

MINUTES OF THE TRI-BASIN NRD BOARD MEETING
Tuesday, July 9, 2013, 1:30 p.m.
Tri-Basin NRD

CALL TO ORDER

The regular monthly board meeting of the Tri-Basin Natural Resources District (NRD) was called to order by Chairman David Nickel, at 1:37 p.m. Nickel noted Public Meeting Law is posted in the boardroom. A hearing to consider the proposed Odessa Improvement Project Area was opened prior to this meeting.

ROLL CALL

Roll call was taken with nine directors present: Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds. Bergstrom arrived at 1:45 p.m. Harris, Nelson and Winz 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

There were no absences to excuse.

MINUTES

Thorburn presented the minutes of the June 11, 2013 Board of Director's Meeting and Hearing and June 25, 2013 Planning and Projects & Construction Committee minutes. Raffety noted a date change on the Projects and Construction Committee minutes and Thorburn noted a change in a motion.

Moved by Lundeen, seconded by Olsen, to approve the minutes for the June 11, 2013 Regular Board of Directors Meeting. Motion carried.

AYE: Bilka, Johnson, Larson, Lundeen, Nickel, Olsen and Raffety

NAY: None

ABSTAIN: Garrelts and Reynolds

ABSENT: Bergstrom, Harris, Nelson and Winz

Moved by Bilka, seconded by Larson, to approve the minutes for the June 11, 2013 hearing. Motion carried.

AYE: Bilka, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: Garrelts

ABSENT: Bergstrom, Harris, Nelson and Winz

Moved by Olsen, seconded by Lundeen, to approve the minutes for the June 25, 2013 Planning Committee Meeting. Motion carried unanimously.

Moved by Raffety, seconded by Larson, to approve the minutes for the June 25, 2013 Projects & Construction Committee Meeting with a correction to the date and change in a motion. Motion carried unanimously.

FINANCIAL REPORT

Thorburn presented the financial report for the month of June 2013 as follows:

Accrual Expenditures for Month -----	\$150,016.06
Cash Expenditures for Month-----	\$160,590.67
Accrual Revenues for Month-----	\$173,457.31
-	
Cash Revenues for Month-----	\$167,773.94

Bank Balance—June 30, 2013-----	\$414,694.06
Accounts Receivable – June 30, 2013-----	\$32,593.81

TRI-BASIN NRD BOARD MINUTES
July 9, 2013
Page Two

Investments – Pinnacle Bank – June 30, 2013-----	\$1,003,852.6
-	1
Whiskey Slough IPA Balance – June 30, 2013-----	\$19,100.24
Fort Kearny-West IPA Balance – June 30, 2013-----	\$7,568.81
-	
South Dry Creek IPA Balance – June 30, 2013-----	\$9,757.26
Fort Kearny IPA Balance – June 30, 2013-----	\$11,829.84
North Dry Creek IPA Balance – June 30, 2013-----	\$17,510.14
Sacramento Creek IPA Balance – June 30, 2013-----	\$24,037.54

Moved by Raffety, seconded by Lundeen, to accept the June 2013 financial reports and file for audit. Motion carried.

AYE: Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Harris, Nelson and Winz

SPECIAL BILLS

Thorburn presented the VISA, Brooks' tractor rental and attorney bills for approval. Moved by Garrelts, seconded by Johnson to approve the VISA, attorney and Brooks equipment rental bills. Motion carried.

AYE: Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Bergstrom, Harris, Nelson and Winz

NRCS REPORT

FSA Farm Plans: Scheele presented one farm plan for approval for Brian Hambidge. Moved by Larson, seconded by Bilka to approve a farm plan for Brian Hambidge. Motion carried.

AYE: Bilka, Garrelts, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: Johnson

ABSTAIN: None

ABSENT: Bergstrom, Harris, Nelson and Winz

Activity and Progress Report: Scheele reported that the Director of NRCS, Jason Weller, was at the Nebraska Prairie Museum on June 27, 2013 to discuss groundwater saving practices. Scheele reported on atmometer progress.

