

MINUTES
Middle Republican Natural Resources District
Board of Directors Meeting
Tuesday, May 10, 2011 at 7:30 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: Nate Jenkins, William M. Barger, Brad Johnson, Brad Edgerton, Justin Bass, Josh Friesen, Geraldine Clark, Roger Kolbet

Information E-mailed to Directors:

E-Notes dated April 19, 26 & May 3
Legislative Updates dated April 15, 22
Basin Study

2008 State CRM Report 1-27-09
NACD News on Budget Cuts
NARD 414 & NARD 457

Information Mailed to Directors:

Agenda
Public Hearing Agenda
Clark Assessor Records
Financial Report
Draft Budget
I & E Report
Camp Scholarship Application
Acreage Retirement Program applicants
Board Survey Responses
GW/SW Purchases

Minutes from Regular Meeting & Public Hearing
Clark Usage report
Clark FSA Records
Profit & Loss Budget vs Actual
Civil Rights Handout
Conservation Nomination Forms (2)
Thank you from Derek Aden
GW Committee Recommendations
Water Usages for MRNRD
Bureau of Reclamation letter dated April 11

Information Distributed at Meeting:

RRBC Financials
Cost-Share Summary
Letter from DNR dated March 23
Nebraska's RRC Use
Legal Representation List

GW Committee Draft of Rules Changes
Adjudicatory Hearing Rules Revisions
Canal information from Brad Edgerton
Project Cost Breakdown

REGULAR MEETING

1. The regular monthly board meeting was called to order by Chairman Haag at 7:32 pm.
 - a. Verify Quorum.
 - b. Excused Absences – None.

2. The agenda and roster were circulated to those present.
 - a. Items added since mailing: 2.a.3.c. Dunnigan Letter
2.a.3.d. Irrigation District Discussions

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. 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.

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

◆ A motion was made by Fornoff and seconded by Palic to approve the April Regular Board Meeting and Variance Hearing.

Ayes - 8 Nays - 0 Motion Carried

5. Open Hearing for Variance Request at 7:34 pm

Uerling & Cappel arrived at 7:38 pm.

Spencer arrived at 7:40 pm.

6. Close Hearing at 7:54 pm.

7. CONSIDER VARIANCE REQUESTS

Discussion held.

◆ A motion was made by Uerling and seconded by Anderjaska to continue to table Variance Request #1-2011 made by Geraldine Clark to seek legal counsel regarding the signature issue.

Ayes- 11 Nays- 0 Motion Carried

8. FINANCIAL ACTIONS

a. The April Financial Report and Monthly Income and Expense Report were presented by Smith. The County Treasurers' Balance was \$51,044.98.

Uerling stepped out of the meeting at 8:00 pm.

◆ A motion was made by Anderjaska and seconded by Spencer to approve the April Financial Report as presented.

Ayes- 10 Nays- 0 Motion Carried

A copy of this report is filed with the Minutes.

Uerling returned to the meeting at 8:02 pm.

- b. Draft 2011-2012 Budget.

Smith went over additional changes and refinements that have been made to the draft budget. There will still be additional changes that have to be made as we go and he encouraged the Board to get a hold of him with any questions or concerns.

9. LEGAL MATTERS

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

- b. Kansas vs. Nebraska - Timeline.

Smith stated his conversation with Don Blankenau, who will be working on the issue, stated there will be a meeting on July 18th in Kansas City with the Special Master.

- c. Legal Representation.

Smith handed out the rankings of the attorneys' made by the committee. Discussion was held and it was decided everyone on the board should rank them and hand it in to Smith by the end of the meeting.

10. OPEN FORUM

Josh Friesen, Wallace, NE. Friesen commented that he hoped the Board would have some good projects to pursue if they intend to increase taxes and reduce allocation.

William M. Barger, Culbertson, NE. Barger stated that there were a number of people that were going to be out of water and unable to irrigate in 2012 if transfers weren't opened up again. He stated he hoped they would hurry up with the completion of the Rules & Regulations.

