

**MINUTES OF THE TRI-BASIN NRD BOARD MEETING**  
**Tuesday, September 14, 2021, 7:30 p.m.**  
**Tri-Basin Natural Resources District**

The regular monthly board meeting of the Tri-Basin Natural Resources District (NRD) was called to order by Chairman, Bradley Lundeen, at 7:36 p.m. Lundeen noted Public Meeting Law is posted in the boardroom. The FY 2021-2022 Budget Hearing to set the levy different from the previous year was opened prior to this meeting.

**ROLL CALL**

Roll call was taken with ten directors present: Cavanaugh (Zoom), Garrelts, Grimes, Harris, Hinrichs, Larson, Raffety, Reynolds, Ryan and Lundeen. Bergstrom, Bilka, and Philips were absent. Notice of the meeting was published in the Holdrege Citizen, Bertrand Herald, Elwood Bulletin and Minden Courier and announced on radio station KRVN, Lexington.

**EXCUSE ABSENCES**

There were no absences to excuse.

**MINUTES**

Thorburn presented the minutes of the August 10, 2021, Board of Directors Meeting, Budget Hearing and Groundwater Management Hearing. Moved by Reynolds, seconded by Larson, to approve the minutes for the August 10, 2021 Board of Directors meeting. Motion carried.

AYE: Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh and Garrelts

ABSENT: Bergstrom, Bilka, and Philips

Moved by Harris, seconded by Ryan, to approve the minutes for the August 10, 2021 FY 2021-2022 Budget Hearing and Groundwater Management Hearing. Motion carried.

AYE: Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh and Garrelts

ABSENT: Bergstrom, Bilka, and Philips

**FINANCIAL REPORT**

Hinrichs presented the financial report for the month of August 2021 as follows:

Accrual Expenditures for Month .....	\$140,057.36
Cash Expenditures for Month.....	175,387.33
Accrual Revenues for Month.....	\$35,726.36
Cash Revenues for Month.....	\$22,979.81
Bank Balance—August 31, 2021.....	\$185,120.13
Accounts Receivable – August 31, 2021.....	\$60,892.85
Investments – Pinnacle Bank – August 31, 2021.....	\$114,586.02
Building Sinking Fund – August 31, 2021.....	\$163,872.99
Vehicle Sinking Fund – August 31, 2021.....	\$110,826.46
Water Resources Fund – August 31, 2021.....	\$424,261.47
Whiskey Slough IPA Balance – August 31, 2021.....	\$3,731.26
Fort Kearny-West IPA Balance – August 31, 2021.....	\$5,338.16
South Dry Creek IPA Balance – August 31, 2021.....	\$4,544.34
Fort Kearny IPA Balance – August 31, 2021.....	\$9,283.69
Sacramento Creek IPA Balance – August 31, 2021.....	\$8,006.23
North Dry Creek IPA Balance – August 31, 2021.....	\$5,697.85

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Water Jamboree – August 31, 2021-----	\$8,845.41
NRRMDA – August 31, 2021-----	\$7,636.62
Odessa IPA – August 31, 2021-----	\$19,775.92

Moved by Raffety, seconded by Garrelts, to accept the August 2021 Financial Report, and submit for audit. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**SPECIAL BILLS**

Thorburn presented the VISA, attorney, NDNR and PRD bills for approval. Reynolds asked if the PBC funds could be put into a CD to earn interest and asked that Thorburn provide details about early withdrawal penalty. Moved by Garrelts, seconded by Grimes, to put the PBC funds into a 18 month CD. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

Moved by Hinrichs, seconded by Grimes, to approve the VISA, attorney, NDNR and PRD bills. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**NRCS REPORT**

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

**Activity and Progress Report:** Kerner reported staff has been working on CSP renewals, EQIP verification, new employee training, new CRP contracts and land/range judging contests. Staff can now meet with producers for essential services in office, as well as the field and parking lot.

**COST SHARE REPORT**

**Well Abandonment** – There were no well decommissioning cost-share applications to approve.

**NSWCP & NRD Applications** – Thorburn presented five NSWCP cost-share applications to approve. Moved by Larson, seconded by Harris, to approve five NSWCP cost-share applications. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**GROUNDWATER MANAGEMENT**

**Groundwater, Certified Acre Transfers & WCIP** – Thorburn presented one irrigated acre transfer request to approve for Phelps County Feeders and two WCIP applications for Sandy Ag LLC and OIG.

Moved by Ryan, seconded by Reynolds, to approve an irrigated acre transfer request for Phelps County Feeders and WCIP applications for OIG, LLC and Sandy Ag, LLC. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**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.

