

MINUTES OF THE TRI-BASIN NRD BOARD MEETING
Tuesday, August 20, 2013, 1:30 p.m.
Hastings Utilities Meeting Room, Hastings, NE

CALL TO ORDER

The regular monthly board meeting of the Tri-Basin Natural Resources District (NRD) was called to order by Chairman David Nickel, at 1:37 p.m. Nickel noted Public Meeting Law is posted in the boardroom. A hearing for the FY 2013-2014 TBNRD Budget was opened and Mike Onnen, Little Big Blue NRD, gave a presentation on watershed projects of the Little Big Blue NRD prior to the opening of the meeting.

ROLL CALL

Roll call was taken with eleven directors present: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds. Winz arrived at 1:55 p.m. Nelson was absent. Notice of the meeting was published in the Holdrege Citizen, Bertrand Herald, Elwood Bulletin and the Minden Courier and announced over radio stations KRVN, Lexington and KUVR, Holdrege.

EXCUSE ABSENCES

There were no absences to excuse.

MINUTES

Thorburn presented the minutes of the July 9, 2013 Board of Director's Meeting and Odessa IPA Hearing, July 19, 2013 Executive Committee Meeting, July 31, 2013 P&C Committee Meeting and July 31, 2013 Special Board Meeting.

Moved by Olsen, seconded by Johnson, to approve the minutes for the July 9, 2013 Regular Board of Directors Meeting. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: Harris

ABSENT: Nelson and Winz

Moved by Garrelts, seconded by Larson, to approve the minutes for the July 9, 2013 Odessa IPA Hearing. Motion carried.

AYE: Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: Bergstrom and Harris

ABSENT: Nelson and Winz

Moved by Olsen, seconded by Lundeen, to approve the minutes for the July 19, 2013 Executive Committee Meeting. Motion carried unanimously.

Moved by Larson, seconded by Reynolds, to approve the minutes for the July 31, 2013 P&C Committee Meeting. Motion carried unanimously.

Moved by Raffety, seconded by Larson, to approve the minutes for the July 31, 2013 Special Board of Directors Meeting. Motion carried.

AYE: Bilka, Harris, Larson, Lundeen, Nickel, Olsen and Raffety

NAY: None

ABSTAIN: Bergstrom, Garrelts, Johnson and Reynolds

ABSENT: Nelson and Winz

FINANCIAL REPORT

Garrelts presented the financial report for the month of July 2013 as follows:

Accrual Expenditures for Month -----	\$116,090.03
Cash Expenditures for Month-----	\$109,171.33
Accrual Revenues for Month-----	\$31,678.04
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Cash Revenues for Month-----	\$63,894.17
Bank Balance—July 31, 2013-----	\$414,694.06
Accounts Receivable – July 31, 2013-----	\$7,190.31
Investments – Pinnacle Bank – July 31, 2013-----	\$1,004,034.13
Whiskey Slough IPA Balance – July 31, 2013-----	\$18,870.58
Fort Kearny-West IPA Balance – July 31, 2013-----	\$7,548.21
South Dry Creek IPA Balance – July 31, 2013-----	\$8,709.63
Fort Kearny IPA Balance – July 31, 2013-----	\$11,750.05
North Dry Creek IPA Balance – July 31, 2013-----	\$16,550.45
Sacramento Creek IPA Balance – July 31, 2013-----	\$23,327.97

Moved by Johnson, seconded by Lundeen, to accept the July 2013 financial reports and file for audit.

Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Nelson and Winz

SPECIAL BILLS

Thorburn presented the VISA, attorney bills, HDR bill (NDC Aug Well Study) and Conjunctive Management Study bill for approval. Moved by Garrelts, seconded by Raffety to approve the VISA and attorney bills. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Nelson and Winz

Moved by Garrelts, seconded by Larson to approve the HDR Engineering for NDC Augmentation Study bill. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Nelson and Winz

Moved by Johnson, seconded by Lundeen to approve the URNRD Conjunctive Mgmt. Study bill. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None
ABSTAIN: None
ABSENT: Nelson and Winz
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NRCS REPORT

FSA Farm Plans: Dave Beins presented three farm plans for approval for Tobias Devries, Knoerzer Farms, Inc. and Sam Lange. Moved by Raffety, seconded by Bergstrom to approve a farm plans for Tobias Devries, Knoerzer Farms, Inc. and Sam Lange. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: Harris and Johnson

ABSTAIN: None

ABSENT: Nelson and Winz

Activity and Progress Report: Beins reported staff has been working on CSP. Thorburn mentioned that USDA/NRCS recently presented an extension for the IWMS position. Thorburn signed the agreement because it was just an extension of the current terms of the agreement.

COST SHARE REPORT

Well Abandonment – Thorburn presented two well decommissioning cost-share applications for approval. Moved by Raffety, seconded by Olsen to approve well decommissioning cost-share applications #32 and #33. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Nelson and Winz

NSWCP & NRD Applications – Thorburn presented seven NSWCP cost-share applications. Moved by Lundeen, seconded by Bilka to approve seven NSWCP Cost-share applications. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Nelson and Winz

Educational Land Leases – There were no educational land leases to approve.

GROUNDWATER MANAGEMENT

Groundwater & Certified Acre Transfers – Thorburn presented four irrigated acre transfer requests for Terry Sorensen, Eugene Trausch (2) and Alta Lang, six special requests to certified irrigated acres (Bruce Nielsen (4), Lamoine Smith and Phelps County Assessor), one flowmeter exemption (Russell Almquist) and three well variances (LB Partnership, Joel Schutz and Wes Nelson). Bruce and Valerie Shepherd were present to answer questions. Thorburn mentioned six co-mingled permits were approved this month.

Moved by Garrelts, seconded by Bilka to approve four certified irrigated acre requests for Terry Sorensen, Eugene Trausch (2) and Alta Lange. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: Winz
ABSTAIN: None
ABSENT: Nelson

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Moved by Reynolds, seconded by Garrelts to approve two wells to be converted to stock wells for LB Partnership and Joel Schutz. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

Moved by Reynolds, seconded by Lundeen to approve a well variance to not require a well permit for Wes Nelson. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

Moved by Lundeen, seconded by Reynolds to approve a flowmeter exemption for Russell Almquist. Motion carried.

AYE: Bergstrom, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: Bilka

ABSTAIN: None

ABSENT: Nelson

Moved by Reynolds, seconded by Bergstrom to approve five corrections to certified irrigated acre for Bruce Shepherd (4) and Lamoine Smith. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: Winz

ABSTAIN: None

ABSENT: Nelson

Thorburn explained the Phelps County Assessor re-measured some pivot acres and realized that some acres were not being assessed as irrigated because they were previously listed as waste, streambed or wetland. TBNRD would need to approve about 47 total acres, in increments of more than four acres, for about twelve landowners as a result of the reclassification. Landowners will not be assessed in arrears for the correction. Moved by Reynolds, seconded by Raffety to approve a correction to certified irrigated acres for The Phelps County Assessor. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

OTHER BUSINESS

The public was given the opportunity to bring other specific business or non-agenda items before the board for comment and/or discussion.

UNFINISHED BUSINESS

Approve FY 2013-2014 NRD Budget (after hearing): This item will be discussed after the hearing is closed.

Presentation on Small Watershed Flood Control Fund (Kent Zimmerman, NDNR): Kent Zimmerman, NDNR, gave a presentation on the Small Watersheds Flood Control Fund. The fund reimburses NRDs for land purchased in conjunction with flood control projects. Zimmerman explained that the land is purchased and a claim is submitted to the fund. When funds become available, the NRD is reimbursed for the purchase. Within ten years the NRD would obtain necessary easements and sell the land back to the public and reimburse the fund. Zimmerman commented that if land is leased or irrigation rights are sold, income is split between the NRD and the fund in the same proportion as the initial purchase.

