

February 10, 2011
Nemaha Natural Resources District
Regular Meeting
Tecumseh, Nebraska

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

Chair Beethe called the four hundred twenty-ninth meeting of the Nemaha Natural Resources District Board of Directors to order at 7:00 p.m. Thursday, February 10, 2011, at the NRD Headquarters in Tecumseh, Nebraska.

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| DIRECTORS | John Albrecht | Mike Gilson | Duane Sugden |
| PRESENT: | Lisa Beethe | Ted Godemann | Steve Sugden |
| | Rob Bohling | Scott Kudrna | William Umland |
| | Charles Duryea | Don Siske | Paul Weber |
| | Orval Gigstad | Mike Speece | Tom White |

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| DIRECTORS | Wayne Goering | Dan Watermeier |
| ABSENT: | Bruce Walker | |

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

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| GUESTS | Roger Reichmuth, NRCS, Tecumseh | John P. Howe, Humboldt |
| PRESENT: | Judy Albrecht, Nebraska City | Charles Bausch, Adams |
| | Andy Wellensiek, Cook | Kyle Lantz, Pawnee City |
| | Tom Murray, Pawnee City | Neal Schatz, Verdon |
| | Leonard Buchholz, Syracuse | Verda Umland, Palmyra |
| | Dave Guhde, Nebraska City | |

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

2. **PROOF OF PUBLICATION**

Proof of Publication was presented and is on file.

3. **APPLICATIONS TO FILL BOARD VACANCIES**

All directors, staff, and guests introduced themselves. Beethe then reviewed the procedures for appointing members to fill the three vacancies in Subdistrict 3, 9, and At Large. Beginning with Subdistrict 3, Dave Guhde provided some information about himself and his interest in serving on the board.

White moved, seconded by Gigstad, to appoint Dave Guhde to serve the remaining term of the vacant position in Subdistrict 3. Motion carried.

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Kudrna, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

William Niedfeldt and Neal Schatz provided brief comments regarding their interest in serving as the representative in Subdistrict 9. Jon Keithley submitted a letter of interest but was not in attendance at the meeting.

White moved, seconded by D. Sugden, to appoint William Niedfeldt to fill the vacant position in Subdistrict 9. Motion failed.

AYE: Albrecht, Duryea, Siske, D. Sugden, White

NAY: Beethe, Bohling, Gigstad, Gilson, Kudrna, S. Sugden, Umland, Weber

ABSTAINING: Godemann, Speece

NOT PRESENT: Goering, Walker, Watermeier

A ballot vote was cast with directors voting as follows:

Jon Keithley: Beethe

William Niedfeldt: Albrecht, Duryea, Gigstad, Kudrna, Siske, Speece, D. Sugden, Umland, Weber, White

Neal Schatz: Bohling, Gilson, S. Sugden

Abstaining: Godemann

William Niedfeldt was elected to the vacant position in Subdistrict 9 by majority vote.

Leonard Buchholz, John Howe, Kyle Lantz, Tim Loseke, Charles Bausch, and Dan Stukenholtz each addressed the board regarding their interest in filling the At Large Position. In addition Chuck Starr had submitted a letter of interest but was unable to attend the meeting.

White moved, seconded by Bohling, to appoint John Howe to fill the vacant At Large position. Motion failed.

AYE: Bohling, Duryea, Siske, Speece, White

NAY: Albrecht, Beethe, Gigstad, Gilson, Godemann, Kudrna, D. Sugden S. Sugden, Umland, Weber

NOT PRESENT: Goering, Walker, Watermeier

A ballot vote was cast with directors voting as follows:

Leonard Buchholz: Gigstad, Umland

John Howe: Bohling, Duryea, Gilson, Speece, White

Kyle Lantz: Siske

Tim Loseke: Weber

Charles Bausch: Albrecht, Beethe, D. Sugden, S. Sugden

Dan Stukenholtz: Kudrna

Abstaining: Godemann

Since no director received a majority of the votes, **Gigstad moved, seconded by Albrecht, to advance John Howe and Charles Bausch to another ballot vote. Motion carried.**

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Kudrna, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

A second ballot vote was cast with directors voting as follows:

John Howe: Bohling, Duryea, Gilson, Speece, White

Charles Bausch: Albrecht, Beethe, Gigstad, Godemann, Kudrna, D. Sugden, S. Sugden, Umland, Weber

Not Voting: Siske

Charles Bausch was elected to the vacant At-Large position by majority vote.

Gigstad moved, seconded by Siske, to appoint William Niedfeldt to fill the vacant position in Subdistrict 9 and Charles Bausch to the vacant At Large position. Motion carried.

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Kudrna, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

4. **OATH OF OFFICE TO NEWLY APPOINTED BOARD MEMBERS**

Scott Nelson, Assistant Manager and a notary public, administered the oath of office to Dave Guhde, William Niedfeldt, and Charles Bausch.

5. **EXCUSED ABSENCES**

White moved, seconded by Gigstad, to approve the excused absences requested by Wayne Goering and Dan Watermeier. Motion carried on consent agenda.

