

MINUTES OF THE TRI-BASIN NRD BOARD MEETING
Tuesday, January 10, 2012, 1:30 p.m.
Tri-Basin Natural Resources District

CALL TO ORDER

The regular monthly board meeting of the Tri-Basin Natural Resources District (NRD) was called to order by Chairman Dave Nickel, at 1:34 p.m. Nickel noted Public Meeting Law is posted in the boardroom.

ROLL CALL

Roll call was taken with ten directors present: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Nickel, Raffety, Reynolds and Winz. Bergstrom, Helms and Olsen were absent. Notice of the meeting was published in the Holdrege Citizen, Bertrand Herald, Elwood Bulletin and the Minden Courier and announced over radio stations KRVN, Lexington and KUVR, Holdrege.

EXCUSE ABSENCES

Moved by Garrelts, seconded by Nelson to excuse Raffety from the November and December 2011 Board meetings. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: Raffety

ABSENT: Bergstrom, Helms and Olsen

MINUTES

Nickel presented the minutes of the December 13, 2011 Board of Director's Meeting and Special Board of Director's Meeting (Planning Committee).

Moved by Johnson, seconded by Winz, to approve the minutes for the December 13, 2011 Board of Directors Meeting. Motion carried.

AYE: Harris, Johnson, Larson, Lundeen, Nelson, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: Garrelts and Raffety

ABSENT: Bergstrom, Helms and Olsen

Moved by Johnson, seconded by Lundeen, to approve the minutes for the December 13, 2011 Special Board (Planning Committee) of Directors Meeting. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

FINANCIAL REPORT

Thorburn presented the financial report for the month of December 2011 as follows:

Accrual Expenditures for Month -----	\$102,576.86
Cash Expenditures for Month-----	\$120,649.16
Accrual Revenues for Month-----	\$12,766.53
Cash Revenues for Month-----	\$12,343.02
Bank Balance-December 31, 2011-----	\$12,043.34
Accounts Receivable - December 31, 2011-----	\$13,895.56
Investments - December 31, 2011-----	\$203.55
Investments - Pinnacle Bank - December 31, 2011-----	\$1,021,781.25
Whiskey Slough IPA Balance - December 31, 2011-----	\$16,741.00
Fort Kearny-West IPA Balance - December 31, 2011-----	\$6,000.76

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South Dry Creek IPA Balance – December 31, 2011-----	\$89,66.02
Fort Kearny IPA Balance – December 31, 2011-----	\$12,493.83
North Dry Creek IPA Balance – December 31, 2011-----	\$16,247.55
Sacramento Creek IPA Balance – December 31, 2011 -----	\$31,088.68

Moved by Raffety, seconded by Lundeen, to accept the December 2011 financial reports and file for audit. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

SPECIAL BILLS

Thorburn presented the VISA, attorney, Olsson and Associates, NRRMD and tractor rental bills for approval. Thorburn explained the Olsson and Associates invoice is the final billing for the Hazard Mitigation Plan, but the plan isn't completed yet and asked the board to withhold approval until it's completed. Garrelts asked for previous invoice amounts of tractor billings. Moved by Garrelts, seconded by Larson to approve the attorney and visa bills. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Johnson, seconded by Lundeen to approve the NRRMD bills. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Reynolds, seconded by Lundeen to approve the tractor rental bills. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

NRCS REPORT

FSA Farm Plans: There were no farm plans to approve.

Activity and Progress Report: Staff has been working on EQIP rankings and design. Breece mentioned NRCS is closing an office in Scottsbluff this year and FSA could be closing offices also.

COST SHARE REPORT

Well Abandonment – Holloway presented three well decommissioning cost-share applications to approve. Moved by Garrelts, seconded by Winz to approve well decommissioning cost-share applications #56-#58. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

NSWCP & NRD Applications – There were no NSWCP or NRD cost-share applications to approve.

GROUNDWATER MANAGEMENT

Groundwater & Certified Acre Transfers – Thorburn presented three certified irrigated acre transfer requests and two corrections to certified irrigated acres. Morgan Fouts, Stephen Olsen, Travis Powley, Bruce Petersen and Mary Lou Kristensen were present to answer questions. Thorburn reviewed maps of each request. There was discussion about requiring landowners that correct certified irrigated acres to pay property taxes for previous years. Thorburn explained that only the assessor can collect property taxes. Garrelts suggested TBNRD collect a “fee” equivalent to back property taxes. Staff was directed to get information about a TBNRD’s ability to collect a fee for back property taxes and present the information at the Board Work Session in February 2012.

