budget short fall in the State of Nebraska and the potential of dangers it could pose to the Water Sustainability Fund. The fund is a valuable funding source for smaller entities/districts to fund water projects or programs to help meet their water management obligations. The letter states the District thinks it is appropriate for the Fund to take a cut similar as the state agencies have taken. The Board and staff discussed potential partners that would have an interest in signing the letter. Motion by Lapasetoes, seconded by Dillman to approve the letter in support of the Water Sustainability Fund. Motion passed.

Ayes: Andreas, Darnall, Dillman, Henkel, Lapasetoes, Ostdiek, Weinreis

Nay: None

Abstain: None

Absent: Deines, Eirich

12. Consideration of USGS Joint Funding Agreement for Groundwater Level Monitoring

USGS has 16 groundwater level recorders wells in the District, and they record the

data from wells. It costs the District over \$27,000 per year, and staff can perform the same tasks at a much lower cost. Staff recommends that we rescind the contract. Moved by Dillman, seconded by Lapasetoes to rescind the contract with USGS regarding the 16 groundwater level recorder wells. Motion passed.

Ayes: Andreas, Darnall, Dillman, Henkel, Lapasetoes, Ostdiek, Weinreis

Nay: None

Abstain: None

Absent: Deines, Eirich

13. Adjourn

Moved by Henkel, seconded by Dillman, to adjourn at 4:09 p.m., MDT. Motion passed.

Ayes: Andreas, Darnall, Dillman, Henkel, Lapasetoes, Ostdiek, Weinreis

Nay: None

Abstain: None

Absent: Deines, Eirich