

July 13, 2017  
Nemaha Natural Resources District  
Regular Meeting  
Tecumseh, Nebraska

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

Chair Dan Hodges called the five hundred fifth meeting of the Nemaha Natural Resources District Board of Directors to order at 8:00 p.m. Thursday, July 13, 2017, at the NRD Headquarters in Tecumseh, Nebraska.

<b>DIRECTORS</b>	Lisa Beethe	Jenny Kearney	Eldon Snoke
<b>PRESENT:</b>	Rob Bohling	Jon Keithley	Mike Speece*
	Jim Gerweck	Robert Lassen	Dan Stukenholtz
<i>* Left early</i>	Orval Gigstad	Michael McDonald	Duane Sugden
	Dave Guhde	William Niedfeldt	Kevin Thorne
	Dan Hodges	Alan Romine	
	Doug Iske	Don Siske	

**DIRECTORS** Tim Loseke  
**ABSENT:** Russel Moss

**STAFF** Bob Hilske, Manager  
**PRESENT:** Scott Nelson, Assistant Manager  
Jane Kuhl, Administrative Assistant  
Karen Mahoney, Administrative Assistant

**GUESTS** Roger Reichmuth, NRCS, Tecumseh  
**PRESENT:** Robert & Susan Handley, Shubert  
Bobbie Meints, Five Rivers RC&D

Following the Pledge of Allegiance and a moment of silence, Hodges 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. **EXCUSED ABSENCES**

**Sugden moved, seconded by Siske, to approve the excused absences requested by Tim Loseke and Russel Moss. Motion carried on consent agenda.**

4. **OPEN FORUMS**

All NRD directors, staff, and guests introduced themselves.

5. **MINUTES**

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

6. **TREASURER'S REPORT**

**Sugden moved, seconded by Lassen, to approve the Treasurer's Report as submitted. Motion carried on consent agenda.**

7. **STAFF REPORTS**

Hilske reviewed his report including information just received from LBG on their groundwater studies. Nelson reviewed his report. (Both are filed with the minutes.)

8. **AGENCY/ASSOCIATION REPORTS**

**A. Natural Resources Conservation Service**

Reichmuth reported on their workload and on the CRP deadlines.

**B. Five Rivers RC&D**

Bobbie Meints was present to provide the annual report for the RC&D. She distributed a written report and highlighted some of their activities and programs from the past year. She thanked the District for its continued support. She discussed the upcoming Doc Gigstad Fun Run scheduled for September (*this event was later cancelled*).

**C. Nebraska Association of Resources Districts**

Gigstad reported they met June 11-12 in Norfolk and selected award winners. He explained some changes to the employee retirement program. They also took a final vote to host the 2020 National Envirothon in Nebraska. McDonald also commented on the Basin Tour held in conjunction with this meeting.

**D. Nebraska Natural Resources Commission**

A written report was emailed to all directors by Steve Sugden and distributed. Hilske explained the discussion about what to do with uncommitted 2017 Water Sustainability Funds.

9. **STANDING COMMITTEES**

**A. Programs & Projects Committee**

1. *Review/Action on Well Permit Applications:* None received.

**B. Operations & Education Committee – No meeting**

**C. Executive Committee**

1. *Office Heating/AC System Replacement Quotes:* Niedfeldt reported that after contacting the four contractors who submitted bids last month for more information, the following details were provided:

<b>Contractor</b>	<b>Product</b>	<b>SEER Rating</b>	<b>Total Price</b>
J.H. Sporhase Plbg & Htg, Syracuse	Aire-Flow	14	\$5,024
J.H. Sporhase Plbg & Htg, Syracuse	Lennox	15	\$6,848
J.H. Sporhase Plbg & Htg, Syracuse	Lennox	16	\$9,314
Auburn Plumbing & Heating	Air-Ease	14	\$7,105
Auburn Plumbing & Heating	Air-Ease	15	\$7,495
Auburn Plumbing & Heating	Air-Ease	16	\$8,675
Southeast Plbg & Htg, Talmage	Ruud	14	\$7,540
Southeast Plbg & Htg, Talmage	Ruud	16	\$11,040
Borrenpohl Plbg & Htg, Tecumseh	Tempstar	14	\$7,880
Borrenpohl Plbg & Htg, Tecumseh	Tempstar	16	\$8,900

