

**MINUTES**  
**Middle Republican Natural Resources District**  
**Board of Directors Meeting**  
**Tuesday, April 12, 2011 at 7:00 PM**  
**Curtis, Nebraska**

**Board Members Present:** Kevin Fornoff, Joe Anderjaska, Brad Randel, Buck Haag, James Uerling, Rick McConville, Rick Spencer, Steve Cappel, John Palic, Blaine Stinson, Bill Hoyt

**Board Members Absent:** None

**NRD Staff:** Dan Smith, Bob Merrigan, Roger Lawson, Stacie Owens

**NRCS Staff:** Jason Kennedy

**Others:** Justin Bass, Nate Jenkins, Brad Edgerton, Roger Kolbet, Geraldine Clark, Roger Stockton, William M. Barger, Brad Johnson, Vern Friesen, Clint Sheets, Josh Friesen, Marty Schurr

**Information E-mailed to Directors:**

E-mail from Smith dated 3/9/2011 re: NWC Action Alert

E-mail from Smith dated 3/9/2011 re: LB 653

Legislative Updates dated 3/11/2011, 3/18/2011, 3/25/2011, 4/1/2011, 4/8/2011

E-mail from Smith dated 3/16/2011 re: Draft MRNRD Dam Repair Funding Ltr

E-Notes dated 3/15/2011, 3/22/2011, 3/29/2011, 4/4/2011, 4/12/2011

E-mail from Smith dated 3/17/2011 re: Property

E-mail from Uerling dated 3/21/2011 re: Imperial Republican Story & response from Hoyt

E-mail from Smith dated 3/28/2011 re: Irrigation Leader March 2011

E-mail from Smith dated 4/1/2011 re: FY 11-12 and 12-13 NARD Budget

E-mail from Smith dated 4/4/2011 re: Republican River – US Supreme Court Order

E-mail from Smith dated 4/4/2011 re: Survey

E-mail from Smith dated 4/5/2011 re: KS v NE

E-mail from Smith dated 4/8/2011 re: NRCS preparations for budget expiration

**Information Mailed to Directors:**

Agenda

Minutes – Regular Meeting

Public Hearing Agenda

Variance Request VAR1-2011

Profit & Loss Report

I & E Report

College Scholarship Applicants List

Spring Measurements Report

Summary of Consumptive Data – Draft

Minutes – P & O Meeting

Minutes – Adjudicatory Hearing

Minutes – Public Hearing

Variance Request VAR3-2011

Financial Report

Civil Rights Handout

Envirothon Funding Request

Mar. 23 Ltr from DNR

Spring 2010 GW Changes in NE

Permit to Construct Report

Policy Changes for Consideration - Draft

**Information Distributed at Meeting:**

MRNRD Motion to Direct  
I & E Addendum  
Cost Share Report  
LB 645 Testimony

Water Resources Cash Fund Application  
Surface Water Report  
NRCS Report  
College Scholarship Applications

**REGULAR MEETING**

1. The regular monthly board meeting was called to order by Chairman Haag at 7:00 pm.
  - a. Verify Quorum.
  - b. Excused Absences – None.
  
2. The agenda and roster were circulated to those present.
  - a. Items added since mailing. 8.b. Bonding Process  
8.c. Water Resources Cash Fund
  
3. Notice of the regular monthly meeting was published in the **North Platte Telegraph** and the **McCook Daily Gazette** and was posted at the **MRNRD Office** and on the **District Website at [www.mrnrd.org](http://www.mrnrd.org)**. As a courtesy it was also provided to local radio stations. Guests should also note the location of a current copy of the statutes dealing with public meetings and the booklet with the information provided to directors.

**Rick Spencer arrived at 7:02.**

4. The Minutes for the March Regular Board Meeting, Variance Hearing and Adjudicatory Hearing were mailed to Directors.

♦ A motion was made by Anderjaska and seconded by Cappel to approve the March Regular Board Meeting, Variance Hearing and Adjudicatory Hearing.

