

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

June 14, 2018

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:05 p.m. MDT, June 14, 2018, by Roger Eirich 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 June 7, 2018, 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: Gary Darnall, Dave Deines, Roger Eirich, Pete Lapaseotes, Dave Ostdiek, and Ryan Reuter. Absent: Kent Andreas, Chuck Henkel, and Dan Weinreis. Others present: John Berge, Barb Cross, Lydia Hendrickson, Jackie Bishop, Dave Christian, Paula Kihlthau, Travis Preston, Scott Schaneman, Todd Filipi, and David Wolf, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc; and Steve Smith, Simmons Olson.

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, May 10, 2018.
4. 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, dated May 10, 2018.
3. Treasurer's Report
4. Manager's Report
5. Letter to Stakeholders regarding the Integrated Management Plan Increment Planning Process, and Future Meeting Dates.
6. PowerPoint Presentation for the upcoming North Platte Natural Resources District, Integrated Management Plan Stakeholder Meeting on June 21, 2018.
7. Letter from Simmons Olsen Law Firm, P.C., L.L.O Attorneys at Law, dated June 5, 2018, regarding Flood Control Duties & Obligations of the North Platte Natural Resources District, including copies of all Statutes for further information and reference.
8. Letter from JEO Consulting Group, Inc. to the North Platte Natural Resources District, dated June 7, 2018, regarding Pumpkin Creek Rehabilitation Feasibility Study, in the County of Morrill.
9. Amendment to The Interlocal Cooperation Agreement Between the Platte Basin Water Project Coalition and South Platte, Twin Platte, North Platte, Tri-Basin, Central Platte Natural Resources Districts, and Nebraska Department of Natural Resources. Purpose of the Amendment is to Increase the Budget of NeDNR Contract #571 by Increasing Amounts, and to Increase the Term of the Agreement.
10. Budget Talking Points Fiscal Year 2019.
11. North Platte Natural Resources District, Proposed NPNRD Budget Worksheet for July 1, 2018-June 30, 2019 (2019 FY).

Minutes, North Platte Natural Resources District, Budget & Personnel Committee, dated June 7, 2018.

3. Approval of Minutes of Previous Meeting

The Board reviewed the minutes of the May 10, 2018, regular Board meeting. An omission was discovered regarding the added paragraph to the drought plan approved last month, and staff was instructed to add it to the minutes. Moved by Ostdiek, seconded by Reuter, to approve the minutes as amended of the May 10, 2018, regular Board meeting. Motion passed.

Ayes: Darnall, Deines, Lapaseotes, Ostdiek, Reuter,

Nay: None

Abstain: Eirich

Absent: Andreas, Henkel, Weinreis

4. Treasurer's Report and Accounts Payable

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

Ayes: Darnall, Deines, Eirich, Lapaseotes, Ostdiek, Reuter,

Nay: None

Abstain: None

Absent: Andreas, Henkel, Weinreis

5. Comments from the Public

There were no comments from the public.

6. Manager's Report

John Berge reported evaluations of all employees will be completed by the end of July. Accomplishment documents will be completed by the end of June and turned into

supervisors for those reviews. Renay will be reaching out to the Executive Committee to schedule Berge's annual review. Several months ago, at the request of the Board, the staff, Steve Smith, our attorney, and Danielle Schaffer Mr. Smith's legal assistant, organized and compiled board manuals for each Director. The majority of the Board took those manuals at that time, but there are three remaining in the Board Room for those that have not yet gotten one.

After nearly 25 years with the North Platte NRD, Jackie Bishop will be leaving the District in the next several months. This will leave the District an enormous hole and a big hole for Berge and Cross personally, because she is so knowledgeable and has built much of the platform for our work today. She is also the rock that keeps the office going and the one that staff have come to rely on. Obviously, replacing her is going to be quite a transition, but because administration has been working on succession planning for much of the past several years, the District has luckily put together a very good team around Bishop to help ease some of the burden for her replacement. Berge has selected Danielle Schaeffer of Simmons Olsen Law Firm (Steve Smith's Legal Assistant) to join the team on or about July 1 to serve in a mentee/mentor relationship with Bishop as Schaeffer is trained up on her office management and HR duties. Schaeffer's portfolio will necessarily shift from what Bishop's was and will fit into three buckets:

