

**North Platte Natural Resources District
Board of Directors Regular Monthly Meeting
100547 Airport Road, Scottsbluff, Nebraska
March 10, 2022**

1. Call Meeting to Order

This meeting was called to order at 3:00 p.m. by Roger Eirich. Notice of the meeting was given to the public by publishing a legal notice on February 3, 2022, in the Scottsbluff Star Herald.

2. Inform Public of Open Meetings Act

Eirich informed the meeting attendees that this meeting would be conducted in accordance with the Open Meetings Act, which is posted by the door for public inspection.

Attendance

Board of Directors Present: Gary Darnall, Ryan Reuter, Kent Andreas, Roger Eirich, Chuck Henkel, Dan Weinreis, Pete Lapaseotes

Board of Directors Absent: Mark Westphal, Dave Deines

Eirich called for a motion to excuse the absences.

A motion was made by Reuter, seconded by Henkel, to excuse the absences of Westphal and Deines. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal

Others Present:

North Platte NRD Staff: Scott Schaneman, Danielle Schafer, Travis Preston, Craig Uhrig, Kyle Ann Hopkins, Todd Filipi.

Natural Resources Conservation Service (NRCS): Georgette Jordening

Simmons Olsen Law Firm: Megan Dockery

Adaptive Resources, Inc. (ARI): Thad Kuntz

Documentation Provided

The following documents were made available at the meeting for the Board of Directors and public review:

1. Meeting Notice

2. Agenda
3. Minutes of the February 10, 2022, Board of Directors Meeting
4. Treasurer's Report
5. Manager's Report
6. NARD Bill Summary Tracking Sheet – 107th 2nd Session
7. Memo from Dean Edson to the NARD Board, NRD Managers and Conservation Partners regarding a March 4 NARD Legislative Update
8. Minutes of the February 24, 2022, Water Resources Committee Meeting

3. Approval of Minutes of Previous Meeting

The Board reviewed the minutes of the February 10, 2022, regular monthly meeting.

A motion was made by Weinreis, seconded by Darnall, to approve the minutes of the February 10, 2022, regular monthly meeting. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal

4. Treasurer's Report and Accounts Payable

Reuter reviewed the monthly expenses from the Treasurer's Report with the Board.

A motion was made by Darnall, seconded by Weinreis, to accept the Treasurer's Report and pay the bills as listed. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal

5. Comments from the Public

Georgette Jordening informed the Board that she was appointed as the District Conservationist for NRCS and thanked the NRD for hosting the NRCS Working Group earlier today. She updated the Board on the events happening at NRCS with EQIP and NSWCP. EQIP has finished the ranking process and contracts are in the works. The contracts will include some of the assistance for last year's wildfires. NRCS has started to plan for their side of the NSWCP applications.

6. Manager's Report

Scott Schaneman highlighted the following items from his Manager's Report for the Board:

The District held three producer roundtable meetings during the month of February. There were lots of questions from producers about nitrate management, and overall, there were positive comments and feedback from the public. The attendees were surprised at some of the information that we were able to provide to them.

A large portion of our staff was able to attend the annual Water Programs Conference in Kearney this year. Many of our staff reported that this was one of the best conferences they had been to. This year's conference provided more breakout sessions, and they were able to choose which sessions they wanted to attend. Staff was able to receive continuing education points for their Technician Licenses as well.

Scott attended his first Manager's Meeting in Lincoln without John and was able to get acquainted with many of the other Managers. A wide variety of topics were discussed, many of which are outlined in this Manager's Report.

The Upper Platte Principals group met in Lincoln to continue discussions relating to the Basin reaching fully appropriated status. NPPD stated during the meeting that the NPNRD "has done enough" when it comes to retirements, conservation, and programs to meet their requirements. This provided an opportunity for Scott to inform this group that the NPNRD does not intend to do any more permanent retirements of water because the Counties within our District will not approve anymore, the retirements are expensive and there are other ways for this District to get credit, if necessary. The next Upper Platte Principals meeting will be held in May.

Scott met with Galen Whittrock from South Platte and Pat O'Brien from Upper Niobrara White to discuss the upcoming Basin tour in June. Planning has started, and it looks like most of the tour will focus on projects in the NPNRD.

Kent Zimmerman with DNR provided the NRD Managers with information regarding the Natural Resources Commission and the vacancies that they currently have. Kent strongly urged the NRDs to consider if they have any Board Members or staff who would be interested in serving on the NRC so there would be more NRD presence. Darnall asked if Scott had anyone in mind, but at this time he did not. Scott asked that if the Board had any ideas, he would be more than willing to talk to any interested people.

This year is the NRDs' 50th anniversary, so there are a few special events that will be happening across the State. The Governor and the Chairman of the Natural Resources Committee will be planting the 100 millionth tree as part of this celebration. The NPNRD has also decided to

hold our annual Water Expo earlier this year so that it can be coordinated with the NRD's Anniversary Week.

There has been a Soil & Erosion Complaint filed with the District. It will be necessary for us to have Water Resources Committee and District Operations Committee meetings before the next Board meeting to discuss some transfer possibilities, other pending issues, and this Complaint. Weinreis asked if this Complaint was from the same parties of the last Complaint we received. Scott advised that it is different parties, and the acres are located in Morrill County. Craig Uhrig and Georgette Jordening will be conducting an investigation.

