

LITTLE BLUE NATURAL RESOURCES DISTRICT
Minutes **January 10, 2012**

OPENING OF MEETING – CHARLES RAINFORTH

The directors of the Little Blue Natural Resources District met in regular session on Tuesday, January 10, 2012 at the Little Blue Natural Resources District Office, Davenport, Nebraska. Vice-Chairman Rainforth called the meeting to order at 7:30 p.m.

Rainforth led the group in the Pledge of Allegiance.

Rainforth noted that a copy of the Nebraska Open Meeting Act was posted and available for any one who may want to review the document

Roll call was held.

DIRECTORS PRESENT

Board members present:

Michael Allen, Warren Brakhahn, James Cunningham, Edward Fleharty, Jeremy Groves, Lyle Heinrichs, Joe Hergott, Marlin Kimle, Sacha Lemke, Charles Rainforth, John Rieckman, Steve Shaw, Gene Thomas and Randy Uhrmacher.

Directors absent:

Ross Fisher, Tim Pohlmann and Rich Kahman.

OTHERS PRESENT

Mike Onnen, Daryl Andersen, Kevin Orvis, Marlene Faimon, Marie Herbek, Merle Duntz; Dave Bedlan and Janet Valasek representing the NRCS.

ANNOUNCEMENT OF OFFICIAL DISTRICT NOTICE PUBLICATIONS

The *Hastings Tribune* and *Fairbury Journal News* are the two newspapers in the District used to publish meeting notices, reprinting of condensed meeting minutes and district expenditures. The other publications in the District are used for various news releases, etc. Legal notice of the January meeting was provided to the *FAIRBURY JOURNAL NEWS* and the *HASTINGS TRIBUNE*. The agenda was mailed to all board members, radio, television and newspapers in the District and posted at the NRCS offices in the District and the Little Blue NRD office.

ADOPTION OF BOARD MEETING AGENDA

Onnen noted that the following change had properly been added to the posted board meeting agenda at least 24 hours prior to the commencement of the meeting: Add Item 8b) Trailblazer RC &D Report – Merle Duntz. **MOTION # 1 - Heinrichs moved, seconded by Brakhahn to approve the corrected agenda for the January 10, 2012 meeting as presented.** Carried by roll call vote - 14 yes votes.

ADOPTION OF CONSENT AGENDA - ACCEPTANCE OF BOARD MEMBER ABSENCES AND MINUTES OF DECEMBER 13, 2011 BOARD MEETING

Onnen noted Fisher, Pohlmann and Kahman had notified the office of their intended absence and was excused. **MOTION # 2 – Brakhahn moved, seconded by Fleharty to accept the absences of Fisher, Pohlmann and Kahman and to approve the minutes of December 13, 2011.** Carried by roll call vote – 14 yes votes.

TREASURER'S REPORT – Joe Hergott

Copies of the Little Blue NRD Treasurer's Report were circulated. Hergott reviewed the report. **MOTION # 3 – Hergott moved, seconded by Fleharty to approve the report and payment of bills as presented.** Carried by roll call vote – 14 yes votes.

Hergott reviewed the Little Blue Public Water Project Treasurer's Report.

MOTION # 4 - Hergott moved, seconded by Heinrichs to approve the report and payment of bills as presented. Carried by roll call vote – 14 yes votes.

Hergott reviewed the Little Blue Public Water Project - South Treasurer's Report. **MOTION # 5 - Hergott moved, seconded by Groves to approve the report and payment of bills as presented.** Carried by roll call vote – 14 yes votes.

Report on Treasurer Bonding Requirements

District policies require the District Treasurer be bonded for no less than \$50,000. The District currently retains a \$150,000 Public Official Bond for the Treasurer. The District also carries a Government Crime Policy in aggregate of \$200,000 which covers the Assistant Treasurer, General Manager, Administrative Secretary, District Secretary, all NRCS Secretaries and our Water Project Clerk. The bond gives some protection from fraudulent actions relating to the District finances by those covered.

