

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

January 10, 2019

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:00 p.m. MDT, January 10, 2019, 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 January 3, 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: Kent Andreas, Gary Darnall, Dave Deines, Roger Eirich, Chuck Henkel, Pete Lapaseotes, and Ryan Reuter, Dan Weinreis, and Mark Westphal. Absent: None. Others present: John Berge, Barb Cross, Danielle Schafer, Lydia Hendrickson, Jody Fiscus, Scott Schaneman, Carolyn Hudson, Craig Uhrig, Paula Kihlthau, Seth Popp, Travis Preston, Dave Christian, Lynn Okicki, Jordan Neuwirth, Amanda Shepperd, and David Wolf, NPNRD staff; Thad Kuntz, Adaptive Resources, Inc; Steve Smith, Simmons Olson Law Firm; Sarah Gray, Natural Resources Conservation Service, Matt Steffl, Nebraska Game and Parks; and Terry Brown, producer.

The following items of informational material were made available to the Directors electronically prior to the Board Meeting:

1. Meeting Notice
2. Agenda

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

1. Agenda

2. Director Oaths for Gary Darnall, Kent Andreas, Mark Westphal, Ryan Reuter, and Pete Lapaseotes.
3. Committee Suggested Re-Organization for Calendar Year 2019
4. Minutes, North Platte Natural Resources District Board of Directors Meeting, December 13, 2018.
5. Treasurer's Report
6. Manager's Report
7. Minutes, North Platte Natural Resources District Water Resources Committee, December 20, 2018.
8. Minutes, North Platte Natural Resources District, District Operations Committee, December 20, 2018.
9. Article, "The NPNRD Water Department Through A Lens" a List of Duties and Responsibilities Within the Water Department.
10. Suggested Motion to add Danielle Schafer as a Reviewer of NPNRD Financial Instruments at First State Bank, Platte Valley Bank, Western States Bank, Banner Capital Bank, and the Nebraska Public Agency Investment Trust (NPAIT).
11. Sponsorship Assignment for the Western Nebraska Agri-Women's Group at the KNEB Farm, and Ranch Show on February 8th & 9th.

3. Administration of the Oath of Office for Members Elected in 2018

NPNRD Attorney Steve Smith administered the Oath of Office for the five Directors that were elected last November. The directors included: Kent Andreas, Gary Darnall, Pete Lapaseotes, Ryan Reuter, and Mark Westphal.

4. Consideration of Board Reorganization

The Board discussed the option of having the executive members serve a two-year term, instead of the one-year term as they have served the past couple of years. Moved by Deines, seconded by Henkel, to approve the Executive Committee serve a two-year term. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Weinreis, Westphal

Nay: None

Abstain: None

Absent: None

Kent Andreas was nominated for Board Chairman. No other nominations were offered. Moved by Deines, seconded by Eirich, to nominate and approve the appointment of Kent Andreas as Chairman. Motion passed.

Ayes: Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Weinreis, Westphal

Nay: None

Abstain: Andreas

Absent: None

Roger Eirich was nominated for Board Vice-Chairman. No other nominations were offered. Moved by Henkel, seconded by Weinreis, to nominate and approve the appointment of Roger Eirich as Vice-Chairman. Motion passed.

Ayes: Andreas, Darnall, Deines, Henkel, Lapaseotes, Reuter, Weinreis, Westphal

Nay: None

Abstain: Eirich

Absent: None

Pete Lapaseotes was nominated for Board Secretary. No other nominations were

offered. Moved by Eirich, seconded by Henkel, to nominate and approve the appointment of Pete Lapaseotes as Secretary. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Reuter, Weinreis, Westphal

Nay: None

Abstain: Lapaseotes

Absent: None

Ryan Reuter was nominated for Board Treasurer. No other nominations were offered.

Moved by Eirich, seconded by Henkel, to nominate and approve the appointment of Ryan Reuter as Treasurer. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Weinreis, Westphal

Nay: None

Abstain: Reuter

Absent: None

Board Chairman Andreas then appointed the committees and NPNRD representatives to various organizations. The committees are as followed: Budget and Personnel Committee: Reuter (Chair), Westphal, Henkel, and Weinreis; Water Resources Committee: Eirich (Chair), Darnall, Lapaseotes, and Deines; and District Operations Committee: Deines (Chair), Darnall, Westphal, and Henkel. The Directors will serve a one-year term on the committees.

Andreas also appointed Reuter and himself as Delegate and Alternate to the Nebraska Association of Resources District. He also appointed Deines to the Natural Resources Commission and Gering Valley Flood Control Permanent Maintenance Committee.

5. Approval of Minutes of Previous Meeting

The Board reviewed the minutes of the December 13, 2018, regular Board meeting.

Moved by Eirich, seconded by Darnall, to approve the minutes of the December 13, 2018 regular Board meeting. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich Henkel, Lapaseotes, Reuter, Weinreis

Nay: None

Abstain: Westphal

Absent: None

6. Treasurer's Report and Accounts Payable

John Berge reviewed the Treasurer's report with the Board. Moved by Darnall, seconded by Henkel, to accept the Treasurer's report and pay the bills as listed. Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich Henkel, Lapaseotes, Reuter, Weinreis

Nay: None

Abstain: Westphal

Absent: None

7. Comments from the Public

Producer Terry Brown lives in the Pumpkin Creek area and explained a severed acre issue he is having to the board. After explaining his situation, Berge recommended the board referred to the Water Resources Committee, and the board agreed. Mr. Brown agreed to the recommendation.