11. REPORTS – AGENCIES, ASSOCIATIONS, OTHERS

A. NRCS REPORT.

1. District Cons. Report.

Kennedy reported that the RC&D offices have been closed and their personnel absorbed into the field offices. Roger Stockton has been placed in Beaver City. They have sent in a request for another \$400,000 of AWEP money and are awaiting a decision. He also announced that they were back to working on pipelines and terraces.

2. Watershed Repair Funding. Kennedy announced that 32A will be receiving the funds needed to complete the repairs and the crew would start back to working on the dam next Monday.

B. NARD

1. Report – Anderjaska reported he was unable to attend the last meeting held and sent Smith in his place. Smith then reported on the events of the meeting.

2. Basin Tour June 13, 14 & 15. Anderjaska talked about the basin tour and stated he'd e-mail the agenda and sign-up form to Smith to be e-mailed out to the other Board Members.

C. NNRC

- 1. Report - Nelsen. No report available.

D. INFORMATION AND EDUCATION – LAWSON.

- 1. Reports. Lawson went over his report, pointing out a thank you from Derek Aden who was awarded a scholarship and answered questions.
- 2. Action on Conservation Award, Camp Scholarship, WCREC Water & Crop Field Day Sponsorship.

Lawson went over the camp scholarship application received from Marlys Brenning.

◆ A motion was made by Randel and seconded by Spencer to award Marlys Brenning a \$180 to attend the Sandhills Academy Camp.

Ayes- 11 Nays- 0 Motion Carried

Lawson went over the two nomination packages received for the Conservation Awards Program. Discussion was held.

◆ A motion was made by Palic and seconded by Uerling to nominate Land a Life Farms Inc. as an honor conservation and requesting Ron Thompson to resubmit the application, and Kirt and Cynthia Ross for the Tree Planter Award.

Ayes- 10 Nays- 0 Abstain – Fornoff Motion Carried

Lawson went over the WCREC Water & Crop Field Day Sponsorship request. The sponsorship would include our name on the brochure and an exhibit booth.

◆ A motion was made by Uerling and seconded by McConville to sponsor the WCREC Water & Crop Field Day Sponsorship request to be held June 30th in the amount of \$125.

Ayes- 11 Nays- 0 Motion Carried

E. REPUBLICAN RIVER BASIN COALITION

- 1. Reports. Nate Jenkins went over the financial report which was included in the Board Handouts and stated he has been setting up presentations on the water balance study for the NRD’s in the district and the public. They will be presenting to our Board at the June meeting.

F. NE REPUBLICAN RIVER MANAGEMENT DISTRICTS ASSOCIATION.

- 1. Reports. Jenkins reported on activities of the NRRMDA.

G. OTHER AGENCIES OR ASSOCIATIONS.

- 1. RC&D.
None.

H. LEGISLATION.

- 1. Sustainability Task Force Report – Anderjaska/Fornoff.

Nothing new. There should be a meeting being set up for sometime in July.

12. GROUND WATER MANAGEMENT AREA

A. GROUND WATER MANAGEMENT AREA

1. REPORTS.

(a) WELL PERMITS

None.

(b) SURFACE WATER – Discussion with Edgerton re: Consumptive use between Surface Water and Ground Water.

Edgerton handed out some information on the canals in the area and discussed what he felt the impacts of trying to get comingled acres to use their surface water before using groundwater would be on the system. He also talked about the Lower Republicans incentive plan they used to encourage the users use the surface water. Smith talked about the differences between the two districts and that research would need to be done to find out exactly how beneficial this could be to our district.

(c) METER PROGRAM

None.

(d) AWEP.

Discussed during NRCS report.

(e) ARP.

Merrigan discussed three different producers who expressed interest in the ARP program. Discussion was held.

♦ A motion was made by Fornoff and seconded by Palic to retire all three interested parties for a total payout of \$139,860 on 90.3 acres.

Ayes- 11 Nays- 0 Motion Carried

CHAIRMAN MOVED ITEM 7 ON THE AGENDA HERE.

7. CONSIDER ACTION ON SURFACE WATER PURCHASE AND GROUND WATER AUGMENTATION SITES.

Roger Kolbet stated that everyone on the Riverside Canal seemed to be interested in our offer except one who has their ground in CREP and had concerns as to how that would work. Smith stated that we should be able to work around that issue with a different contract.

