

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

March 9, 2017

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:00 p.m. MDT, March 9, 2017 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 March 2, 2017, 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, Gerald Dillman (arrived at 3:18 MDT), Roger Eirich, Chuck Henkel, Pete Lapaseotes, and Dave Ostdiek.
Absent: Dave Deines and Dan Weinreis. Others present: John Berge, Barb Cross, Dave Wolf, Lydia Hanson, Elizabeth Miller, Kyle Ann Hopkins, Craig Uhrig, Jody Fiscus, Brian Caudill, and Scott Schaneman, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc.; and Sarah Gray, Natural Resources Conservation Service (NRCS).

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, February 9, 2017.
4. Minutes, North Platte Natural Resources District Water Resources Committee Meeting, February 9, 2017.
5. 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, February 9, 2017.
3. Treasurer's Report
4. Manager's Report
5. Conjunctive Management Analysis Tool, Introduction to General Managers, June 8, 2016, Ord NE.
6. Conjunctive Management Analysis Tool, Responses from District NRD Managers.
7. Letter to The Honorable Senator Hughes, Chairperson, regarding North Platte Natural Resources District Testimony on LB 533 (2017), dated February 24, 2017.
8. Study on Water Use & Management Perspectives in the North Platte Natural Resources District.
9. Presentation on Western Water Use Management Modeling, Conservation Measures Analysis Review & Results, by Thad Kuntz, Principal Hydrogeologist, with Adaptive Resources Inc.

10. Presentation on Western Water Use Management Modeling, Allocation Analysis Review & Retirement Analysis Discussion, by Thad Kuntz.
11. Memo to NRD Managers, from Dustin Wilcox, regarding Water Resources Report, including Basin Planning, Conservation Tree Program, TSP, Water Programs Conference, Basin Tour, Recreation Website, and Natural Resources Commission, dated March 2017.
12. Nebraska Soil & Water Conservation Program, Practice NC-17 Producer Questionnaire.
13. Nebraska Soil & Water Conservation Program, Practice NC-17 Ranking Procedure.
14. Nebraska Soil & Water Conservation Program, Practice NC-10 Ranking Procedure.
15. Nebraska Soil & Water Conservation Program, Practice NC-12 Ranking Procedure.
16. Nebraska Soil & Water Conservation Program, Practice NC-12 Producer Questionnaire.

3. Approval of Minutes of Previous Meetings

The Board reviewed the minutes of the February 9, 2017, regular Board meeting.

Moved by Eirich, seconded by Ostdiek, to approve the minutes of the February 9, 2017, regular Board meeting. Motion passed.

Ayes: Andreas, Darnall, Eirich, Henkel, Lapaseotes, Ostdiek

Nay: None

Abstain: None

Absent: Dillman, Deines, Weinreis

4. Treasurer's Report and Accounts Payable

Dave Ostdiek reviewed the Treasurer's report. Moved by Henkel, seconded by

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

Ayes: Andreas, Darnall, Eirich, Henkel, Lapaseotes, Ostdiek

Nay: None

Abstain: None

Absent: Dillman, Deines, Weinreis

5. Comments from the Public

No comments from the public.

6. Manager's Report

Department Managers, Jackie Bishop, Barb Cross and John Berge have been working on preliminary budget requests to build into the District's request to the board, which will ultimately come later in the summer. Bishop and Berge have been working with Travis Preston to modify our computer replacement/purchase schedule so as not to simply coincide with expiration of warranties, but better to coincide with necessity of replacement. This is a similar policy change to the one that was made a few years ago by the budget committee to change the criteria by which we replace vehicles. Todd Filipi has contacted 21st Century, Heilbruns and Nebraska Machinery to get proposals on the tractor replacement that was budgeted in our FY 2017 budget. We are looking to make that purchase in the coming weeks.

Berge has been meeting with all Departmental managers over the past several weeks to work one on one with them on Departmental needs, budgets and other concerns that may get lost in the day to day transactions and operations. This has been very helpful

to him. Bishop and Berge are working on replacing the Directors' chairs in the Board room. Suggestions for replacements will be brought before the Board in May.

Several staff and Berge met with NRCS engineers and program administrators to discuss proposed repairs to the Yensen Drain following last year's heavy rains in the drainage area. The Board budgeted \$150,000 to make those repairs as necessary. As of the Board Meeting, the District will have met with and signed agreements with seven surface water entities to lease excess flows from them during spring runoff. Staff anticipates high flows as the snowpack in the Upper and Lower reaches of the North Platte watershed are 122 and 106% of normal respectively, with very little storage left in the entire system. Staff is working to take advantage of those flows and store as much of that water in the ground as possible.

There was a whopping \$396,000 in applications for cost share with funding of \$183,000 in projects based on fund availability and scoring of the applications as set forth by the District Operations Committee and the Board last year. This was a very successful year. Staff anticipates a cut in NSWCP funds next year of about 8% which will hurt this program, but the District will manage. Berge has been working with the Scotts Bluff County Roads Department, Gering Irrigation District, Gering Ft. Laramie and others to address major drainage issues on Rubidoux Road in Gering Valley. The group is working on a low cost, effective solution and will ultimately, more than likely bring this drainage under the auspices of the Gering Valley Flood Control Project Permanent Maintenance Committee to manage concerns like these in the future.

The District will be signing an agreement with Matt Tighe in Sioux County to permanently retire an additional 394.1 acres on Sheep Creek. This project is a Water Sustainability Fund (WSF) project and will require a deed of conservation easement. The McVicker Conservation Easement was approved and passed by the Morrill County Commissioners and those acres are now permanently retired. The first payment on that agreement will be made after this meeting.

