

**MINUTES OF
LOWER ELKHORN NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING**

7:30 p.m., Monday, December 2, 2019
Lower Elkhorn NRD
1508 Square Turn Blvd, Norfolk, Nebraska

The Board of Directors Meeting of the Lower Elkhorn Natural Resources District was called to order by Chairman Gary Loftis on Monday, December 2, 2019 at the Lower Elkhorn NRD, 1508 Square Turn Blvd, Norfolk, Nebraska. Chairman Loftis informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on November 27, 2019 and the Nebraska Open Meetings Act information posted. (Note: The originally scheduled meeting of November 26, 2019 was rescheduled due to inclement weather conditions.)

Roll call was taken by Administrative Supervisor Vickie DeJong with 14 of 15 Directors present. Present: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Absent: Hansen.

Motion was made by Huntley and seconded by Clausen *to excuse the absence of Joel Hansen*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Schultz and seconded by Janke *to adopt the agenda*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

The reading and/or action on the minutes of the October 24, 2019 Board of Directors meeting was next on the agenda. Motion was made by Steffen and seconded by Hall *that the minutes of the October 24, 2019 Board of Directors meeting be approved*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

The Finance Subcommittee report was given by Treasurer Dave Kathol. Motion was made by Kathol and seconded by Huntley *to approve income in the amount of \$192,088.50 and expenses in the amount of \$297,074.86*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Kathol and seconded by Clausen *to approve income in the amount of \$76,569.01 and expenses in the amount of \$53,180.69 for the Logan East Rural Water System as printed and distributed*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Kathol and seconded by Huntley *to approve income in the amount of \$6,606.91 and expenses in the amount of \$7,729.17 for the Wau-Col Regional Water System*. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Kathol and seconded by Huntley *to accept the Fiscal Year 2019 Audit as*

prepared by Dana F Cole & Company. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Kathol and seconded by Hall to authorize the staff and Treasurer to invest funds, as they become available, for the West Point Sinking Fund, not to exceed the total NRD committed amount of \$1,750,000. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Kathol and seconded by Hall to authorize the staff and Treasurer to invest funds, as they become available, for the Randolph Sinking Fund, not to exceed the total NRD committed amount of \$1,970,000. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

A copy of the conservation cost share report is attached to the official minutes.

The Nebraska Association of Resources Districts report was given by Scott McHenry.

The Nebraska Natural Resources Commission report was not given.

The Natural Resources Conservation Service written report is attached to the official minutes.

Bob Huntley reported on the Northeast Nebraska RC&D and Gary Loftis reported on the Loess Hills RC&D. (Copy attached to official minutes.)

The Bazile Groundwater Management Area report was given by Connor Baldwin, Bazile Groundwater Management Area Project Coordinator. (Copy of the report attached to the official minutes.)

The Administrative Report was given by General Manager Mike Sousek. (Copy attached to the official minutes.)

The Logan East Rural Water System Advisory Committee report was given by Roger Gustafson. Motion was made by Gustafson and seconded by Clausen to approve the Logan East Rural Water System base water rates and per 1000 gallon rates be increased by 4% beginning with the January 2020 billings. The Villages of Uehling and Herman will also increase 4% after a 120 day notice. The Village of Winslow will remain the same at this time. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Gustafson and seconded by Schultz to accept the Logan East Rural Water System Advisory Committee minutes of November 12, 2019. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

The Information, Planning, Programs, Projects, Equipment & Legislation Committee of the Whole report was given by Kurt Janke. Motion was made by Janke and seconded by Kathol to approve the Community Forestry Incentive applications, for a total Lower Elkhorn NRD cost of \$13,719.69.

Community Forestry Incentive Fiscal Year 2021			
Applicant	Description	Projected Cost	Funding Requested
City of West Point	Park and Street Tree Project	\$3,071.45	\$2,303.59
City of Wakefield	Plant 2020 Civic Center, Park & Street Trees	\$7,605.75	\$5,000.00
City of Norfolk	Trees at City Administration Building	\$4,157.01	\$3,117.00
Norfolk Public Schools	Trees at Little Panthers Preschool	\$1,945.73	\$1,459.73
Village of Pilger	Tree Recovery Project - Park, Cemetery, and Solid Waste Facility	\$2,452.50	\$1,839.37
TOTAL:		\$19,232.44	\$13,719.69

Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Schultz to set the 2020 allocation amounts for the Lower Elkhorn NRD Quantity Management Subareas at: 18 acre-inches per irrigated acre for gravity/flood irrigation systems, 13 acre-inches per irrigated acre for subsurface drip irrigation systems, and 14 acre-inches per irrigated acre for all other irrigation systems in the Eastern Madison County Quantity Subarea; and 17 acre-inches per irrigated acre for gravity/flood irrigation systems, 12 acre-inches per irrigated acre for subsurface drip irrigation systems, and 13 acre-inches per irrigated acre for all other irrigation systems in the Wayne County Quantity Subarea. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Steffen to rescind the motion made by the Lower Elkhorn NRD Board of Directors at the October 24, 2019 meeting which instructed staff to issue cease and desist orders to farm operators who have failed to comply with the terms of the notice of violation letter mailed on October 15, 2019. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Zimmerman to instruct staff to issue cease and desist orders to farm operators who were issued notices of violation of the Lower Elkhorn NRD Rules and Regulations on October 15, 2019, and to include language that imposes restrictions on the use of irrigation wells on any property operated and/or controlled by the operators until compliance with the District requirements is achieved Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Schultz to adopt the final ranking of applications for a standard variance as proposed by district staff in the Excel Spreadsheet titled "Exhibit A 10/50 Area. Aye: Allemann, Clausen, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Gustafson. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Steffen to allow up to 292.24 acre feet new peak season streamflow depletions for the October 2019 application period in the District's hydrologically connected area in accordance with the District's Rule 13 and Nebraska Revised Statute Section 46-

715(4). Aye: Allemann, Clausen, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Gustafson. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Schultz to approve and authorize staff to issue variances for the highest ranking applications up to the 292.24 acre feet new peak season streamflow depletions as authorized for the October 2019 application period in the District's hydrologically connected area, subject to the conditions set forth in Rule 13.12 and the Lower Elkhorn Natural Resources District – Conditional Approval Policy, reauthorized on August 22, 2019. Aye: Allemann, Clausen, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Gustafson. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Kathol to authorize staff to contact those applicants for a variance in the hydrologically connected area for the 2019 sign-up period whose applications were not approved to notify them of the Board's decision and their opportunity to reapply in the future. Aye: Allemann, Clausen, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Gustafson. Absent: Hansen. Motion Carried.

Motion was made by Steffen and seconded by Allemann to adopt the final ranking of applications for a standard variance as proposed by district staff in the Excel Spreadsheet titled "Exhibit B Non 10/50 Area. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Janke. Absent: Hansen. Motion Carried.

Motion was made by Steffen and seconded by Schultz to allow up to 2509.92 new groundwater irrigated acres for the October 2019 application period in the District's non hydrologically connected area in accordance with the District's Rule 15 and Nebraska Revised Statute Section 26-739. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Janke. Absent: Hansen. Motion Carried.

Motion was made by Steffen and seconded by Kathol to approve and authorize staff to issue variances for the highest ranking applications up to the 2509.92 new groundwater irrigated acres authorized for the October 2019 application period in the District's non hydrologically connected area, subject to the conditions set forth in Rule 15.12 and the Lower Elkhorn Natural Resources District – Conditional Approval Policy, reauthorized on August 22, 2019. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Abstain: Janke. Absent: Hansen. Motion Carried.

Motion was made by Steffen and seconded by Clausen to authorize staff to contact those applicants for a variance in the non hydrologically connected area for the 2019 sign-up period whose applications were not approved to notify them of the Board's decision and their opportunity to reapply in the future. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Motion was made by Janke and seconded by Schultz to approve the Memorandum of Agreement between the USDA Natural Resources Conservation Service and Lower Elkhorn Natural Resources District and Appendix A and authorize the Chairman to sign the agreement. Aye: Allemann, Clausen, Gustafson, Hall, Huntley, Janke, Kathol, Korth, McHenry, Noonan, Schultz, Steffen, Zimmerman, Loftis. Nay: None. Absent: Hansen. Motion Carried.

Meeting adjourned at 8:46 p.m.

I, the undersigned Secretary of the Lower Elkhorn Natural Resources District hereby certify that the foregoing is a true and correct copy of the proceedings had and done by the Board of Directors on December 2, 2019, that all of the subjects included in the foregoing proceedings were contained in the agenda for at least twenty-four hours prior to said meeting, the minutes of the Chairman and the Board were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body, that all news media requesting notification of the time and place of said meeting and the subjects to be discussed at said meeting.

Matt Steffen, Secretary

Others Present:

Arlene Zohner, Battle Creek

Rod Zohner, Battle Creek