COST SHARE REPORT

Well Abandonment – Thorburn presented thirty-one well decommissioning cost-share applications for approval. Moved by Johnson, seconded by Reynolds to approve well decommissioning cost-share applications #1-#31. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

NSWCP & NRD Applications – Thorburn presented seven NSWCP cost-share applications. Moved by Lundeen, seconded by Johnson to approve seven NSWCP Cost-share applications. Motion carried.

TRI-BASIN NRD BOARD MINUTES

July 9, 2013

Page Three

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Educational Land Leases – There were no educational land leases to approve.

GROUNDWATER MANAGEMENT

Groundwater & Certified Acre Transfers – Thorburn presented three groundwater transfer requests for David Wohlgemuth, two corrections to certified irrigated acres (Fishell & Fishell), two requests that wells be converted to stockwells (Dale Schutz) and one comingled permit (Phil High). David Wohlgemuth and Kevin Sinsel were present to answer questions. Thorburn explained that approval was not required for the co-mingled permit.

Moved by Garrelts, seconded by Lundeen to approve three groundwater transfer requests for David Wohlgemuth. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Moved by Lundeen, seconded by Olsen to approve corrections to certified irrigated acres for Fishell and Fishell (2). Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Moved by Garrelts, seconded by Larson to approve two requests from Dale Schutz that replacement well be converted to stock well. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

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 summer interns, Zach Gray, Andrew Tellus and Dayana Rodriguez.

UNFINISHED BUSINESS

Formation of Proposed Odessa IPA (after hearing): This item will be discussed after the hearing is closed.

Review Operating Parameters for North Dry Creek Augmentation Project: Thorburn presented revised operating parameters for the NDC Augmentation Well. Changes were recommended by the P&C Committee. Reynolds suggested 4.E., which concerns stream monitoring, be moved into the introduction.

TRI-BASIN NRD BOARD MINUTES

July 9, 2013

Page Four

Moved by Reynolds, seconded by Raffety accept the North Dry Creek Streamflow Augmentation Well Operating Parameters and to move 4E to the introduction. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

J-2 Reservoir Project Funding: Thorburn reviewed revised contribution and cost estimates for the J-2 Reregulation reservoir. Thorburn corrected cost information included in the Manager's Report. Thorburn explained that the second cost estimate was higher because another study was done. TBNRD has two funding options to consider and payment, on either option, will need to be paid within the next thirty days. The project would provide two-thirds of TBNRD's offset requirement. The credit is guaranteed until 2029 under the Platte River Recovery Program. Nickel commented that there's an amendment to the existing agreement and budgeting to consider and asked that the item be discussed in executive session. Thorburn commented that action could be deferred to the July 31, 2013 budget meeting.

NARD REPORT

Thorburn asked the board for suggestions for legislation for the NARD conference. Reynolds commented on proposed legislation and the NARD budget.

COMMITTEE REPORTS

Projects & Construction Committee: Thorburn reviewed committee action. Thorburn commented that the board already took action on the NDC operating parameters. Thorburn explained the Republican Basin Augmentation Project would need two kinds of easements and asked that legal counsel draft examples of these easements. Thorburn mentioned the committee suggested making no change in the NSWCP cost-share allocation between categories.

Moved by Reynolds, seconded by Larson to accept the Projects & Construction Committee's recommendation to have legal counsel draft a landowner contract to show to landowners and explain to landowners the regulatory consequences if the project is not done. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Planning Committee: Thorburn reviewed the committee's recommendation concerning Water Banking, which is set as a new agenda item.

STAFF REPORTS & NECESSARY ACTION

Board Directives to Staff: Thorburn asked if staff could hold a garage sale. The district would sell items also and accounting would be kept separate. Directors made no objection.

Out-of-State Travel: There was no out-of-state travel to approve.

MONTHLY REPORTS

Republican Basin (NRRMD): Republican Basin Compact had a conference call this morning to consider a proposal from Nebraska to get compact approval for NCORP. The vote was in favor of the project which will not go to arbitration for consideration.

TRI-BASIN NRD BOARD MINUTES

July 9, 2013

Page Five

Platte Basin: J-2 Re-Regulation Reservoir was discussed earlier.

South Dry Creek: Culvert was set for Neil Carlson.

Sacramento Creek: Shredding was done.

Middle Lost Creek: Shredding was done.

