

MINUTES OF THE TRI-BASIN NRD BOARD MEETING
Tuesday, March 14, 2017, 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 Vice Chairman, Brad Lundeen, at 1:30 p.m. Lundeen noted Public Meeting Law is posted in the boardroom. Prior to the meeting, Garrelts took the Oath of Office.

ROLL CALL

Roll call was taken with twelve directors present: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds. Olsen was absent. Notice of the meeting was published in the Holdrege Citizen, Bertrand Herald, Elwood Bulletin and Minden Courier and announced on radio stations KRVN, Lexington and KUVR, Holdrege.

EXCUSE ABSENCES

There were no absences to excuse.

MINUTES

Thorburn presented the minutes of the February 14, 2017, Board of Directors meeting and work session and March 2, 2017 Joint Meeting with CNPPID. Moved by Bilka, seconded by Garrelts, to approve the minutes for the February 14, 2017 Board of Directors Meeting and Work Session. Motion carried.

AYE: Bergstrom, Cavanaugh, Harris, Hinrichs, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: Bilka, Garrelts and Johnson

ABSENT: Olsen

Moved by Raffety, seconded by Hinrichs, to approve the minutes for the March 2, 2017 Joint Meeting with CNPPID. Motion carried unanimously.

FINANCIAL REPORT

Bilka presented the financial report for the month of February 2017 as follows:

| | |
|---|--------------|
| Accrual Expenditures for Month | \$159,018.25 |
| Cash Expenditures for Month..... | \$560,120.87 |
| Accrual Revenues for Month..... | \$64,100.73 |
| - | |
| Cash Revenues for Month..... | \$63,193.34 |
| Bank Balance—February 28, 2017..... | \$378,650.99 |
| - | |
| Accounts Receivable – February 28, 2017..... | \$639.60 |
| Investments – Pinnacle Bank – February 28, 2017..... | \$450,144.58 |
| - | |
| Building Sinking Fund – February 28, 2017..... | \$61,689.95 |
| - | |
| Vehicle Sinking Fund – February 28, 2017..... | \$49,961.05 |
| Water Resources Fund – February 28, 2017..... | \$290,914.45 |
| Whiskey Slough IPA Balance – February 28, 2017..... | \$18,089.89 |
| Fort Kearny-West IPA Balance – February 28, 2017..... | \$12,194.58 |
| South Dry Creek IPA Balance – February 28, 2017..... | \$15,813.60 |
| Fort Kearny IPA Balance – February 28, 2017..... | \$13,378.48 |
| Sacramento Creek IPA Balance – February 28, 2017..... | \$21,321.00 |
| - | |

TRI-BASIN NRD BOARD MINUTES

March 14, 2017

Page Two

| | |
|--|-------------|
| North Dry Creek IPA Balance – February 28, 2017----- | \$14992.37 |
| Water Jamboree – February 28, 2017----- | \$5,613.39 |
| - | |
| NRRMDA – February 28, 2017----- | \$7,627.15 |
| Odessa IPA – February 28, 2017----- | \$12,222.30 |

Moved by Cavanaugh, seconded by Johnson to accept the February 2017 financial reports and file for audit. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

SPECIAL BILLS

Thorburn presented the VISA, attorney and LRNRD bills for approval. Moved by Bergstrom, seconded Bilka to approve the visa, attorney and LRNRD bills. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

NRCS REPORT

FSA Farm Plans: There were no farm plans for approval.

Activity and Progress Report: Breece reported on AWEP, EQIP and CSP contract totals over several years. TBNRD leads in CSP contracts in the state.

COST SHARE REPORT

Well Abandonment – Thorburn presented three Well Decommissioning Cost-Share applications for approval. Moved by Johnson, seconded Larson to approve three well decommissioning cost-share applications. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

NSWCP & NRD Applications – Thorburn presented three NSWCP applications to approve. Moved by Garrelts, seconded Raffety to approve three NSWCP cost-share applications. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

GROUNDWATER MANAGEMENT

Groundwater & Certified Acre Transfers – Thorburn presented five irrigated acre transfer requests (Bradley and Deborah Lundeen (2), Eugene & Marlys Lundeen, Greg & Sharon Jorgensen and Sandy Ag, LLC). Brock Sandy and Brad Lundeen were present to answer questions.

Moved by Garrelts, seconded Bilka to approve three irrigated acre transfer requests for Bradley and Deborah Lundeen (2), Eugene & Marlys Lundeen, Greg & Sharon Jorgensen and Sandy Ag, LLC.
Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: Jorgensen

ABSENT: Olsen

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. There was no public comment.