Moved by Garrelts, seconded by Lundeen to approve a certified irrigated acre transfer request for Marshall and Kathy Ann Jurgens. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Raffety, seconded by Reynolds to approve an certified irrigated acre transfer request for Mary Lou Kristensen subject to repositioning stops for existing center pivot. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Garrelts, seconded by Raffety to approve an certified irrigated acre transfer request for Clifford J. Petersen. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Reynolds, seconded by Larson to approve correction to certified irrigated acres for Travis and Jessica Powley. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Reynolds, seconded by Garrelts to approve a correction to certified irrigated acres for Morgan Fouts. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

New Well Variances – There were no well variances to approve.

Educational Land Leases – There were no Educational Land Leases to approve.

OTHER BUSINESS

The public was given the opportunity to bring other specific business or non-agenda items before the board for comment and/or discussion. Thorburn introduced Destinee Steinke, office assistant, and mentioned she produced the GIS maps used to describe transfers.

UNFINISHED BUSINESS

Review Platte Basin Target Flows: Thorburn presented information about Platte Basin target flows in relation to the North Dry Creek Streamflow Augmentation project. Based on target flows, the augmentation well could run from the first day of spring to May 10th and mid-late July to November and PRRIP might pay to run additional days. Thorburn mentioned that an insert will be included in the monthly board packet showing actual flows, target flows and well pumping. Operating protocols will be provided by NDNr.

NARD REPORT

Nelson mentioned the NARD Legislative Conference will be held January 24-25, 2012 in Lincoln with six directors attending. Thorburn reviewed several legislative bills.

COMMITTEE REPORTS

Schedule Projects and Construction Committee Meeting: The Projects and Construction Committee will meet Tuesday, February 7, 2012 at 9:30 a.m.

STAFF REPORTS & NECESSARY ACTION

Board Directives to Staff: Thorburn showed the new website with updated look and new content. Staff is working on posting board packets with password protection.

Out-of-State Travel: Moved by Reynolds, seconded by Harris to approve out-of-state travel for Ray Winz to go to Washington D.C. on March 11-14, 2012. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds and Nickel

NAY: None

ABSTAIN: Winz

ABSENT: Bergstrom, Helms and Olsen

MONTHLY REPORTS

Republican Basin (NRRMD): Staff is waiting to 121 water use reports and certified letters will be sent. NRRMD will meet February 28, 2012 at 10:00 a.m.

Platte Basin: Land Committee meets February 1, 2012 at 9:00 a.m., PBHEP meets January 31, 2012 and RBJV Board meets Thursday, January 12, 2012 at TBNRD.

South Dry Creek: Nothing to report.

Sacramento Creek: Nothing to report.

Middle Lost Creek: Nothing to report.

Fort Kearny West: Nothing to report.

Fort Kearny: Nothing to report.

North Dry Creek: Beaver trapping will this month.

Whiskey Slough: Nothing to report.

Lake Seldom: Nothing to report.

CoHyst/PBHEP: Nothing to report.

Weed Management Areas – Riparian Vegetation Task Force: Weed Management Area is working on a comprehensive state-wide weed management strategy that will be presented to the Riparian Vegetation Task Force this spring.

Sand Creek/Little Blue Basin: RFP permit language was revised.

CNPPID: Ford reported Lake McConaughay is at elevation 3255.4 and 84% capacity.

NEW BUSINESS

NDC Augmentation Well Agreement with NDNR: Thorburn explained NDNR was supposed to draft an operating parameter protocol to accompany the NDC Augmentation Well Agreement. Thorburn suggested waiting until the protocol was completed before approving the agreement.

Revise NRD Master Plan: Thorburn explained the Master Plan was initially written in 1979 and is revised every ten years. The current draft includes mention of the Integrated Management Plan but few other changes. Moved by Garrelts, seconded by Lundeen to approve the Master Plan as written. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Schedule Board Work Session: There will be a Board Work Session the morning of the February 21st Board Meeting at 9:00 a.m. Moved by Garrelts, seconded by Reynolds, to move the February board meeting to Tuesday, February 21, 2012 at 2 p.m. and to pay VISA bills prior to meeting and review them at board meeting. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

PERSONNEL & LEGAL MATTERS

Moved by Nelson, seconded by Winz to move to executive session to discuss personnel issues for the protection of an individual at 2:49 p.m. Motion carried.

AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Helms and Olsen

Moved by Johnson, seconded by Raffety to move out of executive session to discuss personnel issues for the protection of an individual at 2:59 p.m. Motion carried.

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AYE: Garrelts, Harris, Johnson, Larson, Lundeen, Nelson, Raffety, Reynolds, Winz and Nickel
NAY: None
ABSTAIN: None
ABSENT: Bergstrom, Helms and Olsen

COMMENTS AND CONCERNS

There were no comments or concerns.

NEXT BOARD MEETING

TBNRD Special Board Meeting and Regular Board Meeting will be held on Tuesday, February 21, 2012 at 9:00 a.m. and 2:00 p.m., respectively, at Tri-Basin NRD.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:05 p.m.

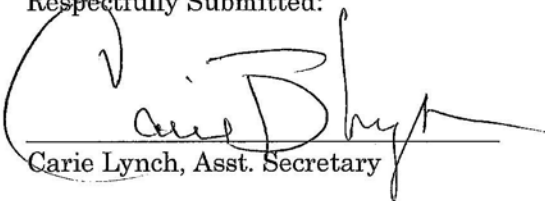
DIRECTORS PRESENT

Todd Garrelts, Ed Harris, Phyllis Johnson, Joe Larson, Brad Lundeen, David Nelson, David Nickel, Dave Raffety, Larry Reynolds and Ray Winz.

OTHERS PRESENT

John Thorburn, Carie Lynch, Nicole Salisbury, Kevin Breece, Lisa Berkeypile, Richard Holloway, Morgan Fouts, Stephen Olson, Deb Kristensen, Bruce Peterson, Travis Powley, Lulu Reed and Destinee Steinke.

Respectfully Submitted:



Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS
TRI-BASIN NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING
January 10, 2012

- #1 Moved by Garrelts, seconded by Nelson to excuse Raffety from the November and December 2011 Board meetings. Motion carried.
- #2 Moved by Johnson, seconded by Winz, to approve the minutes for the December 13, 2011 Board of Directors Meeting. Motion carried.
- #3 Moved by Johnson, seconded by Lundeen, to approve the minutes for the December 13, 2011 Special Board (Planning Committee) of Directors Meeting. Motion carried.
- #4 Moved by Raffety, seconded by Lundeen, to accept the December 2011 financial reports and file for audit. Motion carried.
- #5 Moved by Garrelts, seconded by Larson to approve the attorney and visa bills. Motion carried.
- #6 Moved by Johnson, seconded by Lundeen to approve the NRRMD bills. Motion carried.
- #7 Moved by Reynolds, seconded by Lundeen to approve the tractor rental bills. Motion carried.
- #8 Moved by Garrelts, seconded by Winz to approve well decommissioning cost-share applications #56-#58. Motion carried.
- #9 Moved by Garrelts, seconded by Lundeen to approve a certified irrigated acre transfer request for Marshall and Kathy Ann Jurgens. Motion carried.
- #10 Moved by Raffety, seconded by Reynolds to approve an certified irrigated acre transfer request for Mary Lou Kristensen subject to repositioning stops for existing center pivot. Motion carried.
- #11 Moved by Garrelts, seconded by Raffety to approve an certified irrigated acre transfer request for Clifford J. Petersen. Motion carried.
- #12 Moved by Reynolds, seconded by Larson to approve correction to certified irrigated acres for Travis and Jessica Powley. Motion carried.
- #13 Moved by Reynolds, seconded by Garrelts to approve a correction to certified irrigated acres for Morgan Fouts. Motion carried.
- #14 Moved by Reynolds, seconded by Harris to approve out-of-state travel for Ray Winz to go to Washington D.C. on March 11-14, 2012. Motion carried.
- #15 Moved by Garrelts, seconded by Lundeen to approve the Master Plan as written. Motion carried.
- #16 Moved by Garrelts, seconded by Reynolds, to move the February board meeting to Tuesday, February 21, 2012 at 2 p.m. and to pay VISA bills prior to meeting and review them at board meeting. Motion carried.
- #17 Moved by Nelson, seconded by Winz to move to executive session to discuss personnel issues for the protection of an individual at 2:49 p.m. Motion carried.
- #18 Moved by Johnson, seconded by Raffety to move out of executive session to discuss personnel issues for the protection of an individual at 2:59 p.m. Motion carried.

