

MINUTES OF THE TRI-BASIN NRD BOARD MEETING
Tuesday, August 9, 2011, 1:30 p.m.
Tri-Basin Natural Resources District

CALL TO ORDER

The regular monthly board meeting of the Tri-Basin Natural Resources District (NRD) was called to order by Chairman Dave Nickel, at 1:30 p.m. Nickel noted Public Meeting Law is posted in the boardroom. The FY 2011-2012 Budget Hearing was opened prior to the board meeting.

ROLL CALL

Roll call was taken with ten directors present: Bergstrom, Harris, Johnson, Larson, Lundeen, Nelson, Nickel, Olsen, Raffety and Winz. Garrelts, Helms and Reynolds were 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

Nickel presented the minutes of the July 12, 2011 Board of Director's Meeting and July 20, 2011 Special Board of Director's Meeting. July 25, 2011 Planning Committee Meeting minutes were not available for approval.

Moved by Johnson, seconded by Lundeen, to approve the minutes of the July 12, 2011 Board of Directors Regular Meeting. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

Moved by Olsen, seconded by Raffety, to approve the minutes of the July 20, 2011 Special Board of Directors Regular Meeting. Motion carried.

AYE: Harris, Johnson, Larson, Lundeen, Nelson, Olsen, Raffety and Nickel

NAY: None

ABSTAIN: Bergstrom and Winz

ABSENT: Garrelts, Helms and Reynolds

FINANCIAL REPORT

Thorburn presented the financial report for the month of July 2011 as follows:

Accrual Expenditures for Month	\$9,265.02
Cash Expenditures for Month.....	\$32,860.73
Accrual Revenues for Month.....	\$108,770.03
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Cash Revenues for Month.....	\$119,928.89
Bank Balance—July 31, 2011.....	\$167,578.25
Accounts Receivable – July 31, 2011.....	\$15,001.98
Investments – July 31, 2011.....	\$203.55
Investments – Pinnacle Bank – July 31, 2011.....	\$844,642.49
Whiskey Slough IPA Balance – July 31, 2011.....	\$16,324.86
Fort Kearny-West IPA Balance – July 31, 2011.....	\$5,377.30
South Dry Creek IPA Balance – July 31, 2011.....	\$9,001.76
Fort Kearny IPA Balance – July 31, 2011.....	\$12,487.62
North Dry Creek IPA Balance – July 31, 2011.....	\$16,489.77

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Moved by Lundeen, seconded by Larson, to accept the July 2011 financial reports and file for audit. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

SPECIAL BILLS

Thorburn presented the VISA, NRRMD, and attorney bills for approval. Moved by Harris, seconded by Johnson to approve the attorney bills. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

Moved by Bergstrom, seconded by Winz to approve the visa bill. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

Moved by Winz, seconded by Lundeen to approve the NRRMD for the Conjunctive Use Study invoice. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

NRCS REPORT

FSA Farm Plans: Michael Perry presented six Farm Plans for approval: Steve Hilker (2), Doyle Benson, Raymond Meyer and Joel Schutz (2). Moved by Lundeen, seconded by Reynolds to approve six farm plans for Steve Hilker (2), Doyle Benson, Raymond Meyer and Joel Schutz (2). Motion carried.

AYE: Bergstrom, Larson, Lundeen, Olsen, Raffety and Nickel

NAY: Harris, Johnson, Nelson and Winz

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

Activity and Progress Report: Perry Reported that farm plans are presented to NRD boards for informational purposes and to maintain approval consistency between counties. Some NRDs don't require board approval and designate a board member or field office secretary to sign plans. Perry mentioned the IWMS Agreement needs to be renewed with the main change being Scheele's salary will be charged by a flat rate.

COST SHARE REPORT

Well Abandonment – Thorburn presented four well decommissioning cost-share applications to approve. Moved by Winz, seconded by Bergstrom to approve well decommissioning cost-share applications #18-#21. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

NSWCP & NRD Applications – Thorburn recommended six NSWCP cost-share for approval. Moved by Johnson, seconded by Winz to approve six NSWCP Cost-Share applications (Eileen Raun \$300 (2), Robert Raun - \$300 (3) and Kevin Raun - \$300). Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

GROUNDWATER MANAGEMENT

Groundwater & Certified Acre Transfers – There were no groundwater or certified irrigated acre transfers this month.

New Well Variances – There were no new well variances to approve.

Educational Land Leases – There were no Educational Land Leases to approve.