UNFINISHED BUSINESS

Consider Whether to Proceed to Final Design with Platte-Republican Diversion Project: Thorburn briefly explained the scope of the project. Olsson and Associates completed the Feasibility Study, which shows a positive cost to benefit ratio, and it was released to the public. Measure are needed for erosion problems in the upper reach. Thorburn calculated that CNPPID would charge \$44/af for delivery of the water with an overall cost of \$81/af for the project over 20 years. Ford commented that the canal is adequately sized to operate during irrigation season, but a bottleneck would be Johnson Lake and Elwood Reservoir. Operation of the diversion is dependent upon Elwood having water to divert.

Moved by Bilka, seconded by Garrelts to proceed to the final design of the Platte-Republican Diversion Project. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

Consider Allowing Staff and Legal Counsel to Secure Easements for P-RD: Moved by Bilka, seconded Cavanaugh to allow staff and legal counsel to secure easements for the Platte-Republican Diversion Project. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

NARD REPORT

NARD: Reynolds explained that NARD is hosting the National Environathon in 202 and is asking each NRD to contribute based on population. TBNRD's contribution would be \$5,300/year for three years starting in 2017-2018. Reynolds commented that CPNRD is ready for Thorburn's presentation on the PRD. Thorburn will set up a meeting.

COMMITTEE REPORTS

Joint Meeting with CNPPID: No comment was made.

Schedule Planning Committee Meeting: This meeting is scheduled for Thursday, March 30, 2017 at 9:30 a.m.

STAFF REPORTS & NECESSARY ACTION

Board Directives to Staff: Thorburn noted that the Director's Manual is now on Drop Box.

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

MONTHLY REPORTS

Republican Basin (NRRMDA): Nothing to report.

Platte Basin: Nothing to report.

South Dry Creek: IPA meeting were held March 10, 2017.

Sacramento Creek: IPA meeting were held March 10, 2017.

Middle Lost Creek: Nothing to report.

Fort Kearny West: IPA meeting were held March 10, 2017.

Fort Kearny: IPA meeting were held March 10, 2017.

North Dry Creek: IPA meeting were held March 10, 2017.

Whiskey Slough: IPA meeting were held March 10, 2017.

Odessa IPA: IPA meeting were held March 10, 2017.

Lake Seldom: Nothing to report.

CoHyst/Platte Basin Coalition: Nothing to report.

Sand Creek/Little Blue Basin: LBNRD will hold a Stakeholder meeting on March 20, 2017.

Platte-Republican Diversion & Republican Basin Augmentation Well: This item was discussed earlier.

Weed Mgmt. Areas/Riparian Veg. TF: Nothing to report.

CNPPID: Ford reported Lake McConaughy is at 3254 ft. and 82% of capacity.
TRI-BASIN NRD BOARD MINUTES
March 14, 2017
Page Five

NEW BUSINESS

Reschedule June & July Board Meetings: Thorburn recommended that the June board meeting be rescheduled to allow Directors to attend the NARD Tour and the July board meeting be rescheduled due to the holiday. Garrelts asked that the April board meeting be rescheduled to a week earlier. Thorburn also mentioned that there would be an Executive Committee meeting on July 11, 2017 to review the first draft of the budget. Moved by Reynolds, seconded by Larson to reschedule the April board meeting to Thursday, April 6, 2017 at 1:30 p.m., the June board meeting to Tuesday, June 20, 2017 at 1:30 p.m. and the July board meeting to Tuesday, July 18, 2017 at 1:30 with a board work session at 10 a.m. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

Consider Extending Republican Basin-wide Planning Process: Thorburn explained that the Republican Basin-Wide planning process has been going on since 2014. It's moving forward but needs more time to be completed.

Moved by Johnson, seconded by Cavanaugh to request an extension of one year from NDNR for the Republican Basin-Wide Planning process. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

Consider Contract with JEO for AHMP Revision: Thorburn explained that the Hazard Mitigation Plan costs are shared between TBNRD, Gosper, Kearney and Phelps Counties. The five-year plan was last revised in 2013 and ends in July 2018. To receive FEMA funding for an emergency, the plan must be updated every five years. Moved by Bergstrom, seconded by Raffety approve a contract with JEO for development of the All Hazard Mitigation Plan. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: Garrelts

ABSTAIN: None

ABSENT: Olsen

COMMENTS AND CONCERNS

There were no comments or concerns.

PERSONNEL & LEGAL MATTERS

Moved by Garrelts, seconded by Bilka to move to executive session for the protection of the public to discuss pending legal matters at 2:28 p.m. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

TRI-BASIN NRD BOARD MINUTES
March 14, 2017
Page Six

Moved by Johnson, seconded by Cavanaugh to move out of executive session for the protection of the public to discuss pending legal matters at 3 p.m. Motion carried.

