

**Upper Republican Natural Resources District
Board of Directors Regular Meeting
July 7, 2009 at 7:30 p.m.
511 East 5th Street, Imperial, NE**

Agendas were sent to all Board Members and all others requesting agendas. Agendas were posted in the NRD Office in Imperial, the NRCS Offices in Grant and Imperial, and the FSA Office in Benkelman. The meeting was announced over KADL-Imperial, KRVN-Lexington and KOGA-Ogallala and published in area newspapers.

Board Members Present: Kerry Bernhardt, Tom Gaschler, Dean Large, Terry Martin, Greg Pelster, Tim Schilke, Tom Schroder, Mick Strand, Tom Terryberry and Jeff Wallin.

Board Members Absent: Mike Mosel.

NRD Staff: Jasper Fanning, Dirk Dinnel and Deb Hayes.

NRD Legal Counsel: Joel Burke.

Others present: Nadine Bishop (NRCS), Traci Witthuhn(RR Basin Coordinator), Roger Stockton, Bob Rhoades, Jim Mullanix, Stan Loeffler, Brad Edgerton, Heidi Wheeler, Mike Moreland, Gerald Coates and Russ Pankonin.

Information mailed to Directors:

Agenda
Minutes of the June 2, 2009 Board meeting
Report of District applications, contracts and agreements

Information distributed at Board meeting:

Agenda	NRCS reports
Minutes of June 2, 2009 Regular Board meeting	Report of District applications and contracts
Financial reports	Republican River Basin Coalition

Chairman Pelster called the meeting to order at 7:31 p.m.

Chairman Pelster announced that the Open Meetings Act is posted if anyone would like to review it.

Mike Mosel is excused from tonight's meeting.

OPEN FORUMS:

Guests, Board members and NRD staff were introduced.

MINUTES:

- Terryberry moved to approve the minutes of the June 2, 2009 Regular Board meeting as mailed. Seconded by Gaschler.

Roll call vote: 7-yes, 1-abstain, 3-absent. Motion carried.

Large arrived at 7:35 p.m.

FINANCIAL REPORT:

The Manager presented the Financial Reports to the Board.

- Martin moved to accept the Treasurer's report and to pay the Accounts payable. Seconded by Bernhardt.

Roll call vote: 9-yes, 2-absent. Motion carried.

Jasper reviewed the audit bid from McChesney, Martin and Sagehorn. The bid is for \$4800 which is \$450 higher than last year's bid.

- Terryberry moved to accept the audit bid from McChesney, Martin and Sagehorn for the FY 08-09 and not to exceed the amount of \$4800. Seconded by Martin.

Roll call vote: 9-yes, 2-absent. Motion carried.

BUDGET COMMITTEE:

Jasper reviewed the draft FY 09-10 budget with the Board. The Budget Committee met earlier this evening and reviewed the draft budget. There will be some changes after the County valuations are known and when state aid information is released.

PUBLIC COMMENT:

Heidi Wheeler with Southwest Nebraska Public Health was present to discuss the possibility of the NRD storing supplies for the CDC from August to February possibly. Chairman Pelster directed management to work with Heidi and get more information on responsibilities and any agreements that are involved.

Wallin arrived at 7:45 p.m.

NRCS REPORT:

Nadine gave the NRCS report. Nadine reported on EQIP contracts and funding available for EQIP contracts. The Grassland Reserve program applications have been approved. There were no applications received in URNRD. There will be a No-Till Producer day on July 23rd at the Jeff and Keith Olson residence.

Roger Stockton discussed with the Board the possibility of monetary support for the SW Weed management area. There are some expenses that do not qualify for grant funding but need to be paid. The South West Weed Management Area is asking for \$7500 from Upper and Middle Republican NRDs.

- Terryberry moved to participate in the Southwest Management area for \$7500. Seconded by Bernhardt.

Roll call vote: 10-yes, 1-absent. Motion carried.

- Terryberry moved to approve the NRCS report dated July 1, 2009 to include the Conservation plans as signed for Chase, Dundy and Perkins County. Seconded by Martin.

Roll call vote: 10-yes, 1-absent. Motion carried.

GROUNDWATER MANAGEMENT/RULES AND REGULATIONS:

The Benkelman Golf course previously had a surface water right on a sand pit that is about 100 yards from the river. The golf course was built in 1980 and they have received a closing notice from DNR. The law changed in 2007 and pits were to be registered like groundwater wells. The golf course has relinquished their surface water right. Jasper felt that this pit should be registered and allocated like groundwater wells are. They have filled out the NRD's well permit application and paperwork has been sent to DNR to have the well registered.

- Martin moved to grant Benkelman Golf Course to pump as their permit allows and to review their request at the August meeting when there is further information from DNR. Seconded by Gaschler.

Roll call vote: 10-yes, 1-absent. Motion carried.

REPORT OF DISTRICT APPLICATIONS, CONTRACTS, AGREEMENTS:

Jasper requested to have the transfer applications for AK Acres, Dennis Kunnemann and Melvin Miller & AK Acres, Dennis Kunnemann from the report and consider them separately.

- Martin moved to approve the Report of District applications, contracts and agreements dated July 7, 2009 to include the NSWCP applications, pooling contract, transfer application and well decommissioning applications. Seconded by Schilke.

Discussion.

- Martin moved to amend the main motion and have Francis Wallin transfer request contingent upon if he understood the 39 inch limitation rule. Seconded by Terryberry.