**MINUTES OF THE TRI-BASIN NRD
PROJECTS AND CONSTRUCTION COMMITTEE MEETING**

Tuesday, February 7, 2012, 9:30 a.m.
Tri-Basin NRD

CALL TO ORDER

The meeting of the Tri-Basin Natural Resources District Projects and Construction Committee was called to order by Dave Raffety at 9:30 a.m.

ROLL CALL

Roll call was taken with two committee members present: Raffety and Larson. Dave Olsen and Executive Representative, Dave Nickel, were also present. Harris, Reynolds, Nelson and Winz were absent.

OTHERS PRESENT

John Thorburn, Alex Hasenauer, Carie Lynch, Gary Kring, Max Murray, Dean Kring, Jeremy Kring, Erick Erickson, Jr., Ron Woollen, Keith Stafford, Harold Smith, Scott Olson and Lee Wells.

DISCUSS PROPOSED IPA'S

Lost Creek: Thorburn reviewed map of the proposed Lost Creek IPA Project. Thorburn explained the drainage problem along Lost Creek is resulting from poor drainage, beaver dams, lack of maintenance, flat ground and high water table. Thorburn explained the IPA process and commented it could be a very large IPA with lots of landowners. Raffety commented that high groundwater problems might not be fixed by drainage correction. A public hearing would need to be held to inform landowners and get input. Those present agreed that the IPA should extend from 22 Road to just east of Hwy 44. There was discussion about small culverts causing bottlenecks. Thorburn cautioned that rerouting the creek could require the NRD to apply for a 404 permit. Extending the IPA east to Fort Kearney Feeders was discussed where most of the property is grass, which wouldn't be assessed and wouldn't benefit the IPA. Thorburn will estimate ditch work between Cederburg's and Hwy 44 and propose a boundary to be presented to landowners.

Odessa: Thorburn reviewed map of the proposed Odessa IPA project. Thorburn explained two possible routes for the proposed ditch with the estimated cost for Route B of \$43,000. The project would start at ¼ mile south of river road and extend north to the Platte River. The project area of benefit would extend ½ mile on either side of the ditch and include five landowners. Keith Stafford suggested a dewatering project because there is also an issue with high ground water tables. Nickel commented the IPA would be very small and an alternative would be if landowners coordinated with each other to perform the work instead of forming an IPA. The Corps of Engineers could require a 404 permit for an outfall structure and a permit might be required to go under the River Road. Stafford suggested looking at benefit to additional landowners north of river road. There was concern about ditch work going east and avoiding Southern Power District power lines which would mean encroaching onto fields. Landowners asked staff to gather information about a 404 permit, road crossing permit and survey.

DISCUSS PROJECTS ON EXISTING IPA'S

Whiskey Slough: Thorburn reviewed map of a drainage problem located to the east of WS IPA. Nickel suggested contacting the landowner to reinforce that it's his responsibility to clean out. There was discussion about using IPA funds to clean the ditch, but it might set a bad precedent. Cost is estimated at about \$3,000.

Other Concerns: Nickel asked that the work be started on Fort Kearny IPA ditch (starting at river going south) as discussed at the annual meeting. Nickel and Olsen suggested Kuck Construction look at the project and give estimate and that bidding the project wasn't necessary.

REVIEW TREE PLANTING COST-SHARE PROJECT DEADLINE

Thorburn explained that the cost share manual says that cost-share has to be approved prior to work starting. Several landowners were turned down because the cost-share couldn't be approved before trees were planted. Thorburn offered three options: no change in policy, set deadline on day of board meeting or allow Thorburn to give initial approval of tree cost-share. Raffety suggested allowing Thorburn to give initial approval and allow the board to approve after. This would not apply to renovations. This would apply

to tree cost-share only. Moved by Larson, seconded by Nickel to recommend to the board to allow Thorburn to initially approve tree cost-share subject to final board approval. Motion carried unanimously.

SET DATE FOR IPA ANNUAL MEETINGS

The IPA meetings are tentatively set for Friday, March 2, 2012.

