

August 14, 2008
Nemaha Natural Resources District
Regular Meeting
Tecumseh, Nebraska

1. **CALL TO ORDER/ROLL CALL/MOMENT OF SILENCE**

Chair Ted Godemann called the four hundredth meeting of the Nemaha Natural Resources District Board of Directors to order at 8:02 p.m. Thursday, August 14, 2008, at the NRD Headquarters in Tecumseh, Nebraska.

DIRECTORS	John Albrecht	David Hunzeker	Mike Speece*
PRESENT:	Lisa Beethe	Scott Kudrna	Duane Sugden
	Rob Bohling	Roland Meyer	Bruce Walker
<i>*Left early</i>	Jeff Crunk*	Jim Rush	Dan Watermeier
	Orval Gigstad	Steve Sherrow	Paul Weber
	Ted Godemann	Don Siske	Tom White
			Jim Wirth

DIRECTORS Ron Heskett
ABSENT: Chuck Starr

STAFF Bob Hilske, Manager
PRESENT: Scott Nelson, Assistant Manager
Jane Kuhl, Administrative Assistant
Chuck Wingert, Water Resources Manager
Shawn Kreienhop, Resources Specialist

GUESTS Terry Newell, NRCS, Tecumseh
PRESENT:

Following the Pledge of Allegiance, a moment of silence was observed. Chair Godemann announced that the Open Meetings Act was posted on the wall at the back of the room.

2. **PROOF OF PUBLICATION**

Proof of Publication was presented and is on file.

3. **EXCUSED ABSENCES**

Siske moved, seconded by White, to approve the excused absences requested by Ron Heskett and Chuck Starr. Motion carried on consent agenda.

4. **OPEN FORUMS**

All directors, NRD staff, and NRCS staff introduced themselves.

5. **MINUTES**

White moved, seconded by Siske, to approve the minutes as presented. Motion carried on consent agenda.

6. **TREASURER'S REPORT**

White moved, seconded by Siske, to approve the Treasurer's Report as submitted. Motion carried on consent agenda.

7. **STAFF REPORT**

Hilske, Nelson, and Wingert reviewed their written reports.

8. **PRESENTATION ON IRON HORSE RESTORATION PROJECT**

Shawn Kreienhop gave a PowerPoint presentation on the work done in the Iron Horse watershed and the resulting change in nutrient levels in the lake.

9. **AGENCY/ASSOCIATION REPORTS**

A. Natural Resources Conservation Service

Terry Newell reviewed his report; he reported that we again led the state in total contracts and dollars for EQIP. He commended the NRD for the work done with the Iron Horse project.

B. Five Rivers RC&D

Kudrna reported they will be doing another household hazardous waste grant application and are also planning to do paper shredding. They will have an open house on September 18.

C. Nebraska Association of Resources Districts

Gigstad encouraged directors to attend the NARD annual conference in Kearney September 28-30 and Husker Harvest Days September 9-11. He also reviewed his report from the recent NACD meeting. He added that Dean Edson continues to work on the public image of the NRDs and that NARD had not yet hired a new staff person.

D. Nebraska Natural Resources Commission

Watermeier stated he had been unable to attend the last Commission meeting but that their next meeting would be in September in conjunction with the NARD conference.

E. Water Policy Task Force Report

Sugden reported on seminars he attended about wind energy and about water banking.

10. **STANDING COMMITTEES**

A. Programs & Projects Committee

1. *Contract with Mainelli, Wagner and Associates for Muddy Creek Project:* No action was taken since the contract had not been received prior to the meeting.