The State of Nebraska is hosting the national Envirothon competition in 2020, and we anticipate, along with every other NRD in the state, being asked to contribute money to that cause. Estimates put the potential outlay for this competition near \$17K. Soon, staff will ask the board to consider whether it would like to privately raise that money, or whether it would like to budget and pay for it out of our own revenues. There is a copy of a presentation on CMAT in your board packet. You are welcome to peruse it at your convenience. It is not something that the staff is likely to ask you to fund any time soon.

The internal model review process initially scheduled to kick off on February 24th is being rescheduled for this month. It was cancelled due to inclement weather. Berge recently met with Greg Awtry, Publisher of the Scottsbluff Star Herald, to discuss several of our initiatives and our coverage in the newspaper. He is very interested in our activities and will likely be assigning a reporter to cover our activities. The newly redesigned “no-till” conference was held in Bridgeport this year. The meeting was free of charge and was a huge success in turnout, information and new people participating. Cross recently attended a UNL Water Focus Group meeting. This focus group’s mission is to develop

materials for newly elected/appointed board members to use as they get accustomed to their new roles on their respective boards. Berge was the keynote speaker at the Central District Water Users Annual Meeting in Holdrege. It was quite an honor to be invited and to attend to provide our former foes an update on all that we've been working on in our District. He was very well received.

The District hosted NRCS, Game and Parks, Pheasants Forever and the Nebraska Forest Service for our annual Local Working Group meeting to discuss scoring, conservation goals and objectives and ways we might be able to collaborate. Cross and Berge met with Congressman Smith's staff today to discuss farm bill issues. Berge will be in Kearney on March 23 and 24 for the Water Leaders Academy.

7. Legislative Update-

Berge reported the District has provided testimony on seven bills, with the last one testifying in favor of LB 533. The bill would increase the required liability insurance for companies that would deposit wastewater used in oil/natural gas production in disposal wells. The bill was indefinitely postponed by the natural resources committee, and will not be brought out of committee. The latest budget proposal has the Water Sustainability Fund taking a four percent cut, and an eight percent reduction for the Nebraska Water and Soil Conservation Program. The cut will have an impact on the District's budget, but Berge believes the District can make up the difference. There are still plenty of property tax relief bills that will be discussed, and Berge will keep the Board updated on their progress.

8. Elizabeth Miller Research

Elizabeth Miller is conducting research for her thesis in Applied Anthropology and is writing her thesis on water use and management perspectives. Specifically, she would look at values and motivations for water use behaviors. She will be conducting interviews and observations of producers, municipalities, habitat/environmental, recreation, and domestic users. Her research will be used by the District to help enhance NRD policies and programs, and to help identify possible Integrated Management Plan stakeholder selections.

9. Allocation Analysis Presentation – ARI

Thad Kuntz explained how change modeling works and reviewed the effects that allocations have had from 2009 to 2013. He also updated the board on the upcoming allocation analysis that will include year's 2014-2016. Some of the District's new water management programs, such as the Encouraging Producer Innovation through Conservation program, will be included in the next analysis.

10. Conservation Measures Analysis - ARI

Kuntz reported on the Conservation Measures Analysis which studies how changes in conservation practices have affected river flow and is one of the requirements of LB 962 (2004). He stated there has been some delay because of the technology, but he was given the blessing to start the study with the Western Water Use Management Model. His study covered both the North Platte and South Platte NRDs. Kuntz compared tillage and irrigation practices.

Based on his findings, Kuntz concluded that minimum tillage practices typically increased stream baseflow, and since 1997, NPNRD is behaving more like the minimum tillage scenario than the historic tillage scenario. He had less confidence in the tillage practice scenarios due to the arbitrary estimates that he used in the model runs. For the irrigation efficiencies analysis, the model did show an increase in irrigation efficiencies on surface water lands significantly reducing stream baseflow, of which we could see in the reduction of canal diversions and in subsequent recharge opportunities.

11. Drought Planning Update

Elizabeth Miller updated the Board on the drought planning process. They are nearing the end of the recruitment process and have about 40 individuals selected. The first meeting will be next Thursday, March 16th.

12. Update on Water Sustainability Fund and Natural Resource Commission

Berge reported the Natural Resource Commission (NRC) elected new officers and all the new leadership are full time employees for the entities they represent. They represent surface water interests. NRD and other representatives on the Commission tend to be volunteers, which do not have as much time to devote to the issues facing the commission as those that are employed by water interests. Berge recommended the Governor's appointees come from entities that could devote more time to the NRC. Berge also wanted to update the Board on the District's Water Sustainability Fund project. The number of acres retired under the project will be over 800 next week. The

District should be able to meet the goal of 1000 acres by the end of the next fiscal year.

13. Consideration of NSWCP Cost-Share Questionnaire/Scoring Regime

Cross, Schaneman, and Filipi have working to clean-up some of the wording in the NC 19, 12, and 17 ranking process. Most of the changes dealt with increasing the scoring for groundwater efficiencies, which line up with the priorities of the District.

Moved by Darnall, seconded by Dillman, to approve the changes proposed by the Nebraska Soil and Water Conservation Program Cost-Share Questionnaire/Scoring Regime for NC-10, NC-12, NC-17. Motion passed.

Ayes: Andreas, Darnall, Dillman, Eirich, Henkel, Lapaseotes, Ostdiek

Nay: None

Abstain: None

Absent: Deines, Weinreis

14. Adjourn

Moved by Henkel, seconded by Eirich, to adjourn at 4:13 p.m., MDT. Motion passed.

Ayes: Andreas, Darnall, Dillman, Eirich, Henkel, Lapaseotes, Ostdiek

Nay: None

Abstain: None

Absent: Deines, Weinreis