Fort Kearny West: Shredding was done.

Fort Kearny: Shredding was done.

North Dry Creek: Shredding was done.

Whiskey Slough: Shredding was done.

Lake Seldom: Food plots were planted.

CoHyst/Platte Basin Coalition: Documentation of current components of the model are nearly complete and will be sent out for review, which is the last step before adopting the latest version of the model.

Weed Management Areas – Riparian Vegetation Task Force: Thorburn mentioned two tours available for Directors to attend.

Sand Creek/Little Blue Basin: Land acquisition committee met with landowners.

CNPPID: Ford reported Lake McConaughay 56% of capacity and elevation 3235 feet.

UNFINISHED BUSINESS

Formation of Proposed Odessa IPA: Moved by Lundeen, seconded by Raffety to table a decision on the formation of Odessa IPA until the August 2013 Board of Directors Meeting. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

NEW BUSINESS

Schedule Executive Committee Budget Review Meeting & Special Board Meeting: An Executive Committee meeting will be held on July 16 at 1:30 pm to discuss the budget. A meeting with NDNR to discuss IMP progress will be held on July 17, 2013 at 1 pm. There will be a special board meeting held on July 31, 2013 at 10:00 am with a meeting for the P&C committee at 2 pm.

Schedule Projects & Construction Committee Meeting with Lee Wells: The meeting with Lee Wells was set in the previous agenda item.

Review Water Banking Proposal: The proposed Water Banking Document was reviewed. Thorburn commented that water banking is more useful in the Republican Basin. There was discussion about no till information collection and privacy issues. Thorburn commented that NDNR thought the information would be useful, but would like to talk to TBNRD about tillage practices and

associated water savings. There was discussion about the definition of no till and other tillage practices. Reynolds suggested sending out a tillage survey to establish a baseline. Thorburn suggested having a discussion with NDNR at the meeting on July 17, 2013. Lundeen commented that if the Republican Basin Augmentation project is done it could reduce the amounts listed in the water banking proposal. Thorburn commented that the water bank would support the groundwater management goal, but would take two to four years to implement. The Water Bank could serve either or both purposes of limiting water use and enabling more efficient use of irrigated acres. Thorburn suggested the next step should be setting targets. Larson suggested working out the details of a water bank so it would be ready to be used. Reynolds asked that CPNRD give a presentation on their water banking program. Nickel directed the Planning Committee work on the proposal.

Moved by Reynolds, seconded by Olsen to accept the Water Bank proposal and proceed with the process to determine credit for no-till practices. Motion Withdrawn.

PERSONNEL & LEGAL MATTERS

Moved by Bilka, seconded by Bergstrom to move to executive session for the protection of the public to discuss contractual matters at 3:14 p.m. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Moved by Garrelts, seconded by Olsen to move out of executive session for the protection of the public to discuss contractual matters at 3:46 p.m. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

Moved by Garrelts, seconded by Bilka to authorize increased share of funding for the J-2 Re-Regulations Reservoir Project up to \$1,540,832. Motion carried.

AYE: Bergstrom, Bilka, Garrelts, Johnson, Larson, Lundeen, Nickel, Olsen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Harris, Nelson and Winz

COMMENTS AND CONCERNS

There were no comments or concerns.

NEXT BOARD MEETING

TBNRD Regular Board Meeting will be held at 1:30 p.m., on Tuesday, August 20, 2013 at Hastings Utilities Office, Hastings, NE.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:50 p.m.

TRI-BASIN NRD BOARD MINUTES
July 9, 2013
Page Seven

DIRECTORS PRESENT

Brian Bergstrom, Joe Bilka, Todd Garrelts, Phyllis Johnson, Joe Larson, Brad Lundeen, David Nickel, Dave Olsen, Dave Raffety and Larry Reynolds.

OTHERS PRESENT

Carie Lynch, John Thorburn, Nicole Salisbury, Curtis Scheele, Tammy Fahrenbruch, Dave Ford, Nolan Little, Steve Johnson, Jared Olsen, Tami Reese, Lori Potter, Dayana Rodrigues, Zach Gray, Andrew Tellus, Charles Brooks, Keith Stafford, Kevin Fishell, Lee Wells and Dave Wohlgemuth.