REVIEW PROPOSALS FOR SAND CREEK RECHARGE RESERVOIR DESIGN

Thorburn reviewed two proposals from EA Engineering and Olsson and Associates for Sand Creek reservoir design. Thorburn allowed Jay Bittner, UBBNRD, to review the bids. Thorburn compared the bids, which differed greatly in cost. Thorburn suggested accepting the bid from EA Engineering. The budget was \$60,000, but additional funding could be budgeted next FY. The proposal would need to be done and land purchased to get funding/grant for project. EA estimated the project would take 32 weeks. There was discussion about NPPD power poles and impact to dam. Moving the dam further downstream to accommodate the power poles was discussed the power poles. The committee recommended getting storage estimates for different dam alignments and landowner names. The committee favored the EA bid but determined there were other issues to resolve before any proposal could be accepted.

DISCUSS AUGMENTATION WELL PROJECTS

Republican Basin: Thorburn reviewed options for streamflow augmentation in the Republican Basin. Thorburn explained a scenario to drill wells on the Platte side and pump water into the east or west branch of Turkey Creek using a pipeline. A cost estimate is approximately \$202,000 for 18,000 linier feet of pipe. There was discussion about crossing a gas pipeline. Thorburn explained stream gages would measure offset. Thorburn explained pumping into a live stream was advantageous because loss of water was much less than pumping into a dry stream bed. The project could provide offset of 1,070 af using a 1200 gpm well pumping 24/7 for 240 days. Tax levy or occupation tax could fund the project with the possibility of the State of Nebraska paying a portion. The committee suggested the board review options at the board work session.

North Dry Creek: Thorburn reported NDNR has provided an operating agreement for Phase I and wants an annual report and consultation with NDNR's field office in Bridgeport prior to each operation. Pumping probably won't begin until at least June 2012. Thorburn reported the easement has been acquired for Phase II, but won't be implemented until offset requirement increases. PRRIP is interested in running an existing or new well to pump cool water in river in summer. Thorburn reviewed offset requirements for FA and OA to the year 2020.

REVIEW KEARNEY COUNTY GROUNDWATER OBSERVATION WELL DISTRIBUTION

Thorburn reviewed locations of current observation wells. The area that could benefit most from additional observations wells are the eastern townships in Kearney County of May and Grant, where there is one dedicated well per township. Groundwater levels in Grant and May townships have not recovered as much as other portions of the District. Landowners have commented that there isn't enough supporting data to warrant regulations. Each observation well could cost approximately \$5,000. Moved by Nickel, seconded by Larson to recommend to the board to drill an observation well in Grant and May township in FY 2012-2013. Motion carried unanimously.

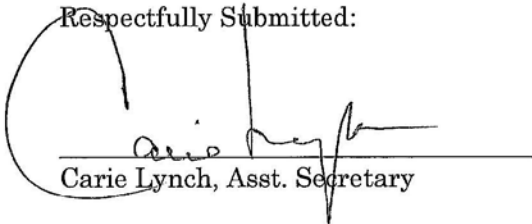
OTHER BUSINESS

Thorburn presented a draft letter to NDNR concerning CPNRD's pending water right application. Ron Bishop asked that TBNRD write a letter that TBNRD in support of CPNRD's water right application. Thorburn asked the committee for comments on the letter. TBNRD directors approved pursuing a water lease agreement with CPNRD in Dec. 2011 but have been working with CNPPID to file a joint water right to divert water into Elwood Reservoir. A letter of support for CNPRD's water right and approval by NDNR would mean that the joint TBNRD/CNPPID water right would be secondary. The committee agreed that the motion to enter into negotiations with CPNRD to lease water was supportive of CPNRD's water right application and felt sending the letter would be consistent with that motion.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:40 p.m.

Respectfully Submitted:



Carie Lynch, Asst. Secretary

**Tri-Basin NRD
Projects and Construction Committee
Tuesday February 7, 2012 at 9:30 AM
Tri-Basin NRD Office
1723 Burlington St.**

Agenda:

1. Review tree planting cost-share project deadline
2. Discuss proposed IPAs
 - A. Odessa
 - B. Lost Creek
3. Discuss projects on existing IPAs
 - A. Whiskey Slough
 - B. others?
4. Set date for IPA Annual meetings
5. Review proposals for Sand Creek recharge reservoir design
6. Discuss augmentation well projects
 - A. Republican Basin
 - B. North Dry Creek
7. Review Kearney County groundwater observation well distribution

Projects and Construction committee members: David Raffety, Chairman, Ed Harris, Joe Larson, Dave Nelson, Larry Reynolds, Ray Winz, David Nickel Exec. Com'te. Rep. Other board members and the public are welcome to attend.

