

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

August 10, 2017

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:01 p.m. MDT, August 10, 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 August 3, 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, Roger Eirich, Chuck Henkel, Dave Ostdiek, Pete Lapaseotes, and Dan Weinreis. Excused and Absent: Gary Darnall and Gerald Dillman. Others present: John Berge, Barb Cross, Tracy Zayac, Lydia Hanson, Amanda Shepperd, Elizabeth Miller, Travis Preston, Dave Christian, Kyle Ann Hopkins, Jackie Bishop, Scott Schaneman, Jody Fiscus and Dave Wolf, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc; Sarah Gray, Natural Resources Conservation Service; Steve Erdman, State Senator; Spike Jordan, Star Herald; Kevin Mooney, KNEB; Jacqueline Garcia, NBC Nebraska, and Steve Smith, Smith, Snyder, Pettit, Hofmeister, & Snyder.

The following items of informational material were made available to the Directors

electronically prior to the Board Meeting:

1. Meeting Notice
2. Agenda
3. Treasurer's Report (Preliminary)

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, July 13, 2017.
3. Treasurer's Report
4. Manager's Report
5. Oregon Trail Community Foundation, Inc., Fund Agreement dated August 7, 2017.
6. Details for a Position with the Nebraska Conservation Direction, AmeriCorps Member with the NCEF Common Ground Program.
7. Minutes, North Platte Natural Resources District, Budget & Personnel Committee, July 20, 2017.
8. Budget Talking Points FY-2018
9. Minutes, North Platte Natural Resources District, Water Resources Committee Meeting, August 1, 2017.
10. Rule Changes-Staff Recommendations for FY-2018.
11. 2017 Lease Rates Table, Permanent Retirements Only, WRC recommended.

12. Document Report from Scott Schaneman to the Water Resources Committee, dated July 28, 2017, regarding a request from Judy Beckmark to discuss the possibility of certifying the irrigated acres on her farm which is in Section 7 & 8 of T21N-R51W: 270 acres in Morrill County.
13. Morrill FFA Chapter's Farm Business Management Team Sponsorship from Morrill Public Schools, Agriculture Teacher & FFA Advisor Krystal Wilke Caudill.

3. Approval of Minutes of Previous Meetings

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

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

Nay: None

Abstain: None

Absent: Darnall, Dillman

4. Treasurer's Report and Accounts Payable

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

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

Nay: None

Abstain: None

Absent: Darnall, Dillman

5. Comments from the Public

No comments from the public.

6. Manager's Report

John Berge provided the manager's report. Job evaluations for the entire District are now complete. Every two weeks, Berge awards the Bronze Bull to those employees that have accomplished exemplary things in the previous two weeks. This informal recognition generally happens at staff meeting.

The District is in the final stages of completing the budget request. The Budget Committee has met its final time to send the request to the full board. Highlights of budget changes are in the board packet under tab 6a. If there are major changes in the coming month, staff will ask the Budget Committee to come back in to make necessary adjustments and refer those changes to the full board. In the very near future, the District will be providing harassment training to employees and Board members.

Barb Cross and Dave Christian will be attending a meeting on August 24 to determine our eligibility on reimbursement from NEMA for storm damage to our Harrisburg Water System. The Water Department is in the midst of making plans for this fall for flowmeter reads given the inclusion of the fully-appropriated area of the district to

ensure that we are able to get them read and quality checked in a timely fashion.

The NRD is working with Velosys to develop an app for mobile devices for monitoring of water use and weather information remotely. Great Plains McCrometer in Aurora will close by the end of 2017. Berge has been asked to join a working group including some policy makers and university officials on issues associated with LB 646 that was passed in the last Legislature. He will be meeting with those folks in late August in Lincoln. Berge also agreed to serve on the advisory panel for the USDA-NIFA Project, “Revitalizing Food Production Systems in the Missouri River Basin: An Environmental, Social, and Economic Approach to Water Management”. The NPNRD is in the Missouri River drainage and is at the forefront in water management in the region. Staff is looking forward to working with this project that will include the University of Nebraska, Colorado State University and NIFA. Berge is working with Bijesh Maharjan from PREC on a nitrate project in our NRD. The District may have additional funds available through PBC for the next fiscal year.

Berge will be participating in Water Leaders Academy in Omaha during the September Board Meeting. Barb Cross participated in the Water Tour this year on July 19-20. The District has now surpassed our one-year anniversary for the Basin Wide Planning Process and are continuing with these meetings. This will continue through the next year, coinciding with our IMP process.

Berge will be sitting on a panel with Cassidy from Keep Scottsbluff Gering Beautiful at the Keep Nebraska Beautiful Conference in Lincoln on August 22, and he will be participating in the UNL-TAPS program on August 23-24. This Testing Ag Performance Solutions program is a joint venture between NEWBA, Aquamart, and UNL. He had a lengthy meeting with Senator Stinner two weeks ago, and discussed a number of items pertaining to our budget, the state's budget, LB 98 and LR 210.

We are working on a tour for the Board and area state Senators. Barb Cross will attend the Manager's retreat in Norfolk at the end of August. Dave Ostdiek, Jerry Dillman and a number of staff will be attending the NARD Fall Conference in Kearney in September. Berge will not be here for either the September or October Board Meeting.