All NSWCP applications have been ranked and scored. Letters have been mailed out to everyone who applied, and we were able to approve one the largest sign-ups we have seen in recent years with close to \$340,000 in projects being approved.

EPIC sign-ups have ended, and this year is one of the smallest sign-ups we have seen. We will be approving eight applications with one being denied.

7. NARD Legislative Bill Summary

Scott Schaneman reviewed the following Legislative Bills with the Board as they are of interest to this District:

LB 1074 – Bill proposes to create a \$50M Cash Fund titled the Surface Water Irrigation Infrastructure Fund. The funds could be used by irrigation districts for repair or construction of any headgate, flume, diversion structure, check valve or any other physical structure used for irrigation projects. This will be included in a large budget package. Jesse Bradley from the Department of Natural Resources would like to be able to use Water Sustainability Funds and Bureau funds to increase this pot of money. The Natural Resources Committee received approximately \$150,000,000 in requests last year, so there will not be enough money to meet all those needs.

LR 23 – This is the Legislative Resolution for the interim study being done to examine the progress of natural resources districts in fulfilling their originally intended purpose. Surprisingly, NARD is supporting this Resolution. Reuter explained why the NARD Board voted to support the Resolution.

8. Water Resources Committee Report

a. Variances

Andreas advised that the Committee reviewed an additional 13 new Variance Applications, and the Committee recommends that the Board set these additional

Variance Applications for hearing with a requirement of a 9.75% set aside of the historically irrigated acreage which were under an exemption in the previous allocation period, for the duration of the current allocation period, at which time the variance would expire (2024), recognizing that a DAU or PAU could be created (per the District's Rules & Regulations) in the interest of combining all eligible certified ground water flood irrigated acres. The purpose of a DAU or PAU is to allow all set-aside acres to be located at one location of an eligible ground water certification under exemption to the allocation.

b. Accounts Receivables Update

Scott explained that the staff provided an update to the Committee on the status of the District's accounts receivable. The Committee asked that the Accounts Receivable Clerk continue with the collection process and provide another update next year. Danielle Schafer printed an updated list of the District's accounts receivable and provided the list to the Board Members present. She explained that last year there was a much higher balance in accounts receivable and as of today, there is less than \$9,000 left. Collection efforts in the last month with customers past due under the Harrisburg Water System has received a tremendous response. Staff will continue to work on collecting past due balances.

c. Telemetry

Scott explained to the Board that the telemetry network is failing, and the cellular units need to be upgraded to 4G in order to continue to operate. The Committee discussed a proposal from AMCi to update the telemetry network. The Committee would like to leave the satellite network on and operating but not do anything with the cellular units. Since the Committee meeting, AMCi has said they would make a new proposal. The District has received a legal opinion that we do not have any obligation to continue operating the network. Megan Dockery advised that if we were to sell or transfer the units, the NET grant we received to buy the units would require a reimbursement if we did so within the next year to year and a half. Under the DNR Agreement that we had to purchase the telemetry units, the District must use the units to the extent that we can for 10 years, of which three and a half year are remaining. We are not obligated to upgrade any of the units. Weinreis asked if the landowners would be willing to

contribute to a part of the cost. Scott advised that landowners feel the units are intrusive and the District is just monitoring them in one more way.

9. Consideration of Variance Applications for Public Hearing

Darnall asked if the Board could consider all the Variance Applications as a group at the hearing. Andreas advised that Steve Smith told the Committee that all the Applications could be lumped together at the hearing. Andreas asked when the hearing could be scheduled. Scott advised we would schedule the hearing for the same day as the Board meeting in April if the Board agreed.

A motion was made by Andreas, seconded by Reuter, to set all 15 Variance Applications for public hearing with a requirement of a 9.75% set aside of the historically irrigated acreage which were under an exemption in the previous allocation period, for the duration of the current allocation period, at which time the variance would expire (2024), recognizing that a DAU or PAU could be created (per the District's Rules & Regulations) in the interest of combining all eligible certified ground water flood irrigated acres. The purpose of a DAU or PAU is to allow all set-aside acres to be located at one location of an eligible ground water certification under exemption to the allocation. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal

10. Executive Committee Report

a. General Manager's Position

Roger advised the Board that the Executive Committee met earlier in the day to discuss the General Manager's Position at the District. The Committee recommends that the Board appoint Scott Schaneman as permanent General Manager and that it is time for Scott to move into this role. The Board has the utmost confidence in Scott and congratulates him.

11. Consideration of General Manager's Position

The Board Members congratulated Scott on the advancement. Scott advised the Board that he has worked for this District for 14 years and when he started here, Ron Cacek asked him "What can you contribute to the District?" and Scott's response was that he is a big believer in production agriculture. He thanked the Board for their vote of confidence and the great 14 years he has had here.

A motion was made by Henkel, seconded by Darnall, that Scott Schaneman be appointed as the General Manager of the North Platte Natural Resources District. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal

12. Adjourn

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

A motion was made by Reuter, seconded by Henkel to adjourn at 3:36 p.m. Motion passed.

Aye: Darnall, Reuter, Andreas, Eirich, Henkel, Weinreis, Lapaseotes

Nay: None

Abstain: None

Absent: Deines, Westphal