♦ A motion was made by Anderjaska and seconded by Hoyt to endorse committees action and direct Smith to work on the Riverside Irrigation District retirement program.

Ayes- 11 Nays- 0 Motion Carried

Smith handed out a breakdown of the total project costs for establishing a

groundwater augmentation site without inclusion of the cost of land. Smith did state we needed to let the landowner know one way or another so we weren't holding him up as he has other offers available.

◆ A motion was made by Hoyt and seconded by McConville to not make an offer and to thank Timmerman for his time.

Ayes- 11 Nays- 0 Motion Carried

2. TRANSFERS REQUESTS.

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

3. IMP DISCUSSION.

- (a) **Management Actions.**

Smith talked about some benefit issues that will need to be accounted for before any action is taken.

- (b) **Future Revisions.**

Smith reported that Dunnigan tried to set up a meeting between the 3 NRD's to revisit the percentages. One of the Districts pulled out before a meeting could be set so he felt there was no point in continuing to look at the issue as all 3 NRD's would have to be in agreement to make any adjustments.

- (c) **Dunnigan Letter.**

Uerling stated that he felt we needed to respond to the letter from March 23 from Brian Dunnigan and his reasons why he felt the percentages needed to change.

- (d) **Irrigation District Discussions.**

Smith stated that he and Brad Edgerton are working together to come up with some ideas. Uerling stated that he would also like to see us talk with H&RW.

4. GROUNDWATER COMMITTEE REPORT.

- 1. Rules and Regulation - Discussion.

Smith went over the suggested changes by the groundwater committee to the rules and regulations, and the results of the surveys received from Board Members.

5. NOTICES OF NON-COMPLIANCE ISSUED.

None.

6. CEASE AND DESIST ORDER – AWAITING REPLY FROM KOETTER.

Smith stated that Merrigan has yet to receive an acceptance response for the agreement to recertify acres by May 1st of each year from either Koetter or his attorney. It was suggested that we have a technician drive by the property to ensure no irrigation is occurring.

7. CONSIDER ACTION ON SURFACE WATER PURCHASE AND GROUND WATER AUGMENTATION SITES.

Item moved up on the agenda following 12.a.1.e.

B. GROUND WATER QUALITY MANAGEMENT AREA –

None.

C. OTHER GROUND WATER ACTIVITY

None.

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 Fornoff and seconded by Spencer to approve the Cost Share Summary as presented.

Ayes- 11 Nays- 0 Motion Carried

B. WATERSHEDS – REHAB.

1. Progress on 32A and 80A.

Discussed during NRCS report. Smith did a brief recap.

C. COMPLAINTS – REPORTS ON PREVIOUS COMPLAINTS.

Merrigan reported he is still working with outstanding complaints with Seward and Vapenik.

D. CHEMIGATION.

Smith reported that inspections have started.

E. TREE PLANTING.

Smith reported that trees have been planted and the only thing left was getting the mulch put down.

F. BUFFER STRIPS.

None.

G. LIVESTOCK WASTE CONTROL APPLICATIONS.

None.

14. GENERAL OPERATIONS.

A. PERSONNEL – Personnel & Operations Committee Recommendations.

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

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

♦ A motion was made by Anderjaska and seconded by Uerling to adopt the General

Policy, Personnel Policy and the Bylaws.

Ayes- 11

Nays- 0

Motion Carried

C. SALES AND RENTAL EQUIPMENT.

None.

Further discussion was held and review of the top two choices by the Board Members relating to the ranking of the attorneys' discussed under item 9.c.

- ◆ A motion was made by Palic and seconded by Cappel to have the executive committee interview Linstrom and Jarecke.

Ayes- 11

Nays- 0

Motion Carried

The meeting was adjourned at 11:15 pm.

The next regular meeting will be held Tuesday, June 14, 2011 at 7:30 p.m., at the Community Center at 201 Garlick Avenue in Curtis, Nebraska.

Stacie M. Owens
Board Secretary