Discussion.

Roll call vote: 9-yes, 1-abstain, 1-absent. Amendment carried.

- The main motion now reads: moved to approve the Report of District applications, contracts and agreements dated July 7, 2009 to include the NSWCP applications, pooling contract, transfer application and well decommissioning applications and have Francis Wallin transfer request contingent upon if he understood the 39 inch limitation rule.

Roll call vote: 9-yes, 1-abstain, 1-absent. Amended motion carried.

- Terryberry moved to approve the AK Acres, Dennis Kunnemann transfer request and the Melvin Miller and AK Acres, Dennis Kunnemann transfer request with the 39 inches limit on carry forward transferred and effective January 1, 2010. Seconded by Martin.

Roll call vote: 10-yes, 1-absent. Motion carried.

LEGAL COUNSEL REPORT:

Joel reported that the Lower and Middle Republican NRD's have received demands for the refund of LB 701 property tax. Joel and Jasper had a meeting in Lincoln and discussed some alternatives and legal action to refund the property tax. Upper Republican NRD has received a demand for a refund.

- Martin moved to go into executive session for one hour for threatened litigation with the Board, Legal Counsel and Management present.

Martin withdrew his motion.

Chairman Pelster will move the legal counsel report to the end of the agenda.

REPUBLICAN RIVER BASIN MEETING/COMPACT REPORT:

Jasper and the Board discussed the Arbitrators decision.

REPUBLICAN RIVER BASIN COALITION REPORT:

Traci gave the Republican River Basin Coalition report. Traci reported gave the financial report and reported on the RRBC Emergency Board meeting and the Nebraska Environmental Trust meeting that was held in June.

BUILDING PROJECT:

Jasper reported on the projects that are being done around the building and the large overhead door had to be repaired.

NO-TILL DAY SPONSOR:

Claudia Stevenson and Joe Anderson are putting together a No-Till field day in Perkins County. They have asked if the NRD would help sponsor this event. They have put together a budget for meal expenses for the No-Till day.

- Terryberry moved to sponsor lunch for the No Till field day in Perkins County for up to \$500.00. Seconded by Martin.

Roll call vote: 10-yes, 1-absent. Motion carried.

PICKUP BIDS:

Jasper reported that he has received two pickup bids. Imperial Country Ford was approximately \$4,000 less then Harchelroad Motors.

ASSISTANT MANAGER’S REPORT:

Dirk reported on the Dundy County Hazard Mitigation kick off meeting. Dirk has also reported the Jonathon Moore with JEO would like to expand their services for 319 grants if anyone is interested.

INFORMATION AND EDUCATION REPORT:

Mick reported that they still need names for the Conservation Award.

LEGISLATION:

Jasper reported that LB 477 becomes effective on August 30, 2009. This bill requires a title lien search for certified irrigated acre transfers. A form will need to be drawn up and possibly a fee for this search.

Jasper, staff members and some Board members attended public relation meetings to get ideas on ways to get information to the public on what the NRD’s are doing.

STATE ASSOCIATION:

Terry Martin gave a report on the State Association meetings.

BOARD OF DIRECTORS:

Jasper asked if the August Board meeting could be changed as he will be gone on August 4th.

- Terryberry moved to hold the August Regular Board meeting on August 10th at 7:30 p.m. Seconded by Gaschler.

Roll call vote: 10-yes, 1-absent. Motion carried.

Jasper asked to approve a 5% budget increase for employees' wages.

- Gaschler moved to approve a 5% budget increase for employee wages. Seconded by Strand.

Roll call vote: 10-yes, 1-absent. Motion carried.

Pelster reported that the Executive Committee had done Jasper's evaluation before the board meeting. The Executive Committee recommends that the manager's salary be increased by \$7500 which would increase his wage to \$115,000.

- Martin moved to set Jasper's wage at \$115,000 and all previous conditions and terms of his contract remain the same. Seconded by Gaschler.

Roll call vote: 9-yes, 1-no, 1-absent. Motion carried.

Voting yes: Bernhardt, Gaschler, Large, Martin, Pelster, Schilke, Schroder, Strand, Terryberry.

Voting no: Wallin. Absent: Mosel.

- Martin moved to go into executive session for one hour to discuss threatened litigation on refund of LB 701 property tax with the Board, legal counsel, and management present. Seconded by Gaschler.

Roll call vote: 10-yes, 1-absent. Motion carried.

The Board went into executive session at 9:25 pm.

- Martin moved to come out of executive session at 10:21 p.m. Seconded by Gaschler.

Roll call vote: 10-yes, 1-absent. Motion carried.

- Martin moved that Manager or committee retain legal counsel, at reasonable and customary fees, to initiate legal action to attempt to obtain a declaratory judgment of similar decision from a court requesting the determination of the various issues involved with the reimbursement of the taxes collected under the portion of SS 11 (1) (b) of LB 701 which were declared unconstitutional. Seconded by Terryberry.

Roll call vote: 10-yes, 1-absent. Motion carried.

Jasper reported that URNRD will be holding the Manager's meeting in late August and have a one day tour of the District.

Chairman Pelster adjourned the meeting at 10:28 pm. The next Regular Board meeting will be Monday, August 10, 2009 at the NRD Office in Imperial starting at 7:30 p.m.

Respectfully submitted

Tom Terryberry
Secretary/Treasurer