Ayes - 10    Nays – 0    Abstain - Spencer    Motion Carried

5. Open Hearing for Variance Request at 7:03 pm

6. Close Hearing at 7:29 pm.

**7. CONSIDER VARIANCE REQUESTS**

Haag called for any further discussion. None.

♦ A motion was made by Fornoff and seconded by Spencer to approve Variance Request #3-2011.

Ayes- 11    Nays- 0    Motion Carried

Discussion held.

♦ A motion was made by Fornoff and seconded by McConville to table action on Variance Request #1-2011 until further information can be provided.

Ayes- 11    Nays- 0    Motion Carried

## **8. FINANCIAL ACTIONS**

a. The March Financial Report and Monthly Income and Expense Report were presented by Smith. The County Treasurers' Balance was \$14,701.35.

◆ A motion was made by Uerling and seconded by Palic to approve the March Financial Report as presented.

Ayes- 11      Nays- 0      Motion Carried

A copy of this report is filed with the Minutes.

b. Bonding Process.

Smith went over the bonding process and requested Board to direct him to contact Ameritas Investment Corporation to look into document preparation. Smith also reminded the Board this does not lock them into anything.

◆ A motion was made by Fornoff and seconded by Palic to direct the NRD Manager to contact Ameritas Investment Corp. to begin preparing the materials and documents necessary for the Bond to consider authorizing the issuance of bonds to finance the District's Riverflow Enhancement Projects.

Ayes- 11      Nays- 0      Motion Carried

c. Water Resources Cash Fund.

Smith went over how the Water Resources Cash Fund is setup and recommended making an application in so we can be competitive with the Platte Basin.

## **9. LEGAL MATTERS**

a. Occupation Tax Challenge – NE Supreme Court – Awaiting Decision.  
Nothing new.

b. Kansas vs. Nebraska filing.

Smith reported that he has forward e-mail from the Attorney General's Office relating to the US Supreme Court grating Kansas's motion to leave to file a petition. Since the Court did not put a timeline in the order, we will have to wait until we are contacted by the special master to find out what the actual timeline will be.

c. Legal Representation.

Smith stated that the executive committee has had too many scheduling conflicts to meet and go over the list of attorney's. Smith did have the 5 committee members rank the attorney's and he handed out those responses. Smith will go ahead and mail out the entire package of details from each firm to all the Board members.

d. Adopt Order denying variance for Koetter.

◆ A motion was made by Anderjaska and seconded by Hoyt to direct the Chairman to sign the Order denying variance for Koetter.

Ayes- 11      Nays- 0      Motion Carried

Discussion was held relating to putting a more punitive judgment on situations like this in the rules.

## **10. OPEN FORUM**

William Barger, Culbertson. Barger requested the board entertain a motion to leave the current Rules and Regulations in place for the remainder of this allocation period and open up transfers again. He stated that he knows of some people who are in need of purchasing water.

## **11. REPORTS – AGENCIES, ASSOCIATIONS, OTHERS**

### **A. NRCS REPORT.**

1. District Cons. Report. Jason Kennedy reported on current NRCS contracts. They have not heard whether or not they will receive additional funding for AWEP but will continue to write contracts until the deadline which is July 1<sup>st</sup>. Kennedy also thanked for Board for allowing them to use our ATV's for training purposes.

2. NRCS Office Closure and the Impact on the Field Office Secretaries. Smith brought up the concern of a Federal shutdown and asked for guidance from the Board as to how the secretaries should be handled in the even this should occur again. Some ideas of bringing them to the NRD Curtis Office to work there were brought up. It was decided to review the situation when it arises to see what would be the most logical avenue to take.

### **B. NARD**

1. Report – Anderjaska reported that they have not had a meeting recently so there wasn't anything to report on at this time.

### **C. NNRC**

1. Report - Nelsen. No report available.

### **D. INFORMATION AND EDUCATION – LAWSON.**

1. Reports. Lawson went over his report and his added addendum relating to the GW Quality Sampling Expansion Program Grant. Merrigan also stated that this may not be completed until next year.