Consider Formation of Odessa IPA: Thorburn reviewed landowner concerns: Wells is concerned about changing the drainage pattern and Erick Ray Erickson is concerned about assessing a portion of his property that he believes won't be affected by the IPA. Reynolds expressed concern about who will pay for the engineering evaluation.

Moved by Garrelts, seconded by Bilka to untable a motion to make a decision on the proposed Odessa IPA. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

Moved by Reynolds, seconded by Garrelts to approve formation of the Odessa Improvement Project Area. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

Moved by Raffety, seconded by Larson to approve the boundaries of the Odessa IPA as amended (removing Erick Ray Erickson – 40 acres, Vercher – 40 acres). Motion carried.

AYE: Bergstrom, Bilka, Johnson, Larson, Lundeen, Olsen, Raffety, Reynolds and Winz

NAY: Garrelts, Harris and Nickel

ABSTAIN: None

ABSENT: Nelson

Moved by Johnson, seconded by Winz to set the Units of Benefit for Odessa IPA, including adjustments for Erickson and Vercher. Motion carried.

AYE: Bergstrom, Bilka, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: Garrelts

ABSTAIN: None

ABSENT: Nelson

Moved by Garrelts, seconded by Winz to have the Odessa IPA pay for the cost of an engineer (\$11,000 approximately). Motion carried.

AYE: Bergstrom, Harris, Johnson, Larson, Lundeen and Olsen

NAY: Bilka, Raffety, Reynolds and Nickel

ABSTAIN: Winz

ABSENT: Nelson

NARD REPORT

NARD Resolutions: Thorburn reviewed proposed resolutions for the NARD Fall Conference.

NARD Delegate and Alternate for Fall Conference: Moved by Bilka, seconded by Lundeen to appoint Reynolds as delegate and Raffety as alternate delegate for the NARD Fall Conference. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen and Winz

NAY: None

ABSTAIN: Raffety and Reynolds

ABSENT: Nelson

COMMITTEE REPORTS

Projects & Construction Committee: Thorburn reviewed committee action. Odessa IPA was already discussed. Landowner negotiations concerning Republican Basin Augmentation Wells Project should be discussed in executive session.

Planning Committee Meeting with NDNR on July 17, 2013: Thorburn reviewed the meetings and action items:

- Thorburn asked Bradley for the electronic version of the chart on mound accounting
- Lundeen asked Bradley for projection of groundwater depletions and mound credit by county, formatted like the chart he presented.
- Thorburn asked NDNR for information about landowners that requested an exemption for Sacramento Creek Watershed from closing to surface water pumping because it's a closed watershed in the Republican Basin. Thorburn asked for the result of the request.
- Technical meeting needs to be set to discuss Turkey Creek Streamflow Augmentation Project.

Executive Committee: Thorburn reviewed committee action.

Moved by Reynolds, seconded by Raffety to accept the Executive Committee's recommendations to increase salaries by 3% and to the board to approve the Streamflow Augmentation Agreement with CPNRD. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

STAFF REPORTS & NECESSARY ACTION

Board Directives to Staff: There was no staff report.

Out-of-State Travel: Moved by Garrelts, seconded by Olsen to approve out of state travel for John Thorburn and a director to attend RRCA Meeting in Colby Kansas on September 11-12, 2013. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

MONTHLY REPORTS

Republican Basin (NRRMD): Final report in the KS vs. NE lawsuit should be done in September.

Platte Basin: Platte Basin Land Committee met in July and minutes in packet.

South Dry Creek: Sprayed cattails and ditch bottoms and shredded access roads.

Sacramento Creek: Sprayed cattails and ditch bottoms and shredded access roads.

Middle Lost Creek: Sprayed cattails and ditch bottoms and shredded access roads.

Fort Kearny West: Sprayed cattails and ditch bottoms and shredded access roads.

Fort Kearny: Sprayed cattails and ditch bottoms and shredded access roads.

