

**North Platte Natural Resources
District Board of Directors Meeting**

November 14, 2019

The regular meeting of the North Platte Natural Resources District (NRD) Board of Directors was called to order at 3:00 p.m. MST, November 14, 2019, by Kent Andreas at the North Platte NRD Conference room, 100547 Airport Road, Scottsbluff, Nebraska (Agenda item #1). Notice of the meeting was given to the public by publishing a legal notice in the November 7, 2019, Scottsbluff *Star-Herald*. Andreas informed meeting attendees that this meeting would be conducted in accordance with the Open Meeting Act, a copy of which is posted in the meeting room for public inspection (Agenda item #2).

Board members present: Kent Andreas, Gary Darnall, Dave Deines, Pete Lapaseotes, Ryan Reuter, and Mark Westphal. Absent: Roger Eirich, Chuck Henkel, and Dan Weinreis. Others present: Barb Cross, Lydia Hendrickson, Paula Kihlthau, Scott Schaneman, and Craig Uhrig of NPNRD staff; Thad Kuntz, Adaptive Resources, Inc; Megan Dockery, Simmons-Olson Law Firm; Sarah Gray, Natural Resources Conservation Service, and Doug Millay and Kevin Sylvester, Dana F. Cole & Company.

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

1. Meeting Notice
2. Agenda
3. Treasurer's Report (Preliminary)
4. Minutes, North Platte Natural Resources District, October 10, 2019

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

1. Agenda

2. Minutes, North Platte Natural Resources District, District Board of Director's Meeting, October 10, 2019
3. Treasurer's Report
4. Manager's Report
5. Proposal from JEO
6. HWS Rules & Regulations
7. NRCS MOA
8. Audit Materials
9. LARM Resolution

3. Approval of Minutes of Previous Meeting

The Board reviewed the minutes of the October 10, 2019, regular Board meeting. Cross asked that the minutes be amended to show that Lydia Hendrickson was in attendance at the October 10th meeting. Moved by Darnall, seconded by Reuter, to approve the minutes of the October 10, 2019 regular Board meeting with the amendment to those in attendance. Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter

Nay: None

Abstain: Westphal

Absent: Eirich, Henkel, Weinreis

4. Treasurer's Report and Accounts Payable

Ryan Reuter reviewed the Treasurer's report with the Board. Motion made by Deines, seconded by Darnall, to accept the Treasurer's report and pay the bills as listed. Motion passed.

Ayes: Andreas, Darnall, Deines, Reuter, and Westphal

Nay: None

Abstain: Lapaseotes

Absent: Eirich, Henkel, Weinreis

5. Comments from the Public

None

6. Manager's Report

Cross highlighted the following items from General Manager John Berge's report:

Administration:

*Estate Planning presented by Megan Dockery of Simmons Olsen -

Megan provided an estate planning presentation to staff and spouses. She will be coming back to the December staff meeting to finalize the presentation.

*NRCS Clerk- Scottsbluff position –

We have budgeted for this position for the last two years and will possibly be filling this position.

* 2020 Election –

Board members up for election are Dan Weinreis, Dave Deines, Roger Eirich and Chuck Henkel. The filing period for incumbents is Dec. 2, 2019 – February 18, 2020.

Projects:

*Master Plan –

Berge is working with a few potential facilitators for the update. The proposals that have been submitted so far are quite expensive.

*Schaneman Recharge Project –

Construction is nearly complete. This facility will provide for intentional recharge

for nearly 300 acres that are leased by the District.

*Bridgeport Ethanol –

Berge is working with Bridgeport Ethanol to ensure that they are offsetting for their increased water uses. Options for offset are being discussed.

*Observation Well Network –

Berge is working with Dr. Troy Gilmore of UNL to determine a way to better manage the 800 monitoring wells across the District.

*Excess Flows –

Seven surface water districts were able to divert water for excess flows early in October. They were able to divert approximately 26,000-acre feet total. The recharge rate is about 45%. We will be paying districts in January for the water and will be reimbursed through Water Resources Cash fund for 60% of those payments.

*PBC Contracts –

NPNRD has several contracts pending with DNR. One is a reimbursement of 60% for the permanent and temporary retirements that were previously reimbursed under contract 1023. The Schaneman Recharge facility will also be reimbursed at 60% for the construction, engineering, planning and legal costs.

*EPIC Reimbursement –

NPNRD is expecting a 60% reimbursement from DNR on those payments, resulting in a \$173,000.00 return.

*Exemption Acres –

A Water Resources Committee meeting will be scheduled to revisit exemption acres. Berge is exploring suspension of the rule for a year due to issues with

several producers having trouble making the conversion from flood irrigation.

