

**UPPER ELKHORN NATURAL RESOURCES DISTRICT  
BOARD OF DIRECTORS MEETING  
September 10, 2018 -- 7:00 P.M.  
O'Neill, Nebraska**

**CALL TO ORDER, STATEMENT OF ADVERTISEMENT AND OPEN MEETING LAW NOTIFICATION:**

The regular meeting of the Board of Directors was called to order. The statement of advertisement in the Holt County Independent, Rock County Leader and Neligh News were noted; and, the open meetings law posting were all noted at 7:04 P.M. by Chairman Gene Kelly.

**DIRECTORS PRESENT:**

Gary Bartak	Mark Carpenter	Chris Dierks (arr 7:18 PM)	Curtis Gotschall
Keith Heithoff	Ted Hughes	Jim Keller	Gene Kelly
John Meuret	Michael Moser	Aaron Rice	Roy Stewart

**DIRECTORS ABSENT:**

Chip Whitaker

**STAFF PRESENT:**

Dennis Schueth, General Manager  
Andrea Fisher, Administrative Secretary  
Beth Walsh, Information & Education Coordinator  
Wayne Frederick, Water Resources Technician  
Kelly Kloppenborg, Water Resources Technician  
Jake Morten, Wildlife, Forestry & Resources Conservationist

**GUESTS PRESENT:**

Marv Fritz - O'Neill

**AGENDA:**

⇒ It was moved by John Meuret and seconded by Michael Moser to adopt the agenda. **AYE:** Bartak, Carpenter, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Dierks & Whitaker. **MOTION CARRIED.**

**AUGUST BOARD MEETING MINUTES:**

⇒ It was moved by Michael Moser and seconded by Jim Keller to approve the minutes of the August Board Meeting with corrections. **AYE:** Bartak, Carpenter, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Dierks & Whitaker. **MOTION CARRIED.**

**TREASURERS REPORT:**

⇒ It was moved by Roy Stewart and seconded by Jim Keller to approve the August Treasurers Report. **AYE:** Bartak, Carpenter, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Dierks & Whitaker. **MOTION CARRIED.**

**PUBLIC FORUM-INPUT OR COMMENTS:**

None

## **AGENCY & STAFF REPORTS:**

**NARD Report:** The fall conference is scheduled for September 24-25 in Kearney.

- 1. LR 387 – Cedar Tree Hearing-Lincoln, NE:** Dennis Schueth discussed the hearing held August 31 regarding the future of cedar trees in Nebraska. A copy of the UENRD testimony was included in the directors packets. Curtis Gotschall also attending the hearing as a private citizen and relayed his views regarding the use of cedar trees on private lands. Issues with cedars include the ease in which they can spread and poor management by landowners.
- 2. NARD Fall Conference Voting Delegates:** ⇨ **It was moved by Curtis Gotschall and seconded by Michael Moser to approve Ted Hughes voting delegate and Jim Keller alternate for the NARD Fall Conference.**  
**AYE:** Bartak, Carpenter, Gotschall, Heithoff, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None.  
**ABSTAIN:** Hughes & Keller. **ABSENT:** Dierks & Whitaker. **MOTION CARRIED.**

## **UENRD FY 18-19 BUDGET HEARING:**

⇨ **It was moved by Curtis Gotschall and seconded by Jim Keller to suspend the regular board meeting and proceed to the FY 18-19 Budget Hearing.** **AYE:** Bartak, Carpenter, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Dierks & Whitaker. **MOTION CARRIED.**

- Open FY 18-19 Budget Hearing & Public Comment:** Gene Kelly, Chairman of the Upper Elkhorn NRD, officially opened the 2018-2019 Fiscal Year Budget Hearing at 7:17 P.M. The hearing was to remain open for a minimum of 20 minutes. The purpose of the hearing is to receive support, opposition, criticism, suggestions or observations of taxpayers relating to the proposed budget and to consider amendments relative to the Upper Elkhorn NRD 2018-2019 proposed budget. No comments were made at this time. In order to expedite the remainder of the agenda, the Budget Hearing was suspended until at least 7:37 PM and then allow any other persons wishing to testify to do so at that time.

