

LOWER PLATTE NORTH NRD MINUTES
BOARD MEETING
July 9, 2012

The regular monthly meeting of the Lower Platte North NRD Board of Directors was called to order at 6:00 p.m. at Lower Platte North NRD Office, Wahoo, NE on Monday, July 9, 2012.

1. NOTICE OF MEETING

The advanced notice of our July board meeting was published on June 28, 2012 in the Banner Press, Columbus Telegram, Fremont Tribune, Schuyler Sun and Wahoo Newspaper.

Chair Pieke informed those present that a copy of the "Open Meeting Act" is posted for public viewing.

Pledge of Allegiance

2. ROLL CALL - INTRODUCTIONS

DIRECTORS PRESENT AND CONSTITUTING A QUORUM:

Birkel	Casey	Clausen
Hagerbaumer	Hannah	Hilger
Johannes	Kavan	McDermott
Meduna	Olson	Pollard
Pieke	Saalfeld	Sabatka
Taylor	Veskerna	

DIRECTORS ABSENT

Ruzicka

STAFF AND GUESTS:

Miyoshi	Mountford	Gottschalk
Murren	Angle	

Sign in sheet attached to original minutes.

3. APPROVAL OF AGENDA

4. COMMENTS - ADVISORS/GUESTS/DIRECTORS

a. Guest Comments

b. NRCS Report

Mark Walkenhorst was present and reviewed his written report.

c. NARD Report

Kavan reported on the study performed by Central Platte and Twin Platte NRDs that look at converting Central Public Power and Irrigation District customers from surface water to groundwater irrigators which could make more water available in the Platte River to meet mandates required in the Platte River Cooperative Agreement.

d. NRC Report

Johannes reported on the recent Commission meeting on June 19-20 in Grand Island and that copies of the minutes have been distributed to all directors.

e. Managers Report

Manager Miyoshi reviewed his written report.

f. Education Program – None

5. APPROVAL OF MINUTES

Meduna made the motion, seconded by Sabatka, to approve the minutes from the June 11, 2012 Board Meeting. Motion carried all members present voting aye.

6. REPORT OF STANDING COMMITTEES

A. EXECUTIVE COMMITTEE REPORT

Saalfeld made the motion, seconded by Sabatka, to go into executive session at 6:22 p.m. to discuss the following items: Lake Wanhoo Finance Mediation, CCEI Lawsuit and Drowning at Lake Wanhoo Spillway and ask that staff members Miyoshi, Mountford and Murren remain along with Lausterer (for the CCEI Lawsuit and Drowning) and Bargaen (for the Wanhoo Finance discussion). Motion carried all members present voting aye.

Taylor made the motion, seconded by Birkel, to come out of executive session at 7:52 p.m. Motion carried all members present voting aye.

Meduna made the motion, seconded by Sabatka, that the Lake Wanhoo Finance Mediation offer from Wahoo and Saunders County be accepted and approved with the following conditions:

1. A payment of \$550,000 from Wahoo and Saunders County will be jointly made to LPNNRD as offered.
2. That above payment will made to LPNNRD within 30 day of approval by all three Political Sub-Division governing bodies and signing of the settlement agreement by all three parties as offered.
3. That Wahoo and Saunders County walk away from the project with no further financial or governing involvement as of the date of the date of signing the settlement agreement. This includes expectations and sharing of any project expenses or income.
4. That legal counsel from the three partners assemble the settlement agreement document and it be reviewed and agreed upon by LPNNRD Chair and General Manager.
5. The previously agreed upon \$50,000 payment to be made by Wahoo to LPNNRD by December 31, 2012 is not a part of the settlement agreement. This payment will be made in addition and independently of this settlement as previously agreed upon.
6. There is an outstanding bill that the project owes to Saunders County for an overage for driving steel beams in the amount of \$13,783.07. Part of this settlement would forgive this payment and the County would absorb the expense.
7. Nebraska Department of Roads has pledged \$1,270,000 to the Lake Wanhoo Dam project to offset extra construction expenses to accommodate U.S. 77 Expressway. These funds will be transferred to the Saunders County Road Fund within six months of the letting of the Expressway project which is anticipated to be in fiscal year 2014. Upon receiving these funds Saunders County will transfer these funds to LPNNRD within 30 days.

