

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

7:30 p.m., Thursday, December 21, 2017

Lower Elkhorn NRD

601 East Benjamin, Norfolk, Nebraska

The Board of Directors Meeting of the Lower Elkhorn Natural Resources District was called to order by Chairman Dennis Schultz on Thursday, December 21, 2017 at the Lower Elkhorn NRD, 601 East Benjamin, Norfolk, Nebraska. Chairman Schultz informed the Board and those attending of the Publication of Meeting Notice in the Norfolk Daily News on December 14, 2017 and the Nebraska Open Meetings Act information posted.

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

Motion was made by Hansen and seconded by Krueger to excuse the absences of Chad Korth. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

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

A Public Hearing was held on amending the Groundwater Management Area Rules & Regulations for the Transfer of Acres.

A Public Hearing was held to authorize and make an application to the Nebraska Department of Natural Resources for a permit to appropriate water for Instream Flows.

The reading and/or action on the minutes of the November 21, 2017 Board of Directors meeting was next on the agenda. Motion was made by Hall and seconded by Barr that the minutes of the November 21, 2017 Board of Directors meeting be approved. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

The Finance Subcommittee report was given by Treasurer Bob Huntley. Motion was made by Huntley and seconded by Janke to approve income in the amount of \$135,722.08 and expenses in the amount of \$429,699.21 and the transfer of \$215,000 to the building sinking fund. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Huntley and seconded by Loftis to approve income in the amount of \$34,322.80 and expenses in the amount of \$26,963.74 for the Logan East Rural Water System as printed and distributed. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Huntley and seconded by Hansen to approve income in the amount of

\$3,005.85 and expenses in the amount of \$3,180.43 for the Wau-Col Regional Water System. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Huntley and seconded by Barr to accept the Fiscal Year 2017 audit as prepared by Dana F Cole & Company. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

The conservation cost share report was given by Project Manager Curt Becker. A copy of the report is attached to the official minutes.

The Nebraska Association of Resources Districts report was given by Kurt Janke. He reported on the upcoming NARD Legislative Conference in Lincoln in January.

No Nebraska Natural Resources Commission report was given.

A Natural Resources Conservation Service report was given by Waylon Petsche and Dennis Smith. (A copy of the report attached to the official minutes.)

Gary Loftis reported on the Loess Hills RC&D and Bob Huntly reported on the Northeast Nebraska RC&D.

The Bazile Groundwater Management Area report was given by Coordinator Phil Steinkamp. (A copy of his report is attached to the official minutes.)

The Administrative Report was given by General Manager Mike Sousek. (A copy of the report attached to the official minutes.)

Motion was made by Krueger and seconded by Barr to approve the 2018 Board of Directors meeting schedule:

January 25 (Thursday)	July 26 (Thursday)
February 22 (Thursday)	August 23 (Thursday)
March 22 (Thursday)	September 27 (Thursday)
April 26 (Thursday)	October 25 (Thursday)
May 24 (Thursday)	November 20 (Tuesday)
June 28 (Thursday)	December 20 (Thursday)

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

The Logan East Rural Water System Advisory Committee report was given by Gary Loftis. Motion was made by Loftis and seconded by Gustafson to accept the Logan East Rural Water System Advisory Committee minutes of December 11, 2017. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

The Committee of the Whole report was given by Vice-Chairman Mike Krueger. Motion was made by Krueger and seconded by Allemann to set the 2018 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, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Krueger and seconded by Hansen to approve Lower Platte South NRD as the entity through our partnership in ENRWA to sign the DNR contract for the WSF AEM award #5189 in the amount of \$1,968,000 (60% of the \$3.2M project total) and to also approve the Lower Platte South NRD in signing the contract with AGF to carry out the AEM work on behalf of the Lower Elkhorn NRD. (Copy of contracts attached to the official minutes.) Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Krueger and seconded by Loftis to have the General Manager sign and submit on December 22, 2017 an application to Nebraska Department of Natural Resources for a permit to appropriate water for instream flows with all the supporting documentation to support said application. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Krueger and seconded by Janke to schedule and advertise as necessary a Public Hearing for Certification of Irrigated Acres hearing date for Thursday, February 8, 2018. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Krueger and seconded by McHenry to have the General Manager sign a fee agreement with both Bromm, Lindahl, Freeman-Caddy & Lausterer legal firm and a fee agreement with Blankenau, Wilmoth, Jarecke legal firm to set rates for legal services provided to the Lower Elkhorn NRD. (Copy of agreements attached to the official minutes.) Aye: Allemann, Barr, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: Gustafson. Absent: Korth Motion Carried.

The Ad Hoc Building Committee report was given by Mike Krueger. Motion was made by Krueger and seconded by Hansen to ratify the signing of a purchase agreement for the property located at 1508 Square Turn Blvd, Norfolk NE 68701 with the seller JMO Holding LLC for the amount of \$1,250,000. To authorize the General Manager to sign necessary loan paperwork with Bank First of Norfolk, NE to secure a loan of \$400,000 for a term of one year at an interest rate of 2.8%. To authorize the General Manager to complete the financial transaction for the property on December 22, 2017 and execute all necessary closing documents. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

Motion was made by Krueger and seconded by McHenry to authorize staff to start work on accepting bids for remodeling portions of the physical structure located on 1508 Square Turn Blvd property and to hire the lowest bid that meets the districts remodeling needs. Aye: Allemann, Barr, Gustafson, Hall, Hansen, Huntley, Janke, Kathol, Krueger, Loftis, McHenry, Noonan, Steffen, Schultz. Nay: None. Absent: Korth Motion Carried.

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 21, 2017, 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.

Mark Hall, Secretary