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. Ken Jonak asked questions concerning Sand Creek Reservoir.

OLD BUSINESS

Approve FY 2011-2012 NRD Budget: This agenda item will be discussed when the budget hearing is closed.

Appoint Scott Woodman as Representative and John Thorburn as Alternate Representative to the PRRIP Land Committee: Thorburn explained the Platte River Recovery Land Committee reviews land purchases and easements. Thorburn, Woodman, Reynolds and Raffety have been representatives on the committee with alternating three year terms. Thorburn and Woodman's terms have expired. Moved by Raffety, seconded by Olsen to appoint Scott Woodman as Delegate and John Thorburn as Alternate Delegate to the PRRIP Land Committee. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

NARD REPORT

Report on GMDA Meeting in Estes Park, CO (Nolan Little): Nolan Little gave report on GMDA Conference in Estes Park.

Delegate and Alternate Delegate for NARD Fall Conference (Sept. 26-28, 2011): Moved by Winz, seconded by Lundeen to appoint Dave Nelson as Delegate and Dave Raffety as Alternate Delegate to the NARD Fall Conference. Motion carried.

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

NAY: None

ABSTAIN: Nelson and Raffety

ABSENT: Garrelts, Helms and Reynolds

COMMITTEE REPORTS

Planning Committee Recommendations and Schedule Planning Committee Meeting:

Thorburn reviewed the minutes and IMP process and commented that the Republican Basin IMP could be in place by the end of 2011. The committee recommended approval of the seller and purchaser transfer forms (with a small change) that will be filed with the County Assessor after an irrigated transfer is approved. Thorburn explained NDNR approached TBNRD about participating in the proposed J2 reregulation reservoirs project. The cost to TBNRD would be \$3,000,000 for 3 years with 60% reimbursement from state. TBNRD's net cost is \$400,000/year. The project would provide 2,000 af year for the life of the reservoirs.

Johnson questioned whether the occupation tax could be used to fund the project. Thorburn said the occupation tax could be used but isn't currently included in the IMP, and can't be implemented until then. Nelson questioned whether funding would be needed in FY 2011-2012. Thorburn responded that NDNR wants the district to commit funding for the project this year, even though construction might not commence for a couple of years.

Thorburn presented budgeting scenarios that included no property tax increase, a reduction in cash reserve and/or project loans. Olsen made a motion to proceed with Budget Scenario A, but withdrew the motion.

Thorburn stated that actual expenditures in FY 2011-2012 cannot exceed budgeted expenditures without the budget being amended. If TBNRD agrees to participate in the project, related expenditures need to be included in the budget so it wouldn't need to be amended later in the year. Several budget scenarios show that the project could be added to the current budget without increasing property taxes, but Cash Reserve would be reduced to achieve this. If payment for TBNRD's share of the project is not required in FY 2011-2012, Cash Reserve would not be reduced because no loan was acquired. Nickel expressed that NDNR should present the project to the full board, so that the project can be considered for the budget. Lundeen directed staff to ask NDNR to attend a board meeting to discuss Republican River modeling and the J2 Reregulation Reservoir. Thorburn mentioned the Planning Committee will meet with Gosper County Board and legal counsel on Sept. 28, 2011 in Elwood to discuss transfers. Nelson asked Thorburn for a summary of other NRD's certified acre transfer policies.

Moved by Bergstrom, seconded by Lundeen to accept the Planning Committee's recommendation to approve the Purchaser and Seller Irrigated Acre Transfer Forms, as amended. Motion carried.

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

NAY: None

ABSTAIN: None

ABSENT: Garrelts, Helms and Reynolds

Moved by Nelson, seconded by Johnson to approve the FY 2011-2012 Budget as presented. Motion carried.

AYE: Bergstrom, Harris, Johnson, Larson, Lundeen, Nelson, Olsen, Raffety, Winz and Nickel
NAY: None
ABSTAIN: None
ABSENT: Garrelts, Helms and Reynolds

STAFF REPORTS & NECESSARY ACTION

Board Directives to Staff: Nickel commented that Directives to staff need to be specified as a directive to make it easier for staff to identify requests and easier for directors to see progress. Thorburn reported he sent a letter, as directed by the Board of Directors, to CNPPID to request renewal of the Elwood Diversion Agreement.

Out-of-State Travel: Moved by Winz, seconded by Harris to authorize out-of-state travel for Lundeen or alternate to attend the Republican Basin Compact Meeting in Burlington, CO on August 30-31, 2011. Motion carried.