It is further moved that the Board Chair and General Manager be authorized by the board to sign said agreement. Motion carried.

AYE: Casey, Clausen, Hagerbaumer, Hannah, Hilger, Johannes, Kavan, McDermott, Meduna, Olson, Pollard, Saalfeld, Sabatka, Taylor, Veskerna, Pieke

NAY: Birkel

1. Meetings

a. Pending - None

b. Reports – None

2. Management Items

a. Directors Absence – None

b. Bob Weaver

1. Monthly Conference Call and Report - Update Given

2. Monthly Bill

Pollard made the motion, seconded by Meduna, to approve payment of \$3,000 to Bob Weaver for June services and bill LPSNRD and Papio NRD for their share. Motion carried on consent agenda.

Meduna made the motion, seconded by Sabatka, to approve a \$100 per month increase to Bob Weaver's monthly fee beginning July 1, 2012. Motion carried on consent agenda.

c. Drowning in Wanahoo Dam Spillway – Update Given

d. Monthly Education Program – None

e. Lake Wanahoo Finances

Hilger made the motion, seconded by Sabatka, to approve payment of \$4,465 to Rembolt Ludtke for June services for Lake Wanahoo Finances. Motion carried all members present voting aye.

f. Insurance Package Renewal

Meduna made the motion, seconded by Veskerna, to approve the renewal of our commercial property insurance with Inspro Insurance at the quoted rate of \$70,230. Motion carried all members present voting aye.

g. CCEI Lawsuit

Saalfeld made the motion, seconded by Taylor, to instruct Legal Counsel Lausterer to file a responsive motion for summary judgment, put together affidavits and write a legal brief on the NRD's behalf. Motion carried all members present voting aye.

g. Health Insurance Rates – Update Given

h. Art Bailey Resignation – Update Given

3. Equipment - None

4. Personnel – None

5. Finance

a. Approval of Financial Report

Meduna made the motion, seconded by Sabatka, to approve the April financial report as distributed. Motion carried on consent agenda.

Meduna made the motion, seconded by Pollard, to approve the May financial report as distributed. Motion carried all members present voting aye.

b. Approval of Managers Expenses

Meduna made the motion, seconded by Sabatka, to approve Manager Miyoshi's time and expense sheets as attached to the Executive Committee Minutes. Motion carried on consent agenda.

c. Accounts Receivable Over 90 Days – Update Given

d. Monthly Accounting Update – Update Given

e. Renewal of Wahoo State Bank Land Note

Kavan made the motion, seconded by Veskerna, to approve making a principal payment of \$731,312 and an interest payment of \$93,807.97 to Wahoo State Bank for the Wanahoo Land Note. Motion carried.

AYE: Casey, Clausen, Hagerbaumer, Hilger, Johannes, Kavan, Meduna, Olson, Pollard, Saalfeld, Veskerna, Pieke

NAY: Birkel, Hannah, Taylor

ABSTAIN: McDermott, Sabatka

f. Wanahoo Financing with FNB

Saalfeld made the motion, seconded by Olson, to:

1. Enter into a financial relationship with First National Bank -Omaha following our normal procedure as established by LPNNRD.
2. Approve borrowing \$3,700,000 from First National Bank Omaha.
3. Pay off the balance of the State Revolving Fund Loan #1 from Nebraska Department of Environmental Quality in the amount of \$3,700,000.
4. Set up a payment schedule for the FNB Loan which will retire the loan in five years.

Motion carried.