North Dry Creek: Sprayed cattails and ditch bottoms and shredded access roads.

Whiskey Slough: Sprayed cattails and ditch bottoms and shredded access roads.

Lake Seldom: Nothing to report.

CoHyst/Platte Basin Coalition: Workshop will be held in October 2013.

Weed Management Areas – Riparian Vegetation Task Force: Thorburn mentioned a Platte Basin Weed Management tour will be held August 21, 2013.

Sand Creek/Little Blue Basin: Nothing to report.

CNPPID: Ford reported Lake McConaughay is at elevation 3228 feet and 40% capacity.

NEW BUSINESS

2013 Groundwater Levels in TBNRD (Little): Nolan Little reviewed 2013 groundwater levels across the district.

UNFINISHED BUSINESS

Approve FY 2013-2014 NRD Budget (after hearing): Thorburn reviewed options on purchasing Sand Creek Land, lid and levy limitations and the bonding process. Garrelts expressed questioned why borrowing funds to purchase Sand Creek Land is limited in the budget and how can a capital

improvement be claimed if TBNRD doesn't hold title to the property. Moved by Reynolds, seconded by Garrelts to approve the budget and hold a FY 2013-2014 Budget Hearing to set the levy different from the previous year. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

PERSONNEL & LEGAL MATTERS

Moved by Raffety, seconded by Larson to move to executive session for the protection of the public to discuss contractual matters at 4:25 p.m. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

Moved by Winz, seconded by Garrelts to move out of executive session for the protection of the public to discuss contractual matters at 4:45 p.m. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Harris, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety, Reynolds and Winz

NAY: None

ABSTAIN: None

ABSENT: Nelson

COMMENTS AND CONCERNS

There were no comments or concerns.

NEXT BOARD MEETING

TBNRD Regular Board Meeting will be held at 7:30 p.m., on Tuesday, September 10, 2013 at Tri-Basin NRD, Holdrege, NE

ADJOURNMENT

There being no further business, the meeting adjourned at 4:50 p.m.

DIRECTORS PRESENT

Brian Bergstrom, Joe Bilka, Todd Garrelts, Ed Harris, Phyllis Johnson, Joe Larson, Brad Lundeen, David Nickel, Dave Olsen, Dave Raffety, Larry Reynolds and Ray Winz.

OTHERS PRESENT

Carie Lynch, John Thorburn, Nicole Salisbury, Dave Beins, Tammy Fahrenbruch, Dave Ford, Nolan Little, Tami Reese, Charles Brooks, Helen Potter, Ruth Nielsen, Lori Hagan, Ron Wunibald, Kent Zimmerman, Bruce Shepherd and Valerie Shepherd.

Respectfully Submitted:

Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS
TRI-BASIN NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING
August 20, 2013

Motion #	Category	Subject	Ay e	Nay	Abs	Motion
2013-08-20-01	Meeting Administration					Moved by Olsen, seconded by Johnson, to approve the minutes for the July 9, 2013 Regular Board of Directors Meeting. Motion carried.
2013-08-20-02	Meeting Administration					Moved by Garrelts, seconded by Larson, to approve the minutes for the July 9, 2013 Odessa IPA Hearing. Motion carried.
2013-08-20-03	Meeting Administration					Moved by Olsen, seconded by Lundeen, to approve the minutes for the July 19, 2013 Executive Committee Meeting. Motion carried unanimously.
2013-08-20-04	Meeting Administration					Moved by Larson, seconded by Reynolds, to approve the minutes for the July 31, 2013 P&C Committee Meeting. Motion carried unanimously.
2013-08-20-05	Meeting Administration					Moved by Raffety, seconded by Larson, to approve the minutes for the July 31, 2013 Special Board of Directors Meeting. Motion carried.
2013-08-20-06	Budget					Moved by Johnson, seconded by Lundeen, to accept the July 2013 financial reports and file for audit. Motion carried.
2013-07-09-07	Meeting Administration					Moved by Garrelts, seconded by Raffety to approve the VISA and attorney bills. Motion carried.
2013-08-20-08	Meeting Administration					Moved by Garrelts, seconded by Larson to approve the HDR Engineering for NDC Augmentation Study bill. Motion carried.
2013-08-20-09	Meeting Administration					Moved by Johnson, seconded by Lundeen to approve the URNRD Conjunctive Mgmt. Study bill. Motion carried.
2013-08-20-10	Certification & Transfers					Moved by Raffety, seconded by Bergstrom to approve a farm plans for Tobias Devries, Knoerzer Farms, Inc. and Sam Lange. Motion carried.
2013-08-20-11	Certification & Transfers					Moved by Raffety, seconded by Olsen to approve well decommissioning cost-share applications #32 and -#33. Motion carried.