1. Office Management including: budgetary oversight, procurement, human resources, and personnel management.
2. Legal liaison, contracts, title searches, subordination agreements
3. Correspondence, rules drafting, IMP drafting, Master Plan Drafting

Schaeffer is an incredibly capable, smart, and talented person that has worked with Steve for over five years and knows much about our workings at the District because of our very close working relationship with Smith and his staff. She has an excellent working relationship with everyone that she interacts with at our office and will be very responsive to Board members' needs. With this change, we will not be replacing Tracy Zayac's position, but her pertinent duties (item #3 from above) will be absorbed into Danielle's new duties.

Berge reported Yensen Drain repair is essentially complete. The drain, even in the midst of repair work, handled the massive rains earlier this spring quite well, and repairs to three different lingering issues on or adjacent to private lands on the drain were also taken care of. As you know this project was 100% funded by NRCS through the Watershed Rehabilitation Program, to the tune of \$720,000.

The Water Department purchased a new skid steer with Water Quality Funds that will be heavily utilized by that department. The NSWCP Program is taking an additional budgetary decrease this coming fiscal year, making it all that more important for us to be diligent in our scoring and ranking of these projects. We have been working with our own staff and NRCS staff to better fit our questionnaire and ranking procedures to the budget realities.

The Nebraska Water Balance Alliance through its Aquamart project is joining with the Upper Niobrara/White NRD the North Platte NRD and the South Platte NRD to launch the Panhandle Region Evaluation & Conservation & Integration Partnership (PRECIP). The goal of PRECIP is to generate sustainable and measurable improvement to Nebraska's water resources by providing value at all levels to all stakeholders. The partners are currently

working on an implementation program for this grant with the above listed partners, and the North Platte NRD match on this grant is \$25,000 per year over three years.

The District is finalizing and formalizing an agreement with UNL, Crop Metrics and 21st Century Equipment to study the effects of varying speed on water use and conservation of nitrogen. This is a project that Berge has reported about for months and is now about to become a reality. The District's outlay for this two-year study is about \$45,000, only about a quarter of what Berge had originally planned. The North Platte NRD will be serving in a passive role with the Daugherty Water for Food Institute's E-meter project with cooperators in each of the District's counties. The District will be working with DWFI and landowners to identify areas where DWFI may install E-meters to help to monetize water use more effectively than solely water use as we now collect. Additionally, we have helped to introduce this program to Chimney Rock PPD and Wheat Belt PPD to utilize their E-meter telemetry to expand the study scope.

In addition to the Water Resources Committee proposed rules changes, staff is looking at rescinding secondary acres and modifying feedlot rules. Staff is also working to get a meeting set with Kent Andreas, Dave Deines and appropriate members of the staff to ensure that this project gets underway and completed. My arbitrary deadline for completion is the end of the calendar year.

Berge will be participating in the BWP Small Stakeholder Group Discussion on June 25. This will be (hopefully) the final meeting of the BWP stakeholder process leading up to the finalization of the Basin Wide Planning effort. For the first time in decades, the NRD will be hosting all 23 NRD Managers in Scottsbluff for the annual Manager's Retreat.

While this will not likely impact the Directors, Berge wanted them to be aware in the event they wanted to participate in any of the tour or events.

The rest of the managers report was submitted in the Board packet.

7. Second Increment of Integrated Management Planning Process Update

Berge informed the Board the first meeting of second increment of the Integrated Management Plan (IMP). The meeting will be held June 21st, from 2 pm until 5 pm at the NPNRD offices. The meeting has 21 confirmed stakeholders from various interested represented and packets have been developed for each stakeholder. The packet includes background information on the NRD's water management programs and basic meeting information. The next meeting will be August 16th.