*Nutrient Management-

Berge is working on implementation of our nutrient management rules which become effective in one year.

*Platte Issue Meetings –

Berge is meeting with DNR, CNPPID, and NPPD on issues related to Platte River operations.

Outreach:

*Water Issues Conference/Water Tour –

The Water Conference will be held at UNL in Scottsbluff on August 3, 2020. The Scottsbluff-Gering United Chamber of Commerce Water Tour is schedule in conjunction with the above meeting on August 4 & 5th. Berge is on the planning committee for both of these events.

*NGWA Water Week -

Berge and Scott Schaneman will be attending the National Groundwater Week conference in Las Vegas the first week in December. Berge is a speaker.

*WNCC Agriculture Program –

Berge is part of a focus group convened by WNCC to review the Applied Ag program at the college.

*Nebraska Conservation Roundtable –

Berge attended a meeting of the Nebraska Conservation Roundtable in Lincoln today.

*Appropriations Testimony on LR 209-

Berge is testifying to the Appropriations Committee at the Legislature tomorrow

on LR 209.

7. Consideration of Hazard Mitigation Plan Request for Qualifications from JEO

Consulting Group

Cross discussed the bid from JEO for facilitation of the Hazard Mitigation Plan. NPNRD is statutorily required to update this plan every 5 years. JEO Consulting Group's bid was the only one that came in for this project. The proposed cost for updating the plan was \$99,700.00. JEO will write a grant through FEMA to alleviate 75% of the cost of this project for the NRD. After discussion, motion made by Deines, seconded by Westphal to accept the bid from JEO. Motion passed

Ayes: Andreas, Deines, Lapaseotes, Reuter, Westphal

Nay: Darnall

Abstain: None

Absent: Eirich, Henkel, Weinreis

8. Consideration of NRDS-NRCS Memorandum of Agreement

The Board reviewed the MOA between NPNRD and NRCS. The MOA outlines how both parties will work together to deliver technical and financial assistance to our constituents. It does not indicate that NPNRD will supply clerical assistance to NRCS.

Motion made by Reuter, seconded by Deines to approve entering into the MOA with NRCS.

Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter, and Westphal

Nay: None

Abstain: None

Absent: Eirich, Henkel, Weinreis

9. Consideration of Audit Report

Doug Millay from Dana F Cole and Company began by thanking the staff for their help with the audit. He reviewed the report as follows: pages 1 – 3 on responsibilities, pages 4 – 9 on the Balance Sheets, Income Statements, and Restricted Funds, pages 7 – 8 on Detailed Income Statement, Property Tax, State Grants and Funds, Benefits, Professional Services, Project, and Improvements, pages 9 – 17 on notes on Financial Statements, pages 18 – 19 Income Statement vs Budgeted and Actual, page 21 which is their State required supplementary information, pages 22-23 on Auditor’s Report, page 24 which is Segregation of Duties findings, page 25 Uncollateralized Bank Account which was an FDIC Collateral bank error from a previous fiscal year that was corrected in less than 7 days, but had to be addressed this fiscal year. The Board also considered the recommendation from the Budget Committee to accept the report. Motion made by Reuter, seconded by Darnall to accept Audit Report. Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter, and Westphal

Nay: None

Abstain: None

Absent: Eirich, Henkel, Weinreis

10. Consideration of Changes to the Harrisburg Water System Policy

Cross reviewed the current Rules and Regulations for the Harrisburg water system. Under Article VI., Discontinuance of Service, language has been updated to indicate “*that all fees or charges associated with the restoration of service*” must be paid before reconnection to the system will be made. The update of language was necessary to recover all fees due by any user after being disconnected. Motion made by Darnall, seconded by Reuter to update the Rules and Regulations. Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter, and Westphal

Nay: None

Abstain: None

Absent: Eirich, Henkel, Weinreis

11. Consideration of Resolution for Participating Members of LARM to Ratify the Elections of Members of the LARM Board of Directors

Cross informed the Board that the legal dispute between the “Duly Elected LARM Board” and the “Purported LARM Board” has been settled. The Duly Elected Board prevailed and has asked NPNRD to ratify the election and re-election of the LARM Board of Directors. Motion made by Reuter, seconded by Westphal to approve signing the Resolution. Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter, and Westphal

Nay: None

Abstain: None

Absent: Eirich, Henkel, Weinreis

12. Adjourn

There being no further business, the Chairman called for a motion to adjourn.

Motion made by Westphal, seconded by Deines to adjourn at 3:42 p.m., MDT. Motion passed.

Ayes: Andreas, Darnall, Deines, Lapaseotes, Reuter, and Westphal

Nay: None

Abstain: None

Absent: Eirich, Henkel, Weinreis