Report on District Investment Procedures

Onnen explained the general procedures followed for making investments for the Little Blue NRD as well as for the North and South Water Projects.

AGENCY REPORTS

NRCS Report – Dave Bedlan

Bedlan gave a brief report of the activities in the NRCS offices.

Trailblazer RC&D Report – Merle Duntz

Merle Duntz, Representative of the Trailblazer RC&D, was present to deliver a report on the RC&D's activities. Each year a representative for the Little Blue NRD to the Trailblazer RC&D is appointed. **MOTION # 6 – Fleharty moved, seconded by Cunningham to re-appoint Merrill Duntz as the Little Blue NRD's Trailblazer RC&D Representative for the coming year.** Motion carried by roll call vote – 14 yes votes.

STAFF REPORTS – Daryl Andersen

The staff report was mailed to the Director's earlier. Andersen reviewed the report and answered questions.

DISTRICT APPOINTMENTS

Action Regarding District's Legal Counsel

Onnen reported to the board that Charles Shoemaker, with the assistance of Adam Pavelka, has represented the Little Blue NRD since 1985 and is interested in continuing to do so. His fee for 2012 will be \$135.00 per hour. **MOTION # 7 – Shaw moved, seconded by Fleharty to retain Charles Shoemaker with the assistance of Adam Pavelka of Hastings as the Districts Legal Counsel for 2012 at the rate of \$135.00 per hour.** Motion carried by roll call vote – 14 yes votes

Report of Contract with Auditors

Schulz and Associates of Fairbury currently conduct our yearly audits. A three year contract with them was approved in 2011. The rate for 2012 will be \$6,950 for the audits of the Little Blue NRD as well as both of the Water Projects.

WATER RESOURCES COMMITTEE – Jim Cunningham

The Water Resources Committee met prior to the regular meeting.

Discussion of Water Management Rules and Policies

Discussion was held on the policy of approving well permits that score below the minimum score for either soils or aquifer. **MOTION # 8 – Cunningham moved, seconded by Heinrichs to a authorize staff to apply pre-approved conditions to well permits which score below 80 and above 60 in either soils or aquifer, and approve those permits without presenting them to the Board.** Motion carried by roll call vote. Yes: Allen, Brakhahn, Cunningham, Fleharty, Groves, Heinrichs, Hergott, Kimle, Lemke, Rieckman, Shaw, Uhrmacher and Rainforth. No: Thomas.

Water Well Permit Requests in Accordance with Rules

Several well permits that had not met either soil or aquifer minimum scores were presented for approval. **MOTION # 9 – Cunningham moved, seconded by Heinrichs to approve a well permit in the SE1/4 8-4N-12W for JEBT with the condition a flow meter is installed and annual reporting of withdrawals be reported to the District with gpm recorded at beginning and ending of the irrigation season.** Carried by roll call vote – 14 yes votes.

MOTION # 10 – Hergott moved, seconded by Shaw to approve a well permit in the NE1/4 19 5-5N-1W for Milton Brothers with the condition a flow meter is installed and annual reporting of withdrawals be reported to the District with gpm recorded at beginning and ending of the irrigation season. Carried by roll call vote. Yes: Allen, Brakhahn, Cunningham, Fleharty, Heinrichs, Hergott, Kimle, Lemke, Rickman, Shaw, Thomas, Uhrmacher and Rainforth. Absent: Groves.

MOTION # 11 – Heinrichs moved, seconded by Uhrmacher to approve a well permit in the N1/2SW1/4 17-6N-12W for CAMKAT LLC with the condition a conservation plan is followed, a flow meter is installed and annual reporting of withdrawals be reported to the District.

There were discussions about the sandy conditions of the site.

MOTION # 12 – Shaw moved, seconded by Hergott to amend motion # 11 to require an inhibitor is used or the split application of fertilizer be applied. Denied by roll call vote. Yes:

Brakhahn, Hergott, Kimle, Shaw and Thomas. No: Allen, Cunningham, Fleharty, Groves, Heinrichs, Lemke, Rickman, Uhrmacher and Rainforth.