Lawson copied the Board a request for support from the Envirothon Team.

♦ A motion was made by Uerling and seconded by Anderjaska to support the Envirothon Team with \$231.

Ayes- 11      Nays- 0      Motion Carried

Lawson went over the scholarship applicants and the recommendations he had.

♦ A motion was made by Anderjaska and seconded by Uerling to offer the two college scholarships to Derek Aden and Katelyn Sughroue.

Ayes- 11      Nays- 0      Motion Carried

### **E. REPUBLICAN RIVER BASIN COALITION**

1. Reports.

Nate Jenkins reported on the Supreme Court's decision regarding Kansas' request. He will be spending time keeping the media and public focused on the facts. Jenkins also mentioned having some public meetings around the basin to cover basic compact accounting.

2. April 6<sup>th</sup> Meeting, Holdrege.  
Jenkins reported on the April 6<sup>th</sup> meeting.

**F. NE REPUBLICAN RIVER MANAGEMENT DISTRICTS ASSOCIATION.**

1. Reports.
2. April 6<sup>th</sup> Meeting, Holdrege.  
Jenkins went over events of the April 6<sup>th</sup> meeting.
3. Support for B of R Basin Study.  
Jenkins talked about the water balance study wrapping up and they would be planning some public meetings around the area so the engineers would have a chance to go over the results. He also touched on the breakdown of how the expenses will be paid.

**G. OTHER AGENCIES OR ASSOCIATIONS.**

1. RC&D – Roger Stockton reported on RC&D activities. He also stated that the RC&D Funding was being cut from the budget.

◆ A motion was made by Uerling and seconded by Palic to direct Smith to do a letter of support to the Senators'.

Ayes- 11                  Nays- 0                  Motion Carried

**H. LEGISLATION.**

1. Sustainability Task Force Report – Anderjaska/Fornoff. Expense and Per Diem.

Smith discussed the small budget that was set up for the TASK Force and felt the Board should consider allowing Fornoff and Anderjaska to turn in their expenses for the TASK force to the District for payment.

◆ A motion was made by McConville and seconded by Randel to allow Fornoff and Anderjaska to turn in expenses relating to the TASK Force to the District for payment.

Ayes- 9                  Nays- 0                  Abstain- Anderjaska, Fornoff                  Motion Carried

Anderjaska and Fornoff went over the progress being made at the meetings.

2. Legislative Updates – Discuss LB 229.

Smith reminded everyone to read Dean Edson's legislative updates that are e-mail to all Board members and to let us know if anyone is ever having any e-mail issues so we can send out a hard copy in the mail. Uerling handed out a copy of the testimony for LB 645 that he and Smith went to Lincoln and gave.

Further discussions were held relating to offering an incentive for those producers with comingled acres to use their surface water allocation instead of groundwater. Questions were brought up as to whether or not there is a way to get credit for the surface water that isn't being taken. Roger Kolbet said he would be willing to work with us on trying to recapture the water on paper.

## **12. GROUND WATER MANAGEMENT AREA**

### **A. GROUND WATER MANAGEMENT AREA**

#### **1. REPORTS.**

- (a) **WELL PERMITS**  
Report included in packet.
- (b) **SURFACE WATER**  
Bureau's report handed out.
- (c) **METER PROGRAM**  
None.
- (d) **AWEP.**  
Discussed during NRCS report.

(e) **ARP.**  
Smith talked about looking into offering an ARP program for those who applied for AWEP but didn't end up getting funded.

◆ A motion was made by Hoyt and seconded by Fornoff to authorize Smith to draft up a contract for Board approval.

Ayes- 10      Nays- 0      Abstain-Fornoff      Motion Carried

#### **2. TRANSFERS REQUESTS.**

- (a) **INITIAL REVIEW LIST – None.**
- (b) **FINAL REVIEW – None.**

#### **3. IMP DISCUSSION.**

(a) **Management Actions.**  
Smith recommended going into executive session towards the end of the meeting to discuss in detail.

