

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

May 11, 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, May 11, 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 May 4, 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, Dave Deines, Gerald Dillman, Roger Eirich, Chuck Henkel, Pete Lapaseotes, and Dave Ostdiek. Absent: Dan Weinreis. Gary Darnall arrived at 3:18 p.m. Others present: John Berge, Barb Cross, Tracy Zayac, Lydia Hanson, Kyle Ann Hopkins, Carolyn Hudson, Lynn Ockiki, Travis Preston, and Scott Schaneman, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc, and Amy Seiler, Nebraska Forest Service, 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, April 13, 2017.

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, April 13, 2017.

3. Treasurer's Report.

4. Manager's Report.

5. Spring Water Levels Presentation.

6. Lease Agreement with Scotts Bluff County Airport Authority.

7. Mitigation Agreement with City of Oshkosh.

8. Lease Agreement for Surface Water and Ground Water with The Charles E Cheney Revocable Trust, The Linda K Cheney Revocable Trust, and Blue Creek Irrigation District.

9. Transfer permit application TA-15-001 for City of Oshkosh.

3. Approval of Minutes of Previous Meetings

The Board reviewed the minutes of the April 13, 2017, regular Board meeting. Moved by Henkel, seconded by Eirich, to approve the minutes of the April 13, 2017, regular Board meeting. Motion passed.

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

Nay: None

Abstain: Dillman

Absent: Darnall, Weinreis

4. Treasurer's Report and Accounts Payable

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

Ayes: Andreas, Deines, Dillman, Eirich, Henkel, Ostdiek

Nay: None

Abstain: Lapaseotes

Absent: Darnall, Weinreis

5. Comments from the Public

No comments from the public.

6. Manager's Report

Berge highlighted a few items from the manager's report. Berge stated that about \$650,000-750,000 had been cut from the proposed budget, compared to last year, but that the intended \$1 million in cuts may not be fully realized. The Budget Committee will meet on June 1 to discuss the draft budget.

Some work is being done on Yensen Drain to deal with some of the more immediate

concerns, though additional work will be needed over the coming seasons. Todd will be planting grasses along the banks to stabilize the soil.

Berge sent an email to all state senators notifying them that the tour planned for June has been indefinitely postponed. NRD staff will be reaching out to senators during the interim to provide additional education on what the NRD does and how it utilizes its funds.

The work on the Oshkosh mitigation agreement is drawing to a close. Included on the agenda will be a couple of action items for the Board to conclude the District's portion of finalizing the mitigation and taking action on the City's application.

7. Legislative Update

Berge reported on the demise of LB 98 for the session; LB98 would extend the three-cent levy option to help offset the costs of water management activities under the District's IMP. LB98 failed its cloture vote and will have to be brought back next session. Significant education of senators is needed to try to reach some of those less-supportive senators.

Senator Stinner has introduced LR210 to examine fiscal crises that affect political subdivisions, such as the effects on Cheyenne County that may arise from the sale of Cabela's. The NRD will monitor this study and, where appropriate, provide information to help inform the process, given that the ag economy is projected to continue in a slump for perhaps another three years.

The state appropriations bills, including the biennial budget, passed with much hard work by Senator Stinner. The budget balanced expenditures with reduced required cash reserves, as

well as cuts, thereby avoiding the need for a special session.

8. Presentation on Spring Water Levels: Carolyn Hudson

Carolyn presented information on District spring water levels and reviewed water-level trends for the past one-, five-, ten-, fifteen-, and twenty-year timeframes. Lydia showed a 3D GIS map which highlighted the areas of greatest gains and declines in the District.

Carolyn discussed recent and historic precipitation data. She noted that precipitation patterns show much larger peaks and valleys in recent decades, compared to several decades ago. Streamflows in selected tributaries were also reviewed, and the current flows in Pumpkin Creek were highlighted in photos and discussion with the Board. The Board also discussed allocations in other areas of the District to address concerns such as declines in the Albin area.

9. Drought Planning Update

Tracy Zayac reviewed the progress of the drought planning process. They have had another set of small-group meetings and have begun the last set of small-group meetings, in which stakeholders will discuss concrete solutions to the challenges they have identified in earlier meetings. The NRD also put on a drought tools workshop for the stakeholders in conjunction with the National Drought Mitigation Center. About a dozen stakeholders attended and had the opportunity to learn about the various drought assessment and monitoring tools currently available. The policy department will assess feedback from the stakeholders and use the information in designing additions to the webpage, as well as ways to incorporate tools into the drought plan. Current and planned citizen-science initiatives were also discussed.

10. Consideration of Lease Agreement with Scotts Bluff County Airport Authority

Berge and Barb Cross highlighted the terms of the lease with the Airport Authority for the land to be used for the greenhouse. The total leased area will be 1.6 acres, and the Authority required that the District pay \$100/year as a “fair market value” for the land. The term of the lease is 15 years, with a 10-year renewal. The greenhouse itself will be 102 feet x 16 feet, including a 30-foot teaching facility, and will cost a total of \$50,000. Moved by Ostdiek, seconded by Henkel, to approve the lease agreement with the Scotts Bluff County Airport Authority. Motion passed.

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

Nay: None

Abstain: None

Absent: Weinreis

11. Consideration of Oshkosh Municipal Well Project

Berge reviewed the purpose and terms of the Oshkosh mitigation agreement. The agreement is intended to fulfill the City’s mitigation obligation arising from their new wellfield project, which will be located near Blue Creek and will impact diversion on Blue Creek. Oshkosh will reimburse the District for approximately 40% of the total cost of the water being leased, and the remainder of the credit goes toward the District’s IMP obligations. The agreement will have to be revisited in the future, when the lease agreement with the Cheneys expires, to ensure that mitigation continues to occur. Moved by Eirich, seconded by Dillman, to

approve the mitigation agreement with the City of Oshkosh. Motion passed.

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

Nay: None

Abstain: None

Absent: Weinreis

12. Consideration of Transfer Permit #TA-15-001 for the City of Oshkosh

Oshkosh filed this transfer permit application with the District for its new wellfield, which is the subject of the mitigation agreement just adopted. Berge recommended approval of the permit. Moved by Eirich, seconded by Dillman, to approve permit application TA-15-001 for the City of Oshkosh. Motion passed.

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

Nay: None

Abstain: None

Absent: Weinreis

13. Consideration of 1% Increase of Budget Lid for FY2018

Berge recapped the levy authorities currently available to the District. The Board has voted on the 1% increase every year, though the District is not required to use it if approved. If not used, the funds go into a restricted funding authority. The Board must have three-fourths of members present to vote on this matter, and enough Directors are present. Moved by Henkel, seconded by Ostdiek, to approve the 1% increase in the budget lid for FY2018. Motion passed.

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

Nay: None

Abstain: None

Absent: Weinreis

14. Adjourn

Moved by Henkel, seconded by Eirich, to adjourn at 4:10 p.m., MDT. Motion passed.

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

Nay: None

Abstain: None

Absent: Weinreis