AYE: Bergstrom, Harris, Johnson, Larson, Nelson, Olsen, Raffety, Winz and Nickel
NAY: None
ABSTAIN: Lundeen
ABSENT: Garrelts, Helms and Reynolds

MONTHLY REPORTS

Republican Basin (NRRMD): Republican Basin Task Force met July 19, 2011 in McCook. On July 27, 2011, Republican Basin NRDs' Executive Committees met to discuss KS vs NE Lawsuit and other topics. Thorburn reported he was subpoenaed by the State of Kansas.

Platte Basin: J2 Re-Regulation Reservoirs was discussed earlier.

South Dry Creek: Weed Spraying and bearm leveling is being done.

Sacramento Creek: Weed Spraying and bearm leveling is being done.

Middle Lost Creek: Nothing to report.

Fort Kearny West: Weed Spraying is being done.

Fort Kearny: Weed Spraying is being done.

North Dry Creek: Weed Spraying is being done.

Whiskey Slough: Weed Spraying is being done.

Lake Seldom: Nothing to report.

CoHyst/PBHEP: PBHEP will meet August 18, 2011 in North Platte.

Weed Management Areas – Riparian Vegetation Task Force Platte: Brooks reported the Riparian Vegetation Task Force is working on a state-wide plan. Twin Valley Weed Management Area is surveying other rivers to spray (Harlan County area).

Sand Creek/Little Blue Basin: Site was visited on Board of Director's Tour. Funding budgeted in FY 2011-2012 for design and land acquisition.

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CNPPID: Steinke reported Lake McConaughy is at 3262.5 elevation and mentioned expected snow melt didn't arrive as expected because mountain snow hasn't melted yet.

NEW BUSINESS

There was no new business.

PERSONNEL & LEGAL MATTERS

There were no legal or personnel matters to discuss.

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 13, 2011 at the Tri-Basin NRD.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:26 p.m.

DIRECTORS PRESENT

Brian Bergstrom, Ed Harris, Phyllis Johnson, Joe Larson, Brad Lundeen, David Nelson, David Nickel, Dave Olsen, David Raffety and Ray Winz.

OTHERS PRESENT

John Thorburn, Carie Lynch, Nicole Salisbury, Michael Perry, Cory Steinke, Ken Jonak, Curtis Scheele, Ruth Nielsen, Nolan Little, Lori Potter, Charles Brooks and Wendy Clark.

Respectfully Submitted:

Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS
TRI-BASIN NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING
August 9, 2011

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- #2 Moved by Olsen, seconded by Raffety, to approve the minutes of the July 20, 2011 Special Board of Directors Regular Meeting. Motion carried.
- #3 Moved by Lundeen, seconded by Larson, to accept the July 2011 financial reports and file for audit. Motion carried.
- #4 Moved by Harris, seconded by Johnson to approve the attorney bills. Motion carried.
- #5 Moved by Bergstrom, seconded by Winz to approve the visa bill. Motion carried.
- #6 Moved by Winz, seconded by Lundeen to approve the NRRMD for the Conjunctive Use Study invoice. Motion carried.
- #7 Moved by Lundeen, seconded by Reynolds to approve six farm plans for Steve Hilker (2), Doyle Benson, Raymond Meyer and Joel Schutz (2). Motion carried.
- #8 Moved by Winz, seconded by Bergstrom to approve well decommissioning cost-share applications #18-#21. Motion carried.
- #9 Moved by Johnson, seconded by Winz to approve six NSWCP Cost-Share applications (Eileen Raun \$300 (2), Robert Raun - \$300 (3) and Kevin Raun - \$300). Motion carried.
- #10 Moved by Raffety, seconded by Olsen to appoint Scott Woodman as Delegate and John Thorburn as Alternate Delegate to the PRRIP Land Committee. Motion carried.
- #11 Moved by Winz, seconded by Lundeen to appoint Dave Nelson as Delegate and Dave Raffety as Alternate Delegate to the NARD Fall Conference. Motion carried.
- #12 Moved by Bergstrom, seconded by Lundeen to accept the Planning Committee's recommendation to approve the Purchaser and Seller Irrigated Acre Transfer Forms, as amended. Motion carried.
- #13 Moved by Nelson, seconded by Johnson to approve the FY 2011-2012 Budget as presented. Motion carried.
- #14 Moved by Winz, seconded by Harris to authorize out-of-state travel for Lundeen or alternate to attend the Republican Basin Compact Meeting in Burlington, CO on August 30-31, 2011. Motion carried.