8. Flood Control Concerns in the District

Dave Christian conducted some flood control assessments on dams in the District. He found that many dams and drains in the District have no real owner or jurisdictions to maintain them. With the recent heavy rains, Berge asked the District's counsel, Steve Smith, what is the NRD's role in these dams and drains maintenance. After consulting with counsel, staff have provided some recommendations for the drainages issues. The suggestions provided: (1) the District set aside a flood control contingency fund of \$100,000 per year if issues arise, (2) conduct annual or biannual assessments to see if there are problems, and (3) talk to the Counties and Surface Water Districts to discuss if they have any responsibilities in the maintenance of the drainage systems in the District. The budget component has been added to the proposed FY 2019 budget.

9. Database Concerns

Berge reported that Beehive, who provides our database services, is not interested in renewing our license agreement. They stated they amount of work that is being done is not equal

to the amount of revenue Beehive is receiving. Berge requested a 60-day extension, so the staff could evaluate what their options. Beehive did provide a modified agreement, but staff is not sure if the agreement will work. Two other NRDs are in the similar position. Berge will report back to the Board once more information is available.

10. Rules Changes Update

Thad Kuntz provided update on the Pumpkin Creek analysis. He is looking at 2009 through 2013 pumping data and will examine the pumping difference between actual pumping and full consumptive use and see what the impact on the North Platte River will be. He did find that Evapotranspiration is the same east of the Highway as it is on the west side. Kuntz will report back once he has the full analysis is done.

11. Education and Outreach Report

Dave Wolf provided an end of the school year report on the NRD's youth outreach activities. It was a very good year. The NRD visited over 200 classrooms all over the District. They presented to almost 4500 students, traveled 1900 miles, and took almost 161 hours for the year. Wolf said they are going to focus on providing more presentations to junior high and high school students.

12. Tree Sales Report

Todd Filipi reported on the spring tree season. They sold just short of 80,000 trees and around 60,000 were planted by the NRD and contractors. Federal cost-share dollars were down, so that might have impacted the number of trees ordered. Filipi also reported that the tree cooler has had some issues and might need to be replaced. He also said he has had seem some issues with chemical spray drift and spider mites are hurting trees. He also will be doing some fall planting again this year.

13. Consider of JEO Engineering on Pumpkin Creek Rehabilitation

JEO Engineering has provided a bid with the goal of seeing what it would take to restore flow in Pumpkin Creek from east to west. The NRD has seen some great success in recent years in Pumpkin Creek. Water has been seen in portions of the Creek that have not been seen in over 40 years. This is due partly to increase in precipitation and water management activities instituted by the NRD. The study could also help alleviate some of the flooding issues experienced in the area. Staff recommends to the Board to reject the proposal due to the high cost. After some discussion, the Board felt the proposal is unneeded, due to the landowner's responsibility to maintain the portion of the Creek on their property and the cost of the proposal is too high. No action was taken.

14. Consideration of the Platte Basin Coalition (PBC) Inter Local Cooperative Agreement Amendment (ILCA)

The agreement needs an extension from six years to nine years. The Platte Basin Coalition has been a funding source for several of our water management programs, and the extension is needed to continue to have access to this funding option. Moved by Darnall, seconded by Ostdiek, to approve the Platte Basin Coalition Inter Local Cooperative Agreement Amendment. Motion passed.

Ayes: Darnall, Deines, Eirich, Lapaseotes, Ostdiek, Reuter,

Nay: None

Abstain: None

Absent: Andreas, Henkel, Weinreis

15. Report from the Budget and Personnel Subcommittee

a. Discussion of Fiscal Year 2019 Budget of Expenditures

Ostdiek went over some of the highlights of the budget proposal, with the biggest decrease coming in \$1.4 million reduction of retirements. Berge highlighted some of the additions which include: \$100,000 for flood control, \$20,000 for a new tree cooler, and \$250,000 for conjunctive management. He is also explained the carryforward amounts. The Budget Committee is reviewing the proposal and will bring up a recommendation for the September Board meeting.

b. Consideration of 1% Budget Levy Increase for Fiscal Year 2018

There were not enough board members for a super majority, so no action was taken.

16. Adjourn

Moved by Ostdiek, seconded by Deines, to adjourn at 4:38 p.m., MDT. Motion passed.

Ayes: Darnall, Deines, Eirich, Lapascotes, Ostdiek, Reuter,

Nay: None

Abstain: None

Absent: Andreas, Henkel, Weinreis