Respectfully Submitted:

Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS
 TRI-BASIN NATURAL RESOURCES DISTRICT
 BOARD OF DIRECTORS MEETING
 July 9, 2013

Motion #	Category	Subject	Aye	Nay	Abs	Motion
2013-07-09-01	Meeting Administration		7	0	2	Moved by Lundeen, seconded by Olsen, to approve the minutes for the June 11, 2013 Regular Board of Directors Meeting. Motion carried.
2013-07-09-02	Meeting Administration		8		1	Moved by Bilka, seconded by Larson, to approve the minutes for the June 11, 2013 hearing. Motion carried.
2013-07-09-03	Meeting Administration					Moved by Olsen, seconded by Lundeen, to approve the minutes for the June 25, 2013 Planning Committee Meeting. Motion carried unanimously.
2013-07-09-04	Meeting Administration					Moved by Raffety, seconded by Larson, to approve the minutes for the June 25, 2013 Projects & Construction Committee Meeting with a correction to the date and change in a motion. Motion carried unanimously.
2013-07-09-05	Meeting Administration		9	0	0	Moved by Raffety, seconded by Lundeen, to accept the June 2013 financial reports and file for audit. Motion carried.
2013-07-09-06	Budget		9	0	0	Moved by Garrelts, seconded by Johnson to approve the VISA, attorney and Brooks equipment rental bills.
2013-07-09-07	Meeting Administration		8	1	0	Moved by Larson, seconded by Bilka to approve a farm plan for Brian Hambidge. Motion carried.
2013-07-09-08	Meeting Administration		10	0	0	Moved by Johnson, seconded by Reynolds to approve well decommissioning cost-share applications #1-#31. Motion carried.
2013-07-09-09	Meeting Administration		10	0	0	Moved by Lundeen, seconded by Johnson to approve seven NSWCP Cost-share applications. Motion carried.
2013-07-09-10	Certification & Transfers	Wohlgemuth	10	0	0	Moved by Garrelts, seconded by Lundeen to approve three groundwater transfer requests for David Wohlgemuth. Motion carried.
2013-07-09-11	Certification & Transfers	Fishell & Fishell	10	0	0	Moved by Lundeen, seconded by Olsen to approve corrections to certified irrigated acres for Fishell and Fishell (2). Motion carried.
2013-07-09-12	Certification &	Schutz	10	0	0	Moved by Garrelts, seconded by Larson

	Transfers					to approve two requests from Dale Schutz that replacement well be converted to stock well. Motion carried.
2013-07-09-13	Projects	NDC Aug.	10	0	0	Moved by Reynolds, seconded by Raffety accept the North Dry Creek Streamflow Augmentation Well Operating Parameters and to move 4E to the introduction. Motion carried.
2013-07-09-14	Projects	Rep. Basin Aug. Well	10	0	0	Moved by Reynolds, seconded by Larson to accept the Projects & Construction Committee's recommendation to have legal counsel draft a landowner contract to show to landowners and explain to landowners the regulatory consequences if the project is not done. Motion carried.
2013-07-09-15	Projects	Odessa IPA	10	0	0	Moved by Lundeen, seconded by Raffety to table a decision on the formation of Odessa IPA until the August 2013 Board of Directors Meeting. Motion carried.
2013-07-09-16	River Basins	Water Bank	10	0	0	Moved by Reynolds, seconded by Olsen to accept the Water Bank proposal and proceed with the process to determine credit for no-till practices. Motion Withdrawn.
2013-07-09-17	Meeting Administration		10	0	0	Moved by Bilka, seconded by Bergstrom to move to executive session for the protection of the public to discuss contractual matters at 3:14 p.m. Motion carried.
2013-07-09-18	Meeting Administration		10	0	0	Moved by Garrelts, seconded by Olsen to move out of executive session for the protection of the public to discuss contractual matters at 3:46 p.m. Motion carried.
2013-07-09-19	River Basins	J-2	10	0	0	Moved by Garrelts, seconded by Bilka to authorize increased share of funding for the J-2 Re-Regulations Reservoir Project up to \$1,540,832. Motion carried.