

LEWIS & CLARK NRD MINUTES

July 26, 2018

Chairman Fuchtman called the July 26, 2018 meeting of the Lewis & Clark Natural Resources District Board of Directors to order at 7:00 pm. Chairman Fuchtman stated prior notice of the meeting had been publicized according to policy designated by the Board and announced to the public present that a copy of the Open Meeting Act is located on the west wall of the meeting room, Hartington NE.

CONSENT AGENDA

The consent agenda additions were distributed and changes were noted. It was moved by Heine, seconded by Howey to approve the minutes of the June 21, 2018 board meeting and the July consent agenda which includes the treasurer's report, cost share approvals, claims, cancellations, corrections and additions. (Copy attached to file copy of minutes). Roll call vote: AYE: Armstrong, Christensen, Heine, Hoelsing, Howey, Fuchtman, Kramer, Schmidt, Steffen, Weinandt. NAY: None. ABSENT: Johnson. Motion carried (10-0-1).

NRCS REPORT

NRCS report was moved up on the agenda to accommodate Tyler Specht. Specht reported on funding for CSP and EQIP. Office has been working on Status Review appeals. Question was asked on disaster funding for area that received the hail and wind damage and it was not known whether relief will be available.

KEITH KUBE

Keith Kube was present at the meeting and introduced himself as candidate for District 40 representative in the Nebraska Unicameral. Kube reviewed with the board his background in the Business and Ag industry and what he sees as needs in this Unicameral. Kube stated he supports anything that shows a benefit down the road.

LEGISLATIVE UPDATE

Katie Zulkoski and Michelle Weber of Zulkoski Weber addressed the board on their efforts as lobbyists for the Nebraska Association of Resources Districts. Katie and Michelle discussed the property tax credit bill. New legislature will have 10 new senators and continued scrutiny on property tax recipients. Directors are recommended to continue to communicate with Legislative representatives on programs and projects being conducted by the NRDs. In particular the need for the Water Sustainability Fund. Manager Sudbeck asked if in future newsletter they send could include a focus on the various committees and representation on those Legislative committees. Also questioned was Sen Schumacher's bill on taxing water. Response was there was no traction for this bill.

RURAL WATER REPORT

Matt Weinandt reported on the Cedar Knox Rural Water Project meeting held on July 12. The following recommendations were made by the Committee.

1. Approve the minutes of the June 14, 2018 rural water meeting.
2. Approve the expenses for July as presented.
3. Approve a change in water rates paid by Cedar Knox Rural Water users, with the minimums increasing \$1.00 for customers in the Original Project and \$0.50 for customers in the Bow Creek area. The maintenance fee for all customers is to increase by \$2.00 (Water Charge for Minimums and Maintenance Fee: Original Project will be \$41.75 and Bow Creek Project will be \$46.25). The increase will go into effect October 1, 2018.
4. Approve the tentative budget for the Cedar Knox Rural Water Project with the proposed changes as discussed and subject to auditor's adjustment during the audit process.

The Advisory Committee also discussed: Intake Project for Zebras Mussel control, Missouri Sedimentation Action Coalition meeting, DHHS violations due to power outage, creating a list of approved contractors, AEM Surveys starting next week, Grant opportunities via DWSRF and NET, Micro Comm telemetry update, Engineer Ted McIntyre retiring at end of year.

It was moved by Christensen, seconded by Schmidt to approve the rural water report and recommendations as stated above. Roll call vote: AYE: Armstrong, Christensen, Heine, Hoelsing, Howey, Fuchtmann, Kramer, Schmidt, Steffen, Weinandt. NAY: None. ABSENT: Johnson. Motion carried (10-0-1).

BUDGET COMMITTEE

Director Heine reviewed the items discussed prior to the meeting by the Budget Committee. Items discussed by the committee were the FY19 budget and 1% allowable increase, Water Quality Management Plan bids, line of credit, salary schedule, cover crop cost share, Dana Cole engagement letter, and need to hire an individual to train for Office Manager's position due to future retirement and assist with acre certification. The Corps of Discovery Welcome Center operations continue with funding issues and is no better than last fiscal year. Recommend a NRD Director serve on the Council for CDWC. If interested in serving let management know. The Committee also discussed UNL willingness to provide 1/5 of cost for salary and benefit for a Bazile Extension Education.

It was moved by Schmidt, seconded by Weinandt to approve the budget committee report and the following recommendations:

- Renew line of credit with Bank of Hartington with interest rate of 3.85%.
- Continue with the rules of the cover crop program as they exist.
- Approve awarding contract for services on the Water Quality Management Plan to FYRA Engineering and NDEQ for 319 Grant to develop the plan.
- FY19 Salary budget is set per NRD and RWP Budget worksheets (which are attached to the record of these minutes) . Manager Sudbeck's salary will reflect a 3% increase.
- Authorize signing an engagement letter with Dana F Cole to assist NRD in budget preparation.
- Approve hiring of an additional employee in early 2019 for Office Manager training and initial primary duty to certify acres.
- Approve tentative FY2019 budget and salary schedule with revision and authorize management to make balancing adjustments as needed following the audit.
- Approve management investigating other avenues for the Corps of Discovery Welcome Center and if funding status doesn't improve consider closing the facility in December 2019.