AYE: Casey, Clausen, Hagerbaumer, Hannah, Johannes, Kavan, McDermott, Meduna, Olson, Saalfeld, Sabatka, Veskerna, Pieke

NAY: Birkel, Hilger, Pollard, Taylor

g. F.Y 2013 Budget

Meduna made the motion, seconded by Sabatka, to:

Set Budget Workshop Date – August 8 beginning at 6:00 p.m.

Set Budget Hearing Date - August 13 beginning at 4:00 p.m.

Set Tax Levy Hearing Date - September 10 beginning at 5:00 p.m.

Motion carried on consent agenda.

h. Valuations – Update Given

Meduna made the motion, seconded by Sabatka, that the July LPNNRD Executive Committee Minutes be received and placed on file. Motion carried on consent agenda.

B. OPERATIONS, EDUCATION & RURAL WATER COMMITTEE REPORT

1. WHIP/WILD NE REPORT

a. Payments – Update Given

2. OPERATION AND MAINTENANCE

a. Operation and Maintenance - Update Given

b. South Fremont 205 Feasibility Study

c. Wanahoo Principle Spillway Area – Update Given

d. Haying Czechland and Homestead 2012

Meduna made the motion, seconded by Sabatka, to accept the high bid of \$76/ton from Dan Ourada on Czechland and \$71.50/ton from Sullivans Cattle & Haying on Homestead. Motion carried on consent agenda.

e. Haying on Sand Creek Site 2 – Update Given

f. Building on Wanahoo Property

Meduna made the motion, seconded by Sabatka, to pay the \$5,067.59 bill to G & R Electrical for wiring the new storage shed and bill NE Game & Parks Commission \$217.59 for the additional costs on the electrical service to the building which they directed. Motion carried all members present voting aye.

g. Renovation of Watershed Dam Cottonwood 42-A – Update Given

h. Financial Review – Update Given

3. ROCK AND JETTY

a. Applications - None

b. Payment Requests

Meduna made the motion, seconded by Sabatka, to make payment to the following cooperators to get them to 50% cost-share for Rock and Jetty work performed:

<u>Ed Kudlacek</u>	<u>\$3,065</u>
<u>Peter Burger</u>	<u>\$406.25</u>
<u>DeWayne Guidinger</u>	<u>\$1,145</u>

Motion carried on consent agenda.

Meduna made the motion, seconded by Sabatka, to make payment to Rob Thiessen in the amount of \$1,740.26 for Rock and Jetty work accomplished on the Platte River pending staff inspection. Motion carried on consent agenda.

4. EROSION & SEDIMENT RULES & REGULATIONS – Update Given

5. INFORMATION & EDUCATION

a. Information

- 1. KTIC Ads – Update Given**
- 2. Viaduct – Update Given**
- 3. County Fairs – Update Given**
- 4. Rec Areas Website and Brochures – Update Given**

b. Education

- 1. ACE Camp – Update Given**

c. Computers

- 1. Android Recreation Areas App – Update Given**

6. RURAL WATER ACTIVITIES

- a. Bruno/David City Rural Water – Update Given**
- b. Colon/Wahoo Rural Water System – Update Given**
- c. Mead – Update Given**
- d. Other – Update Given**

Meduna made the motion, seconded by Sabatka, that the July LPNDRD Education, Operations and Rural Water Committee Minutes be received and placed on file. Motion carried on consent agenda.

C. WATER COMMITTEE REPORT

1. REGULATORY

a. GROUNDWATER MANAGEMENT AREA

1. Variance Requests for Limited Development (Hydrologically Connected) Area

- a. June Variance Requests – Update Given**
- b. Limited Development Areas - Update Given**

2. Well Permit Program

- a. Well Permits Approved - Update Given**

b. Pending Well Permit

Saalfeld made the motion, seconded by Hilger, to approve the late municipal well permit for Platte Center, Nebraska. Motion carried all members present voting aye.