#### **UNFINISHED BUSINESS**

**Approve FY 2021-2022 TBNRD Budget Levy:** This item was addressed later in the meeting.

#### **Review, Select Bids for Cottonwood Ranch Augmentation Project Well Construction:**

Thorburn presented a spreadsheet of the bids for the well drilling and pipeline installation. Thorburn noted that all three bids for pipeline construction didn't meet bid specifications. Two didn't complete the forms correctly and one didn't attend the required meeting. There was discussion about dewatering costs, which were not included in the bid specs. There was discussion about how to proceed with the bidding for the pipeline construction. Garrelts suggested having J-G Dirt Works and Midlands Contracting rework their bids to specs. Thorburn said he would have to consult with legal counsel. Thorburn stated that Myers Construction would not be contacted because they failed to attend the required meeting.

Moved by Garrelts, seconded by Ryan, to consult with attorneys to see whether J-G Dirt Works and Midlands Contracting can rework their bids to specifications and resubmit their bids including additional terms for dewatering as specified by the engineer and if that isn't possible, to re-bid the pipeline construction. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**Approve Renewal of NARD Tree Sales Agreement:** Moved by Grimes, seconded by Larson, to approve the NARD Tree Sales Agreement. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

#### **NARD REPORT**

**NARD Fall Conference:** Reynolds commented that the resolution submitted by TBNRD will need to be revised.

#### **COMMITTEE REPORTS**

**Schedule Building and Executive Committee Meetings:** The Executive Committee will meet Wednesday, September 15, 2021, at 8 am to discuss the Platte Basin unified plan. Thorburn explained

the Building Committee needed to meet to discuss sand blasting, painting and underground sprinklers. Thorburn said he had estimates for painting and sandblasting. Raffety suggested painting and sand blasting prior to seeding and sprinkler installation, all of which is included in the budget. Moved by Reynolds, seconded by Raffety, to accept the low estimates for sand blasting and painting the armory. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

#### **UNFINISHED BUSINESS**

**Approve FY 2021-2022 TBNRD Budget Levy:** Moved by Reynolds, seconded by Raffety, to approve the FY 2021-2022 TBNRD Budget Levy. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

#### **STAFF REPORTS & NECESSARY ACTION**

**Board Directives to Staff:** There were no board directives to staff.

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

#### **MONTHLY REPORTS**

**Republican Basin:** Thorburn reported on the LEMA meeting in Hoxie, KS.

**Platte Basin:** Nothing to report.

**Sand Creek/Little Blue Basin:** Annual Progress Meeting was held September 8, 2021, at the Adams Co. Fairgrounds.

**North Dry Creek:** Staff has been spraying Canada thistle and phragmites.

**Odessa IPA:** Staff has been spraying Canada thistle and phragmites.

**Sacramento Creek:** Staff has been spraying Canada thistle and phragmites.

**Fort Kearny:** Staff has been spraying Canada thistle and phragmites.

**Fort Kearny West:** Staff has been spraying Canada thistle and phragmites.

**South Dry Creek:** Staff has been spraying Canada thistle and phragmites.

**Whiskey Slough:** Staff has been spraying Canada thistle and phragmites.

**Middle Lost Creek:** Staff has been spraying Canada thistle and phragmites.

**Lake Seldom:** Nothing to report.

**CoHyst/Platte Basin Coalition:** Nothing to report.

**Rainwater Basin Joint Venture:** Board Meeting will be September 21, 2021, at CPNRD.

**Platte-Republican Diversion & Republican Basin Augmentation Well:** Nothing to report.

**CNPPID:** Dicke reported Lake McConaughey is at 56.9%, the headgate was shut September 3, 2021, and irrigation rates were increased two percent. Garrelts asked for 25–30-year chart of Lake McConaughey levels at the beginning and end of irrigation season, total deliveries by CNPPID, total excess flows in Platte River (available and used). Dicke mentioned that excess flow information is available in the PRD feasibility report.

#### NEW BUSINESS

**Allow Variances for Spacing of Augmentation Wells at Cottonwood Ranch & Approve Environmental Well Permits for Cottonwood Ranch Augmentation Wells:** Thorburn opened public comment on seven environmental well permits. There was no public comment. Thorburn explained why a variance is needed for the Cottonwood Ranch augmentation wells. Landowners signed well permits with the condition that if the property is sold, TBNRD has control over the what happens to the wells. Moved by Raffety, seconded by Ryan, to allow variances for spacing requirements of augmentations wells located on the Cottonwood Ranch Project. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

Moved by Garrelts, seconded by Larson, to approve seven environmental well permits for the Cottonwood Ranch Project. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**Approve Agreement with NDNR for WCIP:** Thorburn explained that NDNR will reimburse TBNRD for 60% of new WCIP contracts. Moved by Larson, seconded by Reynolds, to approve the WCIP contract with NDNR. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

**Approve Resolution Setting Property Tax Request:** Moved by Reynolds, seconded by Grimes, to approve the resolution to approve setting the FY 2021-2022 Property Tax Levy. Motion carried.