6. **OPEN FORUMS**

No public comments were offered.

7. MINUTES

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

8. TREASURER'S REPORT

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

9. STAFF REPORT

Hilske reviewed his written report, and Nelson reviewed his report.

10. AGENCY/ASSOCIATION REPORTS**A. Natural Resources Conservation Service**

Roger Reichmuth reviewed his written report. Weather has allowed them to catch up on some paperwork in the offices. They are preparing for field office appraisals. Brandon Hunzeker has been hired to fill the technician position in the Falls City office.

B. Five Rivers RC&D

Kudrna distributed their monthly activities report. NRCS is providing additional funding to them, and they will use some of the money for a tall grass prairie seminar and some for weed management.

C. Nebraska Association of Resources Districts

Gigstad reported on the recent Legislative Conference. He added that at their board meeting they directed Dean Edson to work with all parties involved to help resolve some of the lower Republican issues. Hilske reviewed some of the positions taken on various legislative bills during the conference.

D. Nebraska Natural Resources Commission

Watermeier reported on their January meeting. He added that the Interrelated Water Management Plan Program is not accepting any new applications until late in 2012.

11. STANDING COMMITTEES**A. Programs & Projects Committee**

- 1. Review Draft Interlocal Agreement with Firth:*** Weber explained the storm water drainage project proposed for Firth and the District's potential contribution to the detention pond portion of the project, which is estimated to cost \$265,000. The NRD may consider contributing 40 percent of the cost not to exceed \$100,000. Hilske added that we have nothing in this year's budget and that it would be nice to spread our payment over two fiscal years. No action.

2. **Well Permit Applications:** The following applications for well permits were reviewed by the Committee:

| Name | Location | Capacity | Purpose |
|---------------------|--------------------------------|----------|------------|
| Andrew Wellensiek | NW1/4 3-6N-11E Johnson County | 800 gpm | Irrigation |
| Wade Caspers | SE1/4 6-6N-13E Nemaha County | 500 gpm | Irrigation |
| Theodore Evans, Jr. | NW1/4 26-5N-10E Johnson County | 650 gpm | Irrigation |
| Ryan Gobber | SE1/4 28-4N-12E Johnson County | 800 gpm | Irrigation |
| Twin Sycamore Farms | NE1/4 19-6N-9E, Johnson County | 800 gpm | Irrigation |

Weber moved, seconded by White, to approve well permit applications for the following irrigation wells: Andrew Wellensiek 3-6-11 Johnson County; Wade Caspers 6-6-13 Nemaha County; Theodore Evans, Jr., 26-5-10 Johnson County; Ryan Gobber 28-4-12 Johnson County; and Twin Sycamore Farms 19-6-9 Johnson County. Weber reviewed each application adding that Wellensiek and Caspers had moved their wells to increase spacing from other existing wells. Upon roll call vote, **motion carried.**

AYE: Albrecht, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

ABSTAINING: Bausch

NOT PRESENT: Goering, Walker, Watermeier

3. **Bids for Repair Work on Wilson Creek 9-1:** Bids received were as follows:

| Contractor | Total Bid |
|-----------------------------------|-------------|
| D.L. Lottman Excavating | \$18,200.00 |
| Kuhl Trenching & Excavating, Inc. | \$23,760.00 |
| Prange Construction | \$24,250.00 |
| B.A.B., Inc. | \$25,600.00 |
| Big River Construction | \$42,282.00 |

Weber moved, seconded by White, to approve the apparent low bid of \$18,200.00 submitted by D.L. Lottman Excavating for repair work on Wilson Creek 9-1. Hilske explained that FEMA funds will help pay for this work. **Motion carried.**

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

4. ***Request from NRCS for Assistance on the Duane Antholz EQIP Structure in Muddy Creek:*** Weber explained that this project did not qualify for assistance through the Muddy Creek Watershed project because it exceeded the drainage limits. However, it would provide protection in the watershed and for a sheet pile weir that was built as part of the project. Total cost of the project is estimated at \$50,000, and EQIP would probably pay about 50 percent. Nelson indicated that about \$8,000 of NRD funds budgeted for Muddy Creek were left after all other projects were completed.

Weber moved, seconded by Godemann, to approve contributing \$5,000 toward the Duane Antholz EQIP structure. Motion carried.

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

5. ***Review Draft 10-Year Master Plan:*** Weber reported the committee briefly reviewed the plan but had no comments.
6. ***Discussion on Seeking a Consultant to Evaluate Aquifer Yield Potential in Northeast Pawnee County:*** Weber explained the idea for working with Pawnee Rural Water District and the City of Humboldt to share in the cost of hiring a consultant to study the aquifer in that area. Kudrna felt it would be a waste of time and money based on their reluctance to investigate this area on their own. Wingert explained what he has done so far which included providing copies of test hole log data from UNL to Pawnee Rural Water, Humboldt, and Richardson Rural Water during a meeting with them. There was more discussion on the information we have already provided and whether additional data would help. The general consensus was to wait and let them approach us if they want to do a study. Duryea asked if it would be a good idea to at least contact them and find out if they are even willing to work together. Wingert suggested he could send a letter reaching out to them and offering to get a study going. Kudrna again felt we should let them know what is available as far as studies and let them decide what they want and then determine the costs.