8. Manager's Report

John Berge reported it became necessary to review and update the District's personnel policies based on changes to laws or regulations, or due to budgetary restrictions. For much of the past month, Barb Cross, Danielle Schafer and Berge have been reviewing the manual to update policies and procedures. The changes are primarily associated with time keeping,

overtime/compensatory time eligibility, leave accrual and family leave. Once these changes are drafted, they will bring to the full board for consideration.

Department Managers have begun their budget requests for FY 2020 and anticipate having a first draft of those by the end of April. The process over the next three months is to ensure their requests adequately reflect needs and are as conservative as possible. In the last two fiscal years, the staff has cut budget requests by \$1.2 Million, and anticipate further cuts to the extent possible.

As requested, staff was planning a meeting with senior officials from the Nebraska Department of Natural Resources (DNR) to discuss the potential of changing the allocation in the FA area and Pumpkin Creek Basin on January 17. Due to a family health emergency for one of those officials, the meeting will be moved to February 28th. The final IMP meeting will also be held that day. Because of the pivotal nature of this conversation in our review of draft rules, staff will forgo scheduling our next joint-committee meeting until after that discussion.

The newly selected Treasurer will be bonded through the District's insurance company LARM. The necessary paperwork will be provided in the coming days to ensure that it is submitted timely. As noted, the final IMP Stakeholder meeting will be held on February 28, 2019 after a rescheduling from January 17th. After that and public hearings, staff anticipates Board approval at the June Board Meeting, with Orders being approved in August.

The District is planning a sign-up for February 19th for the EPIC Allocation Buy Down Program. This program has been very popular the past two years and has allowed the District to leverage our resources to ensure annualized credit for reductions in water use. The District has worked with the DNR and will be working with PRRIP as funding partners to aid in paying for this incentive program. Staff anticipates about a \$250,000 program. Staff has also proceeded in

soliciting applications for appointment to the Nitrogen Management Advisory Committee. Staff has asked that interested parties provide their applications to the District by January 25th for consideration at the February Board Meeting. Conservation cost-share applications are down a bit this year but scoring on those applications will commence in mid-February as it normally does, with projects needing to be completed by June 1 for payment.

Dave Wolf, Cross, Ryan Reuter and Berge will be travelling to the Legislative Conference January 28-30. In addition to meetings with Legislators, Berge will be participating in the Nebraska Conservation Roundtable Meeting, a meeting with fellow Platte Basin Managers on Platte Basin Coalition Funding, a Meeting with NRCS State Conservationist Craig Derickson on the future of the NRCS Clerks Program, and he will be meeting with a precision ag company called Realm 5 that is based in Lincoln. He will also be chairing the Managers' Meeting on Monday.

Barb and Berge are working with staff and eventually board leadership at the Scottsbluff-Gering United Chamber of Commerce to reevaluate, and perhaps eventually revamp, the annual water tour. Barb serves as Co-Chair of the Agribusiness Committee and Berge serves as Chairman of the Water Tour Committee. The Committee is reevaluating the timeframe, the tour route and highlights and the roster of speakers. All are stale, and given the retirement of co-chairman Bob Busch, they are taking the opportunity to reset.

9. Report for the Water Resources Committee

Eirich reported that the committee got through chapter five of the proposed rules and regulations. They discussed some minor edits to the definitions, aligning livestock certifications requirements with the Department of Environmental Quality's levels for large operations, and

matching the options for landowners with severed acres. The committee also discussed, at length, allocations. The minutes from the committee meeting were included in the board packet.

10. Report from the District Operations

Deines reported the discussion continued from the Water Resources Committee and the committee recommended abolishing exemptions from the rules. The recommendations will be collected and brought before the Board at the same time as the new Integrated Management Plan is considered. The minutes from the committee meeting were included in the board packet.

11. Department Report – Water Department

Scott Schaneman provided a report on the water department. He went over their calendar of programs and broke it down by daily, monthly, and quarterly activities. He introduced his staff and provided a description of each project and program they are involved with.

12. Consideration of Adding Danielle Schafer as a Reviewer of NPNRD Financial Instruments as First State Bank, Platte Valley Bank, Western States Bank, Banner Capital Bank and the Nebraska Public Agency Investment Trust (NPAIT)

Berge reported since Danielle Schafer oversees the department that works directly with the District's financial instruments, she should have the ability to review those instruments.

Moved by Eirich, seconded by Weinreis, that Danielle Schafer be added as a Reviewer of NPNRD Financial Instruments at First State Bank, Platte Valley Bank, Western States Bank, Banner Capital Bank and the Nebraska Public Agency Investment Trust (NPAIT). Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Weinreis, Westphal

Nay: None

Abstain: None

Absent: None

13. Consideration of Donation to Western Nebraska Agri-Women of \$250 for their Educational Tool at the KNEB Farm and Ranch Show

The Western Nebraska Agri-Women's group will have a booth at the KNEB Farm and Ranch Show on February 8th and 9th. One of the projects they are doing is selling breakfast burritos from the booth at \$.25 apiece to depict the price that is the farmers share of the burrito. They will also be handing out cards that show what percentage the farmer gets from different processed foods. This is an educational tool.

If the NRD is willing to help sponsor the event at \$250.00, the sponsorship name will appear on the booth during the expo. Moved by Henkel, seconded by Eirich, to approve a \$250 donation to the Agri-Women for their Educational Tool at the KNEB Farm and Ranch Show.

Motion passed.

Ayes: Andreas, Darnall, Deines, Eirich, Henkel, Lapaseotes, Reuter, Weinreis, Westphal

Nay: None

Abstain: None

Absent: None

14. Adjourn

Moved by Reuter, seconded by Darnall, to adjourn at 4:37 p.m., MDT. Motion passed.

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

Nay: None

Abstain: None

Absent: None