AYE: Garrelts, Grimes, Harris, Hinrichs, Larson, Lundeen, Raffety, Ryan and Reynolds

NAY: None

ABSTAIN: Cavanaugh

ABSENT: Bergstrom, Bilka, and Philips

#### COMMENTS AND CONCERNS

There were no comments or concerns.

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**PERSONNEL AND LEGAL MATTERS**

There were no legal or personnel matters to discuss.

**NEXT BOARD MEETING**

TBNRD Regular Board Meeting will be held on Tuesday, October 12, 2021, at 7:30 p.m.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 9:26 p.m.

**DIRECTORS PRESENT**

Mike Cavanaugh, Todd Garrelts, David Grimes, Ed Harris, Rob Hinrichs, Joe Larson, Dave Raffety, Larry Reynolds, Jeff Ryan, and Brad Lundeen

**OTHERS PRESENT**

Tom Downey, Lucas Watson, Shane Wegner, John Thorburn, Sasha Hahn, Scott Dicke, Nolan Little, Nate Munter, Cammie Kerner and Carie Lynch

Respectfully Submitted:

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Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS  
TRI-BASIN NATURAL RESOURCES DISTRICT  
BOARD OF DIRECTORS MEETING  
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ID	Motion #	Category	Subject	Aye	Nay	Abstain	Motion
	2021-09-14-01	Meeting Administration		8		2	Moved by Reynolds, seconded by Larson, to approve the minutes for the August 10, 2021 Board of Directors meeting. Motion carried.
	2021-09-14-02	Meeting Administration		8		2	Moved by Harris, seconded by Ryan, to approve the minutes for the August 10, 2021 FY 2021-2022 Budget Hearing and Groundwater Management Hearing. Motion carried.
	2021-09-14-03	Meeting Administration		9		1	Moved by Raffety, seconded by Garrelts, to accept the August 2021 Financial Report, and submit for audit. Motion carried.
	2021-09-14-04	Budget	PBC Funds	9		1	Moved by Garrelts, seconded by Grimes, to put the PBC funds into a 18 month CD. Motion carried.
	2021-09-14-05	Budget		9		1	Moved by Hinrichs, seconded by Grimes, to approve the VISA, attorney, NDNR and PRD bills. Motion carried.
	2021-09-14-06	Meeting Administration		9		1	Moved by Larson, seconded by Harris, to approve five NSWCP cost-share applications. Motion carried.
	2021-09-14-07	Certifications & Transfers	Phelps Co. Feeders & OIG and Sandy AG	9		1	Moved by Ryan, seconded by Reynolds, to approve an irrigated acre transfer request for Phelps County Feeders and WCIP applications for OIG, LLC and Sandy Ag, LLC. Motion carried.
	2021-09-14-08	Projects	Cottonwood Ranch bids	9		1	Moved by Garrelts, seconded by Ryan, to consult with attorneys to see whether J-G Dirt Works and Midlands Contracting can rework their bids to specifications and resubmit their bids including additional terms for dewatering as specified by the engineer and if that isn't possible, to re-bid the pipeline construction. Motion carried.
	2021-09-14-09	Agreements	NARD Tree Agreement	9		1	Moved by Grimes, seconded by Larson, to approve the NARD Tree Sales Agreement. Motion carried.
	2021-09-14-10	Budget	Armory	9		1	Moved by Reynolds, seconded by Raffety, to accept the low estimates for

							sand blasting and painting the armory. Motion carried.
2021-09-14-11	Budget	Levy	9		1		Moved by Reynolds, seconded by Raffety, to approve the FY 2021-2022 TBNRD Budget Levy. Motion carried.
2021-09-14-12	Projects	Cottonwood Ranch	9		1		Moved by Raffety, seconded by Ryan, to allow variances for spacing requirements of augmentations wells located on the Cottonwood Ranch Project. Motion carried.
2021-09-14-13	Projects	Cottonwood Ranch	9		1		Moved by Garrelts, seconded by Larson, to approve seven environmental well permits for the Cottonwood Ranch Project. Motion carried.
2021-09-14-14	Agreements	WCIP with NDNR	9		1		Moved by Larson, seconded by Reynolds, to approve the WCIP contract with NDNR. Motion carried.
2021-09-14-15	Budget	Levy	9		1		Moved by Reynolds, seconded by Grimes, to approve the resolution to approve setting the FY 2021-2022 Property Tax Levy. Motion carried.