- c. Flow Meter Requirements – Update Given**

3. Voluntary Integrated Water Management Plan – Update Given

4. Lower Platte River Basin Coalition – Update Given

5. Cost-Share Programs

a. Irrigation Well Sample Kits - Update Given

b. Domestic Well Sample Kits - Update Given

c. NAWMDN Water Mark Sensors and ET Gauges – Update Given

d. Cost-Share from 319 Grant for Phase 2 Ground Water Management Area

Saalfeld made the motion, seconded by Pollard, to approve cost share funding from the 319 Grant program from DEQ and EPA in our Phase 2 Ground Water Management areas for a flow meter for Wilson Creek Farms for \$613.60 and a flow meter, pivot (conversion from gravity to pivot), watermark sensors and one digital meter for Mary Rose Schmid for \$18,182.05. Motion all members present voting aye.

6. LPNNRD Certification Classes – Update Given

7. Bellwood Phase 2 Area

8. Richland/Schuyler Phase II Area - Update Given

9. Certifying Acres

Meduna made the motion, seconded by Sabatka, to approve Robert Nelsen’s transfer of 12 irrigated acres from tract S1/2, SE1/4 (pivot corners) of Section 31, T 21N, R4W to the 12 acres in tract E1/2, NE1/4, Section 32, T21N, R4W as shown on the attached map. Motion carried all members present voting aye.

b. Chemigation - Update Given

c. Livestock Waste Permits - Update Given

2. GROUND WATER PROGRAMS

a. Decommissioned Well Program

1. Well Estimates - Update Given

2. Plugged Wells

Meduna made the motion, seconded by Sabatka, to approve cost share payment to decommission the stock well for Tisthammer Farms for \$359.64. Motion carried on consent agenda.

b. LPNNRD Ground Water Studies

1. LPNNRD Platte River Ground Water Model – Update Given

2. Elkhorn Loup Model (ELM)

Meduna made the motion, seconded by Sabatka, to approve payment of \$3,144.17 to Lower Loup NRD for the LPNNRD’s portion for the Elkhorn Loup Model. Motion carried on consent agenda.

3. Eastern Nebraska Water Resources Assessment (ENWRA) – Update Given

4. Eastern Nebraska HEM Aquifer Mapping – Update Given

c. Ground Water Energy Levels – Update Given

1. Future Monitoring Wells

Meduna made the motion, seconded by Sabatka, to approve the signed easement of Jena Frana c/o Farmers National Company for the installation of one or more monitoring wells for \$1.00 at the site listed as attachment “A”, SW1/4 of NW1/4, Section 26, T14N, R7E. Motion carried on consent agenda.

Meduna made the motion, seconded by Sabatka, to approve payment of \$1,342.00 for Invoice #2012-27 from the Conservation and Survey Division of the University of Nebraska for test hole 8-A-12 near Leshara, Nebraska. Motion carried on consent agenda.

d. Ground Water Quality

1. Statewide Network – Update Given

2. Monitoring Wells – Update Given

e. Former Ordnance Plant Near Mead – Update Given

3. SURFACE WATER PROGRAMS

a. State Lakes, for the Week June 18, 2012 – Update Given

1. Bacteria Sampling – Update Given

2. Toxic Algae – Update Given

4. OTHER

a. GMDA Summer Session - Update Given

b. Water Resources Ground Water Technician – Update Given

c. Water Programs Budget – Update Given

d. Comments From The Public – Update Given

Meduna made the motion, seconded by Sabatka, that the July LPNDRD Water Committee Minutes be received and placed on file. Motion carried on consent agenda.