D. Sugden moved, seconded by Siske, to direct staff to draft a letter to Pawnee Rural Water and the City of Humboldt to determine their interest in cost-sharing on a study of the aquifer in northeast Pawnee County. Bausch felt it would not hurt to reach out, and at least we could say we tried. Upon roll call vote, **motion carried.**

AYE: Albrecht, Bausch, Beethe, Duryea, Gigstad, Gilson, Godemann, Niedfeldt, D. Sugden, Umland, Weber, White

NAY: Bohling, Guhde, Kudrna, Siske, Speece, S. Sugden

NOT PRESENT: Goering, Walker, Watermeier

B. Operations & Education Committee

1. *Names for Use Areas at Iron Horse Trail Lake:* Kudrna stated the committee reviewed proposed names for the different use areas at the park. They suggested that the staff select the names from the list provided. No action.
2. *Intent-to-Apply Proposals for Urban Special Project Funding:* Kudrna stated the committee reviewed three pre-applications and felt two of them may have components that qualify for funding. No action.
3. *Annual Lease with Bartlett Grain for Steamboat Trace Right-of-Way:*
Kudrna moved, seconded by White, to approve the annual lease with Bartlett Grain in the amount of \$600 for 2011. Kudrna explained the committee set the rate at an even \$600 for easier accounting. **Motion carried.**

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

4. *Review Draft of District's 10-Year Master Plan:* Kudrna stated the committee did not have time to review the plan and suggested members take it home for review and submit suggestions to the staff. No action.

C. Executive Committee

1. *Bids for New Utility Tractor/Loader:* Bids received were as follows:

| Dealer | Make/Model | Gross Price | Trade Allowance | Net Bid |
|-------------------------------|---|--------------------|------------------------|----------------|
| Stutheit Implement, Auburn | John Deere 5075E w/JD553 Loader | \$29,479.00 | \$15,000.00 | \$14,479.00 |
| Stutheit Implement, Auburn | John Deere 5075E w/Westendorff TA25 Loader | \$29,679.00 | \$15,000.00 | \$14,679.00 |
| Humboldt Implement | Case IH Farmall 80 w/Case L730 Loader | \$33,500.00 | \$17,000.00 | \$16,500.00 |
| Oregon Trail, Beatrice | *John Deere 5075E w/JD553 Loader | \$31,580.00 | \$14,500.00 | \$17,080.00 |
| Oregon Trail, Beatrice | *John Deere 5075E w/Westendorff TA25 Loader | \$32,831.00 | \$14,500.00 | \$18,331.00 |
| Roehr's Machinery, Beatrice | New Holland T4030 w/820TL Loader | \$36,900.00 | \$17,000.00 | \$19,900.00 |
| Keim Farm Equipment, Syracuse | Case IH Farmall 80 w/Case L730 Loader | \$34,900.00 | \$15,000.00 | \$19,900.00 |
| Lewis Implement, Humboldt | New Holland T4030 w/820TL Loader | \$38,000.00 | \$16,550.00 | \$21,450.00 |

**Includes extended warranty*

Bohling moved, seconded by Gigstad, to approve the bid submitted by Stutheit Implement the net amount of \$14,679 for a John Deere 5075E w/Westendorff TA25 loader. The committee felt the self-leveling loader with this bid was worth the extra cost. **Motion carried.**

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

2. ***Extending NRD Line of Credit with American National Bank:*** Bohling explained that the current line of credit expires soon. However, it does not appear we will need this line of credit since the large projects that necessitated it are nearly complete. Therefore, the committee recommended letting the current line of credit expire. No action.

3. **Draft 10-Year Master Plan:** Bohling stated their committee reviewed the plan and provided some suggestions. Hilske will collect all comments and bring an updated draft back for further consideration. No action.
4. **Procedure to Appoint Board Members to Vacant Seats:** The committee suggested that the procedure for appointing members be formalized into a policy.

12. **ANNOUNCEMENTS, MARCH MEETING DATE/TIME & AGENDA ITEM REQUESTS**

The next meeting is scheduled for Thursday, March 10, at 7:00 p.m.

13. **CONSENT AGENDA**

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

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

14. **ADJOURNMENT**

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

AYE: Albrecht, Bausch, Beethe, Bohling, Duryea, Gigstad, Gilson, Godemann, Guhde, Kudrna, Niedfeldt, Siske, Speece, D. Sugden, S. Sugden, Umland, Weber, White

NOT PRESENT: Goering, Walker, Watermeier

The meeting adjourned at 9:15 p.m. The next regular meeting of the Board of Directors will be Thursday, March 10, 2011, at 7:00 p.m. at the NRD headquarters at 62161 Hwy 136 in Tecumseh.

Approved March 10, 2011

Secretary, Nemaha Natural Resources District