MOTION # 13 – Allen moved, seconded by Hergott to amend motion # 11 to require the producer to provide a plan and reporting on the nitrogen management activities annually.

Carried by roll call vote. Yes: Allen, Brakhahn, Cunningham, Groves, Heinrichs, Hergott, Kimle, Lemke, Rieckman, Shaw, Thomas, Uhrmacher and Rainforth. No: Fleharty.

The vote on Motion # 11 as amended to read: to approve a well permit in the N1/2SW1/4 17-6N-12W for CAMKAT LLC with the condition a conservation plan is followed, a flow meter is installed and annual reporting of withdrawals as well as an annual report of nitrogen fertilizer management activities be reported to the District.

Carried by roll call vote. Yes: Allen, Brakhahn, Cunningham, Fleharty, Groves, Heinrichs, Kimle, Lemke, Shaw, Thomas, Uhrmacher and Rainforth. No: Hergott and Rieckman.

MOTION # 14 – Cunningham moved, seconded by Brakhahn to approve a well permit in the SE1/4 3-6N-12W for Darrin Nienhueser with the condition a conservation plan is followed and a flow meter is installed and annual reporting of withdrawals be reported to the District.

Carried by roll call vote – 14 yes votes.

MOTION # 15 – Cunningham moved, seconded by Shaw to approve a well permit in the SW1/4 26-5N-2W for Rod Heinrichs with the condition a conservation plan is followed and a flow meter is installed and annual reporting of withdrawals be reported to the District and a buffer strip be installed along the permanent pool of the Bruning Dam.

Carried by roll call vote – 14 yes votes.

MOTION # 16 – Cunningham moved, seconded by Heinrichs to approve a well permit in the N1/2 10-5N-11W for Robert Grabil with the condition a conservation plan is followed a flow meter is installed and annual reporting of withdrawals be reported to the District.

Carried by roll call vote – 14 yes votes.

MOTION # 17 – Heinrichs moved, seconded by Allen to approve a well permit in the NW1/4 32-3N-5W for Steve Clabaugh with the conditions a conservation plan is followed, a flow meter is installed and annual reporting of withdrawals be reported to the District with gpm recorded at beginning and ending of irrigation season.

Carried by roll call vote – 14 yes votes.

Variance Requests

A variance request was presented. No negative comments from the owner of the well which the permit is within 1000 feet of spacing at 745 feet. **MOTION # 18 – Heinrichs moved, seconded by Shaw to approve a spacing variance request and well permit for Lon Urbauer in the NE1/4 33-6N-5W.** Carried by roll call vote – 14 yes votes.

Hastings Wellhead Protection Groundwater Management Action Plan

The Hastings Wellhead Protection Groundwater Management Area Action Plan was presented for approval. **MOTION # 19 – Cunningham moved, seconded by Brakhahn to approve the Hastings Wellhead Protection Groundwater Management Action Plan for public hearing to be scheduled on February 7, 2012.** Carried by roll call vote – 14 yes votes.

Appointment of Hearing Examiner

MOTION # 20 – Cunningham moved, seconded by Heinrichs to appoint Randy Uhrmacher as Hearing Examiner for Hastings Wellhead Protection Groundwater Management Action Plan public hearing. Carried by roll call vote. Yes: Allen, Brakhahn, Cunningham, Fleharty, Groves, Heinrichs, Hergott, Kimle, Lemke, Rieckman, Shaw, Thomas and Rainforth. Abstain: Uhrmacher.

Nitrate Sub-Area Discussion

No action was taken on this as more discussion will be held at a later time.

PROJECTS AND PLANNING COMMITTEE – Ed Fleharty

The Projects and Planning Committee met prior to the regular Board Meeting.

Action on Engineering Proposal for MARC Dam Design Work

Two proposals for engineering services were received for the design work for the MARC Dam.

MOTION # 21 – Fleharty moved, seconded by Groves to accept the proposal from JEO Consulting Group for the design work of the MARC Dam in the amount of \$18,000.00.

Carried by roll call vote – 14 yes votes.