AYE: Bergstrom, Bilka, Cavanaugh, Garrelts, Harris, Hinrichs, Johnson, Jorgensen, Larson, Lundeen, Raffety and Reynolds

NAY: None

ABSTAIN: None

ABSENT: Olsen

NEXT BOARD MEETING

TBNRD Regular Board Meeting on Tuesday, April 6th, 2017 at 1:30 p.m.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:20 p.m.

DIRECTORS PRESENT

Brian Bergstrom, Joe Bilka, Mike Cavanaugh, Todd Garrelts, Ed Harris, Rob Hinrichs, Phyllis Johnson, Greg Jorgensen, Joe Larson, Brad Lundeen, Dave Raffety and Larry Reynolds.

OTHERS PRESENT

Carie Lynch, John Thorburn, Tammy Fahrenbruch, Nolan Little, Nicole Salisbury, Dave Ford, Lori Potter, Kevin Breece, Keith Tillotson, Phil Luebbert, Brock Sandy, Nelson Trambley, Scott Dicke, Mike Clements, Brad Lundeen and Charles Brooks.

Respectfully Submitted:

Carie Lynch, Asst. Secretary

INDEX OF BOARD DECISIONS
 TRI-BASIN NATURAL RESOURCES DISTRICT
 BOARD OF DIRECTORS MEETING
 March 14, 2017

| ID | Motion # | Category | | Aye | Nay | Abstain | |
|----|---------------|---------------------------|---------------------------------|-----|-----|---------|--|
| | 2017-03-14-01 | Meeting Administration | | 12 | | | Moved by Bilka, seconded by Garrelts, to approve the minutes for the February 14, 2017 Board of Directors Meeting and Work Session. Motion carried. |
| | 2017-03-14-02 | Meeting Administration | | 12 | | | Moved by Raffety, seconded by Hinrichs, to approve the minutes for the March 2, 2017 Joint Meeting with CNPPID. Motion carried unanimously. |
| | 2017-03-14-03 | Meeting Administration | | 12 | | | Moved by Cavanaugh, seconded by Johnson to accept the February 2017 financial reports and file for audit. Motion carried. |
| | 2017-03-14-04 | Budget | | 12 | | | Moved by Bergstrom, seconded Bilka to approve the visa, attorney and LRNRD bills. Motion carried. |
| | 2017-03-14-05 | Meeting Administration | | 12 | | | Moved by Johnson, seconded Larson to approve three well decommissioning cost-share applications. Motion carried. |
| | 2017-03-14-06 | Meeting Administration | | 12 | | | Moved by Garrelts, seconded Raffety to approve three NSWCP cost-share applications. Motion carried. |
| | 2017-03-14-07 | Certification & Transfers | Lundeen, Jorgensen and Sandy Ag | 11 | | 1 | Moved by Garrelts, seconded Bilka to approve three irrigated acre transfer requests for Bradley and Deborah Lundeen (2), Eugene & Marlys Lundeen, Greg & Sharon Jorgensen and Sandy Ag, LLC. Motion carried. |
| | 2017-03-14-08 | Projects | | 12 | | | Moved by Bilka, seconded by Garrelts to proceed to the final design of the Platte-Republican Diversion Project. Motion carried. |
| | 2017-03-14-09 | Projects | | 12 | | | Moved by Bilka, seconded Cavanaugh to allow staff and legal counsel to secure easements for the Platte-Republican Diversion Project. Motion carried. |

| | | | | | | |
|---------------|---------------------------|--|----|---|--|--|
| 2017-03-14-10 | Meeting Administration | | 12 | | | Moved by Reynolds, seconded by Larson to reschedule the April board meeting to Thursday, April 6, 2017 at 1:30 p.m., the June board meeting to Tuesday, June 20, 2017 at 1:30 p.m. and the July board meeting to Tuesday, July 18, 2017 at 1:30 with a board work session at 10 a.m. Motion carried. |
| 2017-03-14-11 | District Plans & Programs | | 12 | | | Moved by Johnson, seconded by Cavanaugh to request an extension of one year from NDNR for the Republican Basin-Wide Planning process. Motion carried. |
| 2017-03-14-12 | District Plans & Programs | | 11 | 1 | | Moved by Bergstrom, seconded by Raffety approve a contract with JEO for development of the All Hazard Mitigation Plan. Motion carried. |
| 2017-03-14-13 | Meeting Administration | | 12 | | | Moved by Garrelts, seconded by Bilka to move to executive session for the protection of the public to discuss pending legal matters at 2:28 p.m. Motion carried. |
| 2017-03-14-14 | Meeting Administration | | 12 | | | Moved by Johnson, seconded by Cavanaugh to move out of executive session for the protection of the public to discuss pending legal matters at 3 p.m. Motion carried. |