

**Upper Republican Natural Resources District
Board of Directors Regular Meeting
August 5, 2008 at 7:30 p.m.
135 West 5th Street, Imperial, NE**

Agendas were mailed 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, Donn Gengenbach, Dean Large, Terry Martin, Mike Mosel, Greg Pelster, Tim Schilke, Mick Strand and Tom Terryberry.

Board Members Absent: Jeff Wallin.

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

Others present: Nadine Bishop (NRCS), Traci Witthuhn (RR Basin Coordinator), and Stan Loeffler.

Information mailed to Directors:

Agenda

Minutes of the July 1, 2008 Regular Board meeting

Transfer of allocation application
Report of District applications,
contracts & agreements

Information distributed at Board meeting:

Agenda

Minutes of July 1, 2008 Regular Board meeting

Financial reports

Draft budget

NRCS report

Transfer of allocation application

Transfer of allocation application
Report of District applications,
contracts & agreements
Republican River Coalition report
Building information
NARD Annual Conference agenda

Chairman Pelster called the meeting to order at 7:35 p.m.

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

Jeff Wallin is excused from tonight's meeting.

OPEN FORUMS:

Guests, NRCS staff, Board members and NRD staff were introduced.

MINUTES:

- Martin moved to approve the minutes of the July 1, 2008 Regular Board meeting as corrected. Seconded by Mosel.

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

FINANCIAL REPORT:

The Manager presented the Financial Reports to the Board.

- Terryberry moved to approve the Accounts Payable and to accept the Treasurer's report. Seconded by Mosel.

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

Dirk, Jasper and the Budget Committee reviewed the draft budget with the Board. There was discussion on placing a \$2.00 per acre occupation tax on irrigated acres.

- Terryberry moved to amend the draft budget and place a \$2.00 per acre occupation tax on irrigated acres and this amount entered after the County valuations are known and have the draft budget published for hearing date of September 2, 2008. Seconded by Gaschler.

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

NRCS REPORT:

Nadine gave the NRCS report and reported that NRCS received an additional \$496,800.00 of general EQIP funds in July. Nadine also reported on the injunction that was filed regarding CRP critical feed use. There will be series of regional meetings for all NRCS employees in September. NRD field office secretaries are invited to attend these meetings at NRCS expense.

- Terryberry moved to approve the NRCS report of planning activities dated July 29, 2008 and to include the Conservation Plans as signed for Chase, Dundy and Perkins County. Seconded by Bernhardt.

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

GROUNDWATER MANAGEMENT/RULES AND REGULATIONS:

Elwin Morse and KeeNan Farms (Kent Miller) are requesting a transfer of allocation from the NW ¼ of Section 31-7-40 to the SW ¼ Section 29-7-40. This transfer of allocation would be for 1476.80 acre inches (13 inches on 113.6 acres).

- Large moved to postpone the transfer request of Elwin Morse and KeeNan Farms to allow an operator to attend the next Board meeting. Seconded by Martin.

Discussion.

Roll call vote: 2-yes, 8-no, 1-absent. Motion failed.

Voting yes: Large and Martin. Voting no: Bernhardt, Gaschler, Gengenbach, Mosel, Pelster, Schilke, Strand and Terryberry. Absent: Wallin.

- Terryberry moved to approve the transfer of allocation application of Elwin Morse and KeeNan Farms from the NE ¼ of Section 31-7-40 to the SW ¼ of Section 29-7-40 as presented for a total of 1476.80 acre inches for the 2008 allocation period. Seconded by Bernhardt.

Discussion.

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

Voting yes: Bernhardt, Gaschler, Gengenbach, Martin, Mosel, Pelster, Schilke, Strand and Terryberry. Voting no: Large. Absent: Wallin.

Jasper requested that item #2, Complaints and Violations, be moved to the end of agenda for possible executive session to protect the individuals involved.

VARIANCE COMMITTEE:

None.

REPORT OF DISTRICT APPLICATIONS, CONTRACTS, AGREEMENTS:

- Terryberry moved to approve the Report of District Applications, Contracts and Agreements dated August 5, 2008 which includes the NSWCP applications and expedited transfer application. Seconded by Strand.