D. PROJECTS COMMITTEE REPORT

1. SWCP REPORT

a. SWCP Application Approvals-Payments-Cancellations

Meduna made the motion, seconded by Sabatka, to approve the following SWCP applications, payments and cancellations:

<u>SWCP Approvals:</u>			<u>50%</u>	<u>75%</u>
Jack Mulliken	Dodge Co.	Flow Meter	\$625.00	
Michael Reichmuth	Boone Co.	Flow Meter	\$625.00	
<u>SWCP Payments</u>			<u>Approved</u>	<u>Total Payment</u>
11-D-36	L. Fritz Loseke	Flow Meter	\$642.50	\$550.85
12-P-03	Jack Beller	Flow Meter	\$642.50	\$642.50

SWCP Cancellations

10-S-19	Steve Frahm	Flow Meter	\$667.71
10-D-36	Taylor Farms GP	Flow Meter x 2	\$1,356.00
10-S-41	Norman Poppe	Flow Meter	\$642.50
10-B-43	Edward Schmit Family Trust	Flow Meter	\$642.50

Motion carried on consent agenda.

b. Sand/Duck Creek Approvals – None

c. Sand/Duck Creek Cost-Share Payments – None

d. Sand/Duck Creek Cancellations – None

e. SWCP Policy Change

Kavan made the motion, seconded by Meduna, to approve up to an additional 25% SWCP cost share on approved Cottonwood Creek Watershed Water Quality Initiative (WQI) EQIP applications and provide up to \$47,000 SWCP funds per year for three years. Motion carried all members present voting aye.

2. WATERSHEDS

a. Shell Creek

1. Shell Creek Improvement Group – Update Given

b. Wahoo Creek

1. Wahoo Creek Watershed Water Quality Plan – Update Given

c. Cottonwood Creek – Federal Water Quality EQIP Funds – Update Given

3. LOWER PLATTE RIVER CORRIDOR ALLIANCE

a. Monthly Report - Update Given

b. LPRCA FY 2013 Draft Budget Proposal

Casey made the motion, seconded by Birkel, to approve all LPRCA items, as outlined in black on the LPRCA Budget totaling \$35,101. It was further recommended to budget an additional \$75,000 that potentially could be used toward contingent budget items, as outlined in red on the Budget, as attached to the Projects Committee Minutes. Motion carried.

AYE: Birkel, Casey, Clausen, Hagerbaumer, Hannah, Johannes, Olson, Saalfeld, Sabatka, Veskerna

NAY: Hilger, Kavan, McDermott, Meduna, Pollard, Taylor, Pieke

c. LPRCA 2012 Invoices

Casey made the motion, seconded by Meduna, to approve paying LPRCA FY12 invoice for the Remote Sensing-319 Grant (\$2,700), as previously approved in our 2012 Budget and attached to the Projects Committee Minutes. Motion carried.

AYE: Birkel, Casey, Clausen, Hagerbaumer, Hilger, Johannes, Kavan, McDermott, Meduna, Olson, Pollard, Sabatka, Taylor, Veskerna, Pieke

ABSTAIN: Hannah

4. OTHER

a. Update on Army COE 205 Studies

1. South Fremont 205 – Update Given

2. Schuyler 205

Meduna made the motion, seconded by Sabatka, to approve allowing District Staff to assist Schuyler with obtaining land rights for the Schuyler 205 levee project, which will be recorded as in-kind credit toward the project. Motion carried on consent agenda.

b. City of Wahoo Hazard Mitigation Plan – Update Given

c. Projects Budget Review

1. Transfer of Budgeted Funds into Sinking Funds

Kavan made the motion, seconded by Meduna, to transfer \$10,297 remaining in Shell Creek land treatment funds budget line #406.204 into the Shell Creek Sinking fund. Motion carried all members present voting aye.

Kavan made the motion, seconded by Birkel, to transfer \$1,000 remaining in the Intergovernmental Emergency Repairs budget line #405.103 into the Intergovernmental Emergency Repairs Sinking fund (to achieve \$100,000 in reserve). Motion carried all members present voting aye.

5. SAND CREEK ENVIRONMENTAL RESTORATION PROJECT REPORT

a. Lake Wanahoo

1. Wanahoo Dedication – Update Given

2. Drowning – Update Given

3. CCEI Lawsuit – Update Given

4. Recreation

Meduna made the motion, seconded by Birkel, to approve the purchase of material needed for the septic system at Lake Wanahoo, based on the low bid of \$11,891.43 from Cornhusker Winnelson. Motion carried all members present voting aye.

b. Upstream Structures – Update Given

6. WESTERN SARPY/CLEAR CREEK LEVEE REPORT – Update Given

Meduna made the motion, seconded by Sabatka, to accept and place on file the July Projects Committee Minutes. Motion carried on consent agenda.