2. ***Resolution to Submit Application for 319 Funds for Muddy Creek Watershed:***
Sherrow moved, seconded by White, to approve the resolution to submit an application for 319 funds for the Muddy Creek Watershed Project. Sherrow added that this would be an application for \$50,000. **Motion carried.**

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

3. ***Resolution to Submit Application for 319 Funds for Buck & Duck Creek Watershed Project:***
Sherrow moved, seconded by Siske, to approve a resolution to submit an application for 319 funds for the Buck & Duck Creek Watershed Project. Sherrow stated this application would be for \$360,000. **Motion carried.**

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

4. ***Resolution to Submit Application for Nebraska Environmental Trust Funds for Buck and Duck Creek Watershed Project:***
Sherrow moved, seconded by White, to approve a resolution to submit an application for Nebraska Environmental Trust Funds for the Buck and Duck Creek Watershed Project. Funding requested would be \$250,000. **Motion carried.**

AYE: Albrecht, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

ABSTAINING: Beethe

NOT PRESENT: Heskett, Starr

5. ***Small Dam Program Applications for FY2010:***
Sherrow moved, seconded by Meyer, to approve the list of applications for the small dams program and direct staff to work to develop each project as budget funds permit in decreasing order of ranking. Sherrow explained the ranking process adding that approving the list provides more flexibility in the program based upon funds available or landowner interest. **Motion carried.**

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

6. ***Camp Catron Request for Funding Streambank Stabilization Project:*** Sherrow reported the committee asked staff to determine where in the budget this would fall and how it would be paid for prior to approving the request. No action.

7. ***Request by Bob Taft for Additional Funding of Taft Small Dam Project:***
Sherrow moved, seconded by Meyer, to approve the additional cost on the Taft dam of \$9,663 for labor and materials to install a drain near the toe of the dam to be shared 50% by the District and 50% by the landowner. Sherrow explained that the committee did not feel the District should pay any of the costs for encasing the spillway tube since it was not consistent with the design. Beethe questioned why we would pay for labor when our original agreement was only supposed to pay for materials. After considerable discussion, **motion carried.**

AYE: Albrecht, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth
NAY: Beethe, Crunk
NOT PRESENT: Heskett, Starr

8. ***Budget Review:*** No action.

B. Water Resources Committee

1. ***Request for Well Permit Variance by Ryan Patton:***
Weber moved, seconded by White, to approve the variance requested by Ryan Patton for a well 2.5 miles southwest of Falls City for irrigation. Motion carried.

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth
NOT PRESENT: Heskett, Starr

2. ***Request for Well Permit Variance by Robert Georges:***
Weber moved, seconded by White, to approve the variance requested by Robert Georges for a well one mile south of Rulo for wildlife habitat enhancement. Motion carried.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth
NAY: Crunk
NOT PRESENT: Heskett, Starr

3. *Request for Well Permit Variance by Duane Sugden:*

Weber moved, seconded by White, to approve the variance requested by Duane Sugden for a well ½ mile southeast of Sterling for irrigation. Motion carried.

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Walker, Watermeier, Weber, White, Wirth

ABSTAINING: Sugden

NOT PRESENT: Heskett, Starr

4. *Request for Well Permit Variance by John Kalin:*

Weber moved, seconded by White, to approve the variance requested by John Kalin for a well four miles southwest of Johnson for irrigation. Motion carried.

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

5. *Request for Well Permit Variance by Michael Stenzel:*

Weber moved, seconded by White, to approve the variance requested by Michael Stenzel for a well on McKissock Island for irrigation. Motion carried.

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

6. *Request for Well Permit Variance by Rick Barnes:* Weber stated the committee recommended no action on this request in order to allow time for Olsson's to review it.

7. *Request for Well Permit Variances by Lynn Binder:*

Weber moved, seconded by White, to approve the variances requested by Lynn Binder for five wells two miles west of Falls City for irrigation. Motion carried.

AYE: Albrecht, Beethe, Bohling, Crunk, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Heskett, Starr

8. *Budget Review:* No action.

C. Operations & Education Committee

1. *Budget Review:* No action.