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

REPUBLICAN RIVER BASIN MEETING/COMPACT REPORT:

There is a Republican River Compact meeting in Lincoln on August 12th & 13th which Jasper will be attending.

Traci Witthuhn gave the Republican River Basin Coalition report. Traci reviewed the financial report, and the Republican River Basin Coalition minutes and bylaws. Traci reported that the NRRMDA meeting will be held August 19th in Holdrege.

- Terryberry moved to direct the Republican River Basin Coordinator to support the recommended changes in the bylaws. Seconded by Mosel.

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

BUILDING REPORT:

Stephen Granger from CG Architects was present and had gone with the Building Committee to tour the building tonight before the Board meeting. Mr. Granger reviewed Dowhower Construction's application for payment #5 and also discussed items of concern with the Board. There will be some sheet rock replaced and also the connecting properties to the URNRD's will be cleaned up when building is complete.

Mr. Granger also reviewed the Contract change orders with the Board.

- Martin moved to approve change order # 1, #2, #3 and #4 and authorize the certificate of payment #5. Seconded by Schilke.

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

DISTRICT POLICIES:

Jasper reported to the Board that there are a few changes that need to be made to the operating policy and the employee policy. Jasper asked that the Chairman appoint a Committee to review these policies. Chairman Pelster asked the Information and Education Committee to review the policies.

ASSISTANT MANAGER'S REPORT:

Jasper reported that Dirk has met with both Perkins and Chase County Hazard mitigations groups. Perkins County has mailed the potential projects and the goals and objectives and JEO is doing the structural inventory. They will begin drafting the plan in August and have a meeting this winter and do the final draft in the spring. Chase County had their kick off meeting on July 23, 2008 and will have their first meeting in October.

INFORMATION AND EDUCATION REPORT:

Mick Strand gave the Information and Education Committee report. The Committee met after the last Board meeting and voted for Brett Bullock for Tree Planter of the year. Mr. Bullock has accepted the award and pictures of the property should be taken within the next couple of weeks.

Jasper reported that last month the Information & Education Committee discussed a District Friend of Conservation award. There is a NACD Friend of Conservation Award and if the NRD

would give an award within the District then this would also help to nominate them for this national award. The Chairman asked that the Information & Committee bring back some ideas to the September Board meeting.

STATE ASSOCIATIONS/RESOLUTIONS:

Jasper and Dan Smith had discussed recommending to each Board, a resolution to take the LB 1094 funds that were granted to the NRD's and create a water resources revolving fund that would be available for NRDs to borrow money from for projects related to water resources and when this is paid back that money would be available for the next project.

- Terryberry moved that management prepare a resolution to create a water resources revolving fund with LB 1094 funds. Seconded by Martin.

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

Chairman Pelster called a 5 minute recess at 9:08 pm.

Chairman Pelster called the meeting back in session at 9:15 pm

- Martin moved to go into executive session for 30 minutes to discuss Republican River litigation with the Board, Manager and Republican River Coordinator present. Seconded by Mosel.

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

The Board went into executive session at 9:17 p.m.

- Martin moved to come out of executive session at 9:52 p.m. Seconded by Gaschler.

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

- Terryberry moved to go into executive session not to exceed 15 minutes to protect individual's reputation to discuss a run off complaint and chemigation violation with the Board and Management present. Seconded by Gaschler.

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

The board went into executive session at 9:55 p.m.

- Terryberry moved to come out of executive session at 10:08 p.m. Seconded by Mosel.

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

BOARD OF DIRECTORS:

The agenda for NARD Annual conference was given to each Board member and they were reminded to let Deb know by the end of August if they are planning to attend.

Chairman Pelster adjourned the meeting at 10:12 pm. The next Regular Board meeting will be Tuesday, September 2, 2008 at the NRD Office in Imperial starting at 7:30 p.m.

Respectfully submitted

Tom Terryberry
Secretary/Treasurer