Roll call vote. AYE: Armstrong, Christensen, Heine, Hoelsing, Howey, Fuchtmann, Kramer, Schmidt, Steffen, Weinandt. NAY: None. ABSENT: Johnson. Motion carried (10-0-1).

It was moved by Kramer, seconded by Hoelsing to approve 1% allowable increase on base restrictions for FY 19 budget. Roll call vote. AYE: Armstrong, Christensen, Heine, Hoelsing, Howey, Fuchtmann, Kramer, Schmidt, Steffen, Weinandt. NAY: None. ABSENT: Johnson. Motion carried (10-0-1).

DIRECTORS ACTIVITY

Director Kramer reported on NARD activities and reported Senator Deb Fischer's assistance in getting federal funding for the Offutt Air Force Base Omaha Levee Project.

Director Howey reported on activities of the Northeast Nebraska RC&D. Jan Jorgensen will be retiring December 31, 2018 and a retirement party will be held. The 25th year anniversary celebration will be held October 7th at Ponca State Park from 2 to 4.

Jeff Steffen reported Natural Resources Commission meeting August 15th in Kearney. Steffen has volunteered to be on the scoring committee for the Water Sustainability Fund. Steffen reported on September 12th Jimmy Emmons, Oklahoma will be speaking at Scott Heinemman Farm by Winside and speak on Soil Health.

ADMINISTRATIVE ACTIVITY

Manager Sudbeck reported Basin Caucus to re-elect representative to Natural Resources Commission will be in January 2019. Discussed application for Nebraska Environmental Trust or Water Sustainability Grant for rural water and other grant application possibilities. Manager Sudbeck reported AEM Survey flights started Friday July 20 and should be completed shortly and the preliminary report for rural water will be delivered at the February rural water meeting. Sudbeck and Terry Johnson attended Missouri Sedimentation Action Coalition meeting and presented on

sedimentation and effect to the rural water intake. MSAC is also soliciting financial assistance for a sedimentation study and in the future the NRD may be asked to contribute to the study.

Myles Lammers reported on well permits, expanded acres, and flow meter cost share requests. The board reviewed items. It was moved by Hoelsing, seconded by Heine to approve the following:

- Scott Heine Expanded Acre Permit X18015 for 100 acres in W 1/2 SW ¼ Section 15-T31N-R3E
- Dennis Arens Jr Well Permit LC218NF located in NW NW Section 34-T32N R1E
- Dennis Arens Jr Well Permit LC219NF located in NW NE Section 17 T30N R1E
- Steven Pinkelman Well Permit LC220 located in SW NW Section 31 T32N R3E
- Sea View Investments LLC Well Permit LC221 located in SE NE Section 27 T32N R4W and Flow Meter Cost Share FMLC209.

Roll call vote. AYE: Armstrong, Christensen, Heine, Hoelsing, Howey, Fuchtmann, Kramer, Schmidt, Steffen, Weinandt. NAY: None. ABSENT: Johnson. Motion carried (10-0-1).

Lammers reported chemigation and monitoring well drilling in Martinsburg. Marilyn Schumacher reported on the Insurance Committee meeting and consideration being given to utilizing a service for phone calls to Doctors for minor illnesses with a \$10 copay versus \$30 copay when going to the actual Doctor. Joslynn Vanderslice reported on Deep Soil cost share payments, Information & Education quarterly meeting at Alma, website data reports and taking water samples at the Cedar County fair and will be also doing them at Knox and Dixon County NRCS Office

CORRESPONDENCE REVIEW

Manager Sudbeck addressed the board on the August and September meeting dates. August will be the annual tour and the meeting would be at Jeff Steffens in conjunction with the tour. The September meeting needs to be moved up to allow for approval of the budget. The board consensus was to hold the August meeting on August 23rd and the September meeting on September 17th. Annual Conference in September and Dan Kathol will be receiving the Outstanding Conservation Award. Consensus of the board was to pay for one night room expense for Kathol. Director Johnson had contacted the office prior to the meeting and is excused from the meeting. Director Weinandt suggested the NRD also consider touring the Lewis & Clark Rural Water System. Meeting adjourned at 9:24 pm.

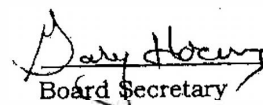
MEMBERS PRESENT

Armstrong, Curtis
Christensen, Bill
Fuchtmann, Jack
Heine, Carolyn
Hoelsing, Leroy
Howey, Gary
Kramer, Marcel
Schmidt, Russ
Steffen, Jeff
Weinandt, Matt

GUESTS PRESENT

Keith Kube
Tyler Specht, NRCS
Katie Zulkoski
Michelle Weber
Terry Johnson, CKRWP
Annette Sudbeck, Manager
Joslynn VanDerslice, Res Tech
Myles Lammers, Res Tech
Marilyn Schumacher, Office Mgr

I, the undersigned Secretary for the Lewis & Clark Natural Resources District, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Board of Directors on July 26, 2018 and that all of the subject included in the foregoing proceeding were contained in the agenda for at least twenty four hours prior to said meeting; the minutes of the Chairman and Board of Directors of said district were in written form and available for public inspection within ten working days and prior to the next convened meeting of the said body, that all news media requesting notification of the time and place of said meeting and the subject to be discussed at said meeting.


Board Secretary