2013-08-20-12	Certification & Transfers					Moved by Lundeen, seconded by Bilka to approve seven NSWCP Cost-share applications. Motion carried.
2013-08-20-13	Projects					Moved by Garrelts, seconded by Bilka to approve four certified irrigated acre requests for Terry Sorensen, Eugene Trausch (2) and Alta Lange. Motion carried.
2013-08-20-14	Projects					Moved by Reynolds, seconded by Garrelts to approve two wells to be converted to stock wells for LB Partnership and Joel Schutz. Motion carried.
2013-08-20-15	Projects					Moved by Reynolds, seconded by Lundeen to approve a well variance to not require a well permit for Wes Nelson. Motion carried.
2013-08-20-16	River Basins					Moved by Lundeen, seconded by Reynolds to approve a flowmeter exemption for Russell Almquist. Motion carried.
2013-08-20-17	Meeting Administration					Moved by Reynolds, seconded by Bergstrom to approve five corrections to certified irrigated acre for Bruce Shepherd (4) and Lamoine Smith. Motion carried.
2013-08-20-18	Meeting Administration					Moved by Reynolds, seconded by Raffety to approve a correction to certified irrigated acres for The Phelps County Assessor. Motion carried.
2013-08-20-19	River Basins					Moved by Garrelts, seconded by Bilka to untable a motion to make a decision on the proposed Odessa IPA. Motion carried.
2013-08-20-20						Moved by Reynolds, seconded by Garrelts to approve formation of the Odessa Improvement Project Area. Motion carried.
2013-08-20-21						Moved by Raffety, seconded by Larson to approve the boundaries of the Odessa IPA as amended (removing Erick Ray Erickson – 40 acres, Vercher – 40 acres). Motion carried.
2013-08-20-22						Moved by Johnson, seconded by Winz to set the Units of Benefit for Odessa IPA, including adjustments for Erickson and Vercher. Motion carried.
2013-08-20-23						Moved by Garrelts, seconded by Winz to have the Odessa IPA pay for the cost of an engineer (\$11,000 approximately). Motion carried.
2013-08-20-24						Moved by Bilka, seconded by Lundeen to

						appoint Reynolds as delegate and Raffety as alternate delegate for the NARD Fall Conference. Motion carried.
2013-08-20-25						Moved by Reynolds, seconded by Raffety to accept the Executive Committee's recommendations to increase salaries by 3% and to the board to approve the Streamflow Augmentation Agreement with CPNRD. Motion carried.
2013-08-20-26						Moved by Garrelts, seconded by Olsen to approve out of state travel for John Thorburn and a director to attend RRCA Meeting in Colby Kansas on September 11-12, 2013. Motion carried.
2013-08-20-27						Moved by Reynolds, seconded by Garrelts to approve the budget and hold a FY 2013-2014 Budget Hearing to set the levy different from the previous year. Motion carried.
2013-08-20-28						Moved by Raffety, seconded by Larson to move to executive session for the protection of the public to discuss contractual matters at 4:25 p.m. Motion carried.
2013-08-20-29						Moved by Winz, seconded by Garrelts to move out of executive session for the protection of the public to discuss contractual matters at 4:45 p.m. Motion carried.