- (b) **Future Revisions.**
- (c) **Response from DNR.**
- (d) **Solicit input from Bureau of Reclamation.**

Smith went over the response from DNR relating to the percentages. Uerling would like to see a meeting with the Upper Republican NRD Board to see if the change would be acceptable. Smith stated he would try to set something up.

**4. GROUNDWATER COMMITTEE REPORT.**

1. Rules and Regulation - Discussion.

Smith stated that the groundwater committee has not had another meeting and he was still waiting for a couple of the surveys to be returned. At that point, he will work with the committee to set up a meeting date and time.

**5. NOTICES OF NON-COMPLIANCE ISSUED.**

None.

**6. CEASE AND DESIST ORDER – AFFIRM STAFF ACTION.**

None.

**7. SPRING MEASUREMENTS.**

Smith went over the spring measurements results which were included in the board handouts.

**B. GROUND WATER QUALITY MANAGEMENT AREA –**

None.

**C. OTHER GROUND WATER ACTIVITY**

Smith reported on his conversation with Pat O’Brien relating to the testing done on well in the Trenton area which the test results came back inconclusive. We will work with DEQ to try to help in any way we can.

**13. PROGRAMS**

**A. COST-SHARE FUNDS – LCP/NSWCP.**

**1. Approve Applications.** Smith went over the cost share report and answered questions.

♦ A motion was made by Uerling and seconded by Palic to approve the Cost Share Summary as presented.

Ayes- 10      Nays- 0      Abstain-Fornoff      Motion Carried

**B. WATERSHEDS – REHAB.**

1. Progress on 32A and 80A.  
Still in winter shutdown.

2. Funding Issue.

Smith stated that letters have gone out to delegates and he plans to do a follow up.

**C. COMPLAINTS – REPORTS ON PREVIOUS COMPLAINTS.**

None.

**D. CHEMIGATION.**

Smith reported that inspections have started and renewals are still ongoing.

**E. TREE PLANTING.**

Smith reported that we have the trees and planting is scheduled to begin tomorrow.

**F. BUFFER STRIPS.**

None.

**G. LIVESTOCK WASTE CONTROL APPLICATIONS.**

None.

**14. GENERAL OPERATIONS.**

**A. PERSONNEL – Personnel & Operations Committee – Report and Recommendations.**

Smith went over the committee’s report and recommendations which was included in the board packets.

- ◆ A motion was made by Spencer and seconded by Fornoff to accept the Minutes and Recommendations of the Personnel and Operations Committee.

Ayes- 11                      Nays- 0                      Motion Carried

**B. CONSIDER – OPERATIONAL POLICY, PERSONNEL POLICY AND BYLAW REVISIONS.**

Smith went over and discussed changes. Board will act on changes next month.

**C. SALES AND RENTAL EQUIPMENT.**

None.

- ◆ A motion was made by Anderjaska and seconded by Stinson to enter into executive session to discuss strategy and groundwater negotiations.

Ayes- 11                      Nays- 0                      Motion Carried

Chairman Haag restated, for the record, the limitation of the subject matter of the closed session.

Entered into Executive Session at 10:10 pm.

- ◆ A motion was made by Anderjaska and seconded by Palic to exit executive session.

Ayes- 11                      Nays- 0                      Motion Carried

Exited Executive Session at 10:48 pm.

- ◆ A motion was made by Uerling and seconded by Hoyt to pay appraisal bill of \$5,500.

Ayes- 11                      Nays- 0                      Motion Carried

A committee was set up to meet with Riverside Irrigation District consisting of Palic, Stinson, Spencer and Haag.

The meeting was adjourned at 10:54 pm.

The next regular meeting will be held Tuesday, May 10, 2011 at 7:30 p.m., at the Community Center at 201 Garlick Avenue in Curtis, Nebraska.

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Stacie M. Owens  
Board Secretary