*All systems include a 5-year warranty on the compressor and 1-year warranty on all other parts. The Ruud units might qualify for a 7-year warranty, and a complete 5-years parts & labor warranty is available for the Lennox units at an additional \$625.*

After some discussion on the requirements and timetable for replacement, **Niedfeldt moved, seconded by Gigstad, to authorize the purchase of the Lennox 15-SEER system from J.H. Sporhase Plumbing & Heating at a cost of \$6,848. Motion carried.**

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne

**NOT PRESENT:** Loseke, Moss, Speece

2. ***AEM Flight WSF Grant Support:*** Niedfeldt reviewed that this Water Sustainability Fund grant to be submitted by the ENWRA coalition NRDs would help with the cost of additional AEM flights. If approved our portion of the match would be around \$120,000 and provide us with \$300,000 toward our flights. If the grant were to be denied, we would then have to decide whether to proceed with our part of the project on our own.

**Niedfeldt moved, seconded by Gerweck, to approve the letter of support to the Nebraska Natural Resources Commission for the ENWRA application for Water Sustainability Funds to help with aquifer framework mapping. Motion carried.**

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne

**NOT PRESENT:** Loseke, Moss, Speece

**10. FY 18 BUDGET: OVERVIEW, SWCP FUNDS, RESTRICTED FUND ALLOWANCE**

Hilske explained the timeline for the budget. Mahoney reviewed the updated summary that showed last year’s numbers and the corresponding, proposed budget for this year. She also

reviewed some larger items included in the proposed budget. She reported on the Budget Subcommittee's recommendations regarding items to include in the budget. Hilske reviewed the committee's specific recommendations. Iske spoke in favor of increasing our budget for SWCP cost-share funds this year even more than the \$100,000 recommended by the committee. Discussion was held on the number of applications for these funds versus available funds and the reduction in state funding this year. Hilske explained that if the board chose to increase this amount, action would be needed to allow approvals of summer work to take place immediately. Romine questioned if, due to the lid restrictions, we would be causing problems with future budgets if we reduce our tax collection. Hilske explained that we could use our restricted fund allowance in a case where we have a large project that requires additional funds in future years. After further discussion on the SWCP budget,

**Gigstad moved, seconded by Siske, to increase the budget for SWCP cost-share from \$50,000 to \$100,000 for FY18. Motion carried.**

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne  
**NOT PRESENT:** Loseke, Moss, Speece

Bohling asked about the interest we would save if we paid off the loan on the office building early, which was estimated around \$9,000 in savings. Sugden questioned if we should consider finishing the basement or at least adding restrooms for use during larger meetings. There was some discussion about the accessibility of the basement. Mahoney also explained the estimated change in property taxes this year based on this proposed budget. McDonald asked about our grant funding for this year and if we have looked into any other grants. Beethe felt that this is a good year to pay off some things and start planning for what we are going to do after this year since there are not a lot of large projects out there that can be done with all the strict permitting requirements.

Hilske then explained the restricted fund allowance and that it does not increase our tax request but instead banks funds for future needs. He added that approval requires a 75 percent majority vote of the membership.

**Sugden moved, seconded by Beethe, to increase the restricted fund allowance by an additional one percent for the FY 17 budget. Motion carried.**

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne  
**NOT PRESENT:** Loseke, Moss, Speece

#### 11. ANNOUNCEMENTS, AUGUST MEETING DATE/TIME & AGENDA ITEM REQUESTS

Mahoney offered to do a budget training session with directors next year prior to this time if they were interested. Robert and Susan Handley then addressed the board regarding their concerns about the water and well issues in Shubert. A lengthy discussion ensued about their concerns and what the District is doing to help.

12. **CONSENT AGENDA**

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

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne

**NOT PRESENT:** Loseke, Moss, Speece

13. **ADJOURNMENT**

**Bohling moved, seconded by Siske, to adjourn. Motion carried.**

**AYE:** Beethe, Bohling, Gerweck, Gigstad, Guhde, Hodges, Iske, Kearney, Keithley, Lassen, McDonald, Niedfeldt, Romine, Siske, Snoke, Stukenholtz, Sugden, Thorne

**NOT PRESENT:** Loseke, Moss, Speece

The meeting adjourned at 10:30 p.m.

*Approved 8/10/17*

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Secretary, Nemaha Natural Resources District