Proposal for Engineering and Construction – Corps of Engineers

The Corps of Engineers is considering having the District handle the remaining engineering and construction of the NAD discharge water project and MARC Dam improvements with reimbursement being provided for doing so. **MOTION # 22 – Fleharty moved, seconded by Allen that the Little Blue NRD pursue the possibilities of assuming the engineering design and construction responsibilities from the Corps of Engineers, for the facilities which utilize water from the NAD Groundwater Remediation Project for recharge and groundwater offsets. Further, that the NRD examine the possibilities of assuming the long-term operation and maintenance responsibilities of completed projects and the manner of reimbursement for providing such services.** Carried by roll call vote – 14 yes votes.

Procedures for Construction of Private Dam

The steps for construction of private dams were reviewed.

LEGISLATIVE ACTIVITY REPORT – Mike Onnen

Onnen reviewed some of the issues that will be of importance to the NRD's in the upcoming Legislative Session.

NOMINATIONS COMMITTEE REPORT

The Nominations Committee – Lyle Heinrichs, Randy Uhrmacher and Ed Fleharty met to select candidates whose names were proposed for Board positions for the year 2012.

ELECTION OF BOARD OFFICERS AND REPRESENTATIVES

The Committee proposed the names of Richard Kahman and Steve Shaw for the position of Board Chairman. Rainforth asked for further nominations from the floor. There being none, the nominations were closed and a ballot vote taken. Kahman – 3 votes, Shaw – 11 votes. Shaw was declared Chairman.

For the position of Vice Chairman the Committee proposed the names of Chuck Rainforth and Randy Uhrmacher. Rainforth asked for further nominations from the floor. There being none, the nominations were closed and a ballot vote taken. Rainforth – 7 votes, Uhrmacher - 7 votes.

There being a tie, a re-vote was taken. Rainforth – 7 votes, Uhrmacher – 7 votes.

Brakhahn motioned to re-open nominations for Vice Chairman. Thomas moved to nominate Ed Fleharty for Vice Chairman. The nominations were closed and ballot vote taken. Rainforth – 6 votes, Uhrmacher – 6 votes, Fleharty – 2 votes.

There being a tie between Rainforth and Uhrmacher, a coin was flipped – Rainforth was declared Vice Chairman.

For the position of Secretary and Assistant Treasurer the Committee proposed Edward Fleharty and John Rieckman. Rainforth asked for further nominations from the floor. There being none, the nominations were closed and a ballot vote taken. Fleharty – 8 votes, Rieckman – 6 votes. Fleharty was declared Secretary.

For the position of Treasurer the Committee proposed Joseph Hergott and Warren Brakhahn. Rainforth asked for further nominations from the floor. There being none, the nominations were closed and a ballot vote taken. Hergott – 7 votes, Brakhahn – 7 votes.

There being a tie, a re-vote was taken. Hergott – 10 votes, Brakhahn – 4 votes. Hergott was declared Treasurer.

For the position of NARD Representative and alternate Representative the Committee proposed Lyle Heinrichs and Chuck Rainforth. Rainforth asked for further nominations from the floor. There being none, the nominations were closed. Heinrichs – 12 votes, Rainforth – 2 votes. Heinrichs was declared NARD Representative and Rainforth as alternate Representative.

STANDING COMMITTEE SELECTIONS

The board members were asked to turn their committee preference in to the Chairman. The assignments will be made by the Chairman.

ADJOURNMENT

Rainforth adjourned the meeting at 9:55 P.M.

COUNTY OF THAYER)
)
STATE OF NEBRASKA)

I, the undersigned, Secretary of the Little Blue Natural Resources District, hereby certify that these are true and correct minutes of the meeting of the Board of Directors of the District held on January 10, 2012, that all of the subjects discussed at the meeting were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the principal office of the District during normal business hours, and except for items of an emergency nature, the agenda was not altered later than twenty-four (24) hours before the scheduled commencement of the meeting; that a copy of the Nebraska Open Meetings Act was posted and available to the public; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; and, that all news media requesting notification of the meeting of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.