D. Executive Committee

1. *Hiring Temporary Staff to Provide Technical Assistance to NRCS:* Hilske explained that funding would be provided 50% by NRCS, 25% from NDEQ, and the balance from the NRD, which may be covered by in-kind contributions. This would be for a three-year period. Terry Newell added that they would like to hire two technicians, one in Johnson County and one in Nemaha County. NRCS would provide the vehicles, training, and equipment. Speece felt there would be a lot of potential for more projects down the road after this three-year period is over.

Kudrna moved, seconded by Speece, to negotiate with NRCS and NDEQ to work up an agreement to present next month for hiring two staff members to provide technical assistance to NRCS. Motion carried.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Speece, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Crunk, Heskett, Starr

2. *Resolution to Allow Online Banking with Farmers Bank of Cook:*
Kudrna moved, seconded by Wirth, to approve a resolution to allow the NRD to utilize online banking services of the Farmers Bank of Cook. Motion carried.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Crunk, Heskett, Speece, Starr

3. *Resolution Authorizing \$300,000 Line of Credit:*
Kudrna moved, seconded by White, to approve a resolution to authorize a 90-day, \$300,000 line of credit with Farmers Bank of Cook. Motion carried.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Crunk, Heskett, Speece, Starr

4. *Agreement with NRCS for Emergency Watershed Program Funds:* Hilske reviewed the flood damage projects involved, which included sponsoring a project for the Nemaha Rural Water District No. 1.

Kudrna moved, seconded by Albrecht, to approve the agreement with NRCS for Emergency Watershed Program funds for flood damage repairs.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth
NOT PRESENT: Crunk, Heskett, Speece, Starr

11. FY 2008/2009 BUDGET DISCUSSION

Kudrna reviewed the major projects in the budget. Hilske then reviewed the updated Power Point presentation and budgeted expenses versus expected revenues based upon a 5% valuation increase assumption. There was some discussion about whether pushing projects back to next year would impact us as much as this year. Rush thought increasing our property tax request by 14 percent was unacceptable. Godemann felt it was the board's responsibility to return the public's money back to public projects using the best information available. Wirth felt we made the commitment to do the projects in the budget and, therefore, may have to increase the levy to carry them out. Rush suggested that staff could be reduced to balance the budget.

12. INCREASING RESTRICTED FUNDS ALLOWANCE AN ADDITIONAL 1% FOR FY 2008/2009 BUDGET

Hilske explained the purpose of the restricted funds authority.

Sugden moved, seconded by White, to increase the restricted funds allowance an additional one percent. Sherrow felt this is critical to this District for flexibility in conducting business. **Motion carried.**

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush, Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth
NOT PRESENT: Crunk, Heskett, Speece, Starr

13. ANNOUNCEMENTS, SEPTEMBER MEETING DATE/TIME & AGENDA ITEM REQUESTS

Godemann requested the Executive Committee and board consider reducing the number of board members from 21 to 11 and that this be on the agenda next month for discussion. Hilske explained a potential resolution regarding DNR permits. Godemann stated the September meeting would be on the 11th beginning at 8:00 p.m. Committees will meet prior to the regular meeting, and budget hearings will begin at 7:00 p.m.

14. CONSENT AGENDA

White moved, seconded by Albrecht, to approve the consent agenda. Consent agenda items: Excused Absences, Minutes, Treasurer's Report. **Motion carried.**

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush,

Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth
NOT PRESENT: Crunk, Heskett, Speece, Starr

15. **ADJOURNMENT**

Siske moved, seconded by White, to adjourn. Motion carried.

AYE: Albrecht, Beethe, Bohling, Gigstad, Godemann, Hunzeker, Kudrna, Meyer, Rush,
Sherrow, Siske, Sugden, Walker, Watermeier, Weber, White, Wirth

NOT PRESENT: Crunk, Heskett, Speece, Starr

The meeting adjourned at 10:55 p.m. The next regular meeting of the board of directors will be Thursday, September 11, 2008, at 8:00 p.m. at the NRD headquarters at 62161 Hwy 136 in Tecumseh.

Approved September 11, 2008

Secretary, Nemaha Natural Resources District