7. ADDITIONAL ACTION ITEMS

7a. Registration of Vault Latrines at Wanahoo SRA

The 6 vault latrines at Lake Wanahoo SRA need to be registered with NDEQ at a cost of \$290 per unit for a total cost of \$1,740. This expense is part of the Corps Recreation component and we will be given in-kind credit from the Corps. Meduna made the motion, seconded by Johannes, to authorize payment of \$1,740 to NDEQ to register the 6 vault latrines at Lake Wanahoo. Motion carried all members present voting aye.

7b. Bellwood Phase II 319 Grant Payment:

Meduna made the motion seconded by Johannes, to approve the following Bellwood Phase II – 319 Grant Payment:

	<u>Approved</u>	<u>Actual Final Pmt</u>
<u>Dean Novak Flow Meter/Pivot Conversion</u>	<u>\$27,953.17</u>	<u>\$26,856.93</u>

Motion carried all members present voting aye.

8. BILLS TO BE APPROVED

McDermott made the motion, seconded by Johannes, that all bills be approved and warrants be drawn in payment of same. Motion carried all members present voting aye.

9. CONSENT AGENDA ADOPTION

Meduna made the motion, seconded by Sabatka, to approve the July consent agenda. Motion carried all members present voting aye.

At this time director Kavan asked to revisit item 6.A.3.e. which was Lake Wanahoo Finances. Kavan moved that the board go into executive session to discuss Lake Wanahoo Finances and that all staff be excluded. Several directors questioned the reason and felt the reasons given did not meet the statutory requirements. The motion failed for lack of a second.

Kavan presented an offer from First National Bank of Wahoo to finance the Lake Wanahoo Land Note at an interest rate of 3%. The offer expires on 7-31-12. Much discussion followed

Johannes made the motion, seconded by Meduna that staff research refinancing of the Wanahoo Land Note (\$3,018,952) by contacting all banks within LPNNRD. All offers will be brought back to the LPNNRD Board for consideration. If no offer is lower than the 3% offer currently in hand from First National Bank of Wahoo, then the Executive Committee is authorized to approve and sign the letter of intent received from First National Bank of Wahoo dated 7-9-12. This letter must be signed by 7-31-12 and begins the process of securing the loan from First National Bank of Wahoo. Motion Carried.

Earlier in the meeting a motion was passed to move the SRF #1 loan (\$3,700,000) to First National Bank - Omaha who is offering a 3.25% interest rate. McDermott made the motion, seconded by Meduna, that action on the FNB-O loan be held and that staff loan researching include refinancing of the SRF#1 loan. A report will be prepared for the entire board for their consideration. Motion Carried.

10. COMMENTS FROM DIRECTORS/GUESTS

11. MEETING ESTABLISHMENT AND ADJOURNMENT

The August Board of Directors Meeting will be held on Monday, August 13, 2012, 6:00 p.m. Meeting adjourned at 9:41 p.m.

Discussion on all agenda items that have "Update Given" can be found in corresponding Committee Minutes.

The undersigned, the duly elected and acting Secretary of the Lower Platte North Natural Resources District (the "District"), hereby certifies that the foregoing is a true and correct copy of the minutes of the Meeting of the Board of Directors of the District held on July 9, 2012, that all of the matters and 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 emergency nature, the agenda was not altered later than twenty-four (24) hours before the scheduled commencement of the meeting; 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 above minutes were in written form and available for public inspection within ten working days or prior to the next convened meeting, whichever occurred earlier; and, that reasonable efforts were made to provide all news media requesting notification of the meeting and of the time and place of said meeting and the subjects to be discussed at said meeting.

Ray Casey, Secretary