7. Legislative Update

Berge reported that LR 210, which is a legislative resolution to examine the impacts of the slumping economy has on tax revenues for municipalities, counties, and political subdivisions. The hearing is scheduled for September 22, and the District will provide in person or written testimony. Berge has been asked to sit on a task force to develop a strategic action plan to deal with extreme weather. The taskforce was created by LB 646, introduced by Senator Patty Pansing Brooks.

8. Greenhouse Update

Barb Cross updated the board on the greenhouse. The total cost will be \$65,000, of which

\$31,000 has already been pledged. An account has been set up at the Oregon Trail Foundation to keep it separate from NRD funds, and the goal is to have not use tax dollars for the project.

9. Presentation from State Senator Steve Erdman

Senator Erdman thanked the board for inviting him to speak. He explained that when he talks to constituents, the number one issue they care about is property tax relief. He reported that land valuations have doubled since 2006, and he believes the increase in valuations should be enough to fund the District's water management programs. Berge thanked Senator Erdman for attending the meeting, but reminded the Senator that although the District will meet the first increment of our obligation, the second increment could be anywhere from 30,000 acre feet of water to 100,000 acre feet. The levee authority that LB 98 authorized is a tool the District can use to meet its obligations. Grants and other funding opportunities are getting harder to obtain due to both state and federal budget issues, so taking away this vital tool would severely hamper our ability to get water back to the river. Erdman also explained the petition drive that will lower property taxes by 30 to 35 percent.

10. Report from the Budget and Personnel Committee

a. Status of FY 2018 Budget

Ostdiek and Berge reported the staff have reduced general fund expenses by nearly \$700,000 which include decreases in ground water leases, surface water leases, flow meters for the fully appropriated area, and USGS contacts. He reported revenues

will include \$571,455 from the Nebraska Environmental Trust, \$50,000 for excess flow in 2016, and nearly \$240,000 in reimbursements from Platte Basin Coalition and the Water Sustainability Fund for existing contracts. The committee unanimously recommend that the board approve the proposed budget with minor changes due to changes in the valuations

The District was recently approached about the potential for grant dollars to help fund water management projects, and the staff was asked to think about projects that could be funded and report back to the committee.

11. Report from District Operations Committee

Berge reported that landowners have inquired if cost-share dollars could be used in emergency situations outside of the allotted time currently set in the rules. For instance, if a pump goes out on a livestock well, could the landowner start the work and then come in apply for cost share. Our current rules stated the work may not begin until the cost-share application is approved. The committee discussed the proposal and asked the staff to investigate the proposal and come back to the committee with a recommendation.

Berge also updated the committee on the cuts in state funding for the Nebraska Soil and Water Conservation Program. The cuts were eighteen percent across the board, and the District's match will be reduced by eighteen percent as well. That will lower the total to \$140,000. He also asked the committee to review the ranking and scoring sheets, and to think of

any other issues they might have with the cost-share process, and to let Berge know of their concerns or suggestions.

12. Report from Water Resources Committee

a. Rule Change Update

Eirich reported that the staff asked the committee to provide some direction on which rules to focus on when coming back to them with rule change proposals. Berge would like to change the rules and renew the Intergraded Management Plan (IMP) at the same time. Some of the rule changes might require a change to the IMP. The committee discussed how to proceed, and decided that they would think about possible rule changes, and then continue to discuss them with staff.

b. Consideration of Lease Rates for FY 2018

The committee discussed the standard lease payment rates for both permanent and temporary groundwater, surface water, and comingled retirements, and recommended that the board reduce the current rates by 10%. Staff recommended that the rates stay the same due to land valuations staying relatively flat. After some discussion, the board decided to reduce the entire payment schedule by 10% and round to the nearest five-dollar increment. Moved by Henkel, seconded by Lapaseotes to approve the new water retirement lease payment schedule, as described above, and will go into effect August 11, 2017. Motion passed.

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

Nay: None

Abstain: None

Absent: Darnall, Dillman

c. Consideration of Certification of Beckmark Farm, LLC Acres

The committee reviewed Judy Beckmark's request to certify 280 acres that were not certified in 2008 and 2009. Beckmark provided more documentation for staff to review. Beckmark and her mother were told by staff that they needed to register their well, before they could certify their acres. They did register the well, and her mother thought the land was then certified also. They did not follow up with the NRD, and the NRD did not contact them to see if the well had been registered. They do have surface water available to them, and the consumptive use would not go up, if the well is used as supplemental source. It was unanimously recommended by the committee to approve Judy Beckmark's request. Motion by Deines, seconded by Eirich, to approve Judy Beckmark's request to certify 270 acres in section 7 and 8 of T21N-R51W in Morrill.
Motion passed.

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

Nay: None

Abstain: None

Absent: Darnall, Dillman

13. Consideration of Donation to Morrill High School FFA

The Morrill FFA Chapter's Farm Business Management team was named State Champion. They will be traveling to Indianapolis, Indiana to compete in the national competition. They would like to start a tradition of awarding state champions with embroidered jackets or coats, and would like local business and organizations to help sponsor the jackets. They have \$400 left to raise, and the organization's logo will be embroidered on to the jacket. Moved by Weinreis, Henkel, to provide a \$400 sponsorship to the Morrill High School FFA Chapter to purchase jackets. Motion passed.

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

Nay: None

Abstain: None

Absent: Darnall, Dillman

14. Adjourn

Moved by Eirich, seconded by Ostdiek, to adjourn at 4:08 p.m., MDT. Motion passed.

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

Nay: None

Abstain: None

Absent: Darnall, Dillman