Chairman Gene Kelly reconvened the regular monthly board meeting at 7:19 PM.

**DNR Report:** No Report

**NRCS Report:** No Report.

**Holt County Extension:** No Report.

## **RC&D Reports:**

**North Central RC&D:** Jim Keller reported that they are still working on their recycling efforts.

**Loup Basin RC&D:** No Report.

**Northeast RC&D:** No Report.

**Information & Education Report:** Beth Walsh's report was mailed out in the Director's packets. Beth reviewed the annual conference reservations with the Directors.

**Water Resources Report:** Sarah Nevison's report was handed out at the board meeting. Dennis Schueth reviewed the final stakeholder meeting for the UENRD V-IMP plan held August 29, 2018. Dennis has received a request from one of the stakeholders to remove his name as a stakeholder. The next step in the process will be the public hearing in November.

**Bazile Management Report:** A NET grant has been submitted for funding to develop three research and demonstration sites. If the BGWMA receives funding the project will address new and better ways to assess nitrogen management in the area.

### EXCUSED ABSENCES:

⇒ It was moved by Jim Keller and seconded by Michael Moser to excuse the absence of Chip Whitaker.

AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart.

NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED.

### COMMITTEE REPORTS:

#### Legislative, Finance and Planning:

- **Action on Current Bills and Cost Share Requests:** The Legislative, Finance and Planning Committee met prior to the Board meeting and reviewed all the bills, fuel receipts, credit card receipts, accounts receivable and bank statements. ⇒ It was moved by Roy Stewart and seconded by Jim Keller to approve the current bills for payment. AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED. There were no new cost share applications.

**Water Quality and Watershed:** The Committee met prior to the board meeting.

- **Voluntary Integrated Management Plan (V-IMP) Update:** Covered under the water resources report.
- **Groundwater Acre Certification/Transfer Issues:** None
- **Water quality Phase III Discussion:** A draft copy of the updated Phase III rules and regulations were handed out to the full board for their review; and, Meuret reviewed the procedure outlined in the draft. John Meuret explained that the UENRD has a phase III policy but has not established any phase III areas or acted upon to date. The WRWS committee has worked on developing new phase III rules and regulations which are based on the Phase II reporting forms submitted by the landowner/operator which showed 45 pounds of actual N in the soil over the past two years. In the past, the landowner/operator has received a letter regarding any high levels of nitrogen reported; but, with the new phase III the UENRD will inform the landowner/operator that the NRD will be following up with their own soil sampling. The soil sampling will be based on the UENRD rules and regulations and samples will be taken randomly based on the Phase III designation. It is the hope of the committee that when farmers are given the rules and regulations they will work on their own compliance. Penalties were also discussed for the updated rules and regulations. Targeting the producers who are leaving high amounts of N in the soil when going into corn. Discussion was also held on the proposed changes to the Phase III rules and regulations.

### UENRD FY 18-19 BUDGET HEARING:

⇒ It was moved by Michael Moser and seconded by Chris Dierks to suspend the regular board meeting and to close the FY 18-19 Budget Hearing. AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION

CARRIED.

- **Closing of FY 18-19 Budget Hearing and Action:** There being no further testimony regarding the 2018-2019 fiscal budget for the Upper Elkhorn NRD, the Budget Hearing was closed at 7:42 P.M. by Gene Kelly, Upper Elkhorn NRD Chairman; and, Gene reconvened the regular monthly board meeting at 7:42 PM. ⇒ It was moved by John Meuret and seconded by Ted Hughes to adopt the published FY 18-19 UENRD Budget. AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED.

### UENRD FY 18-19 SPECIAL BUDGET HEARING:

⇒ It was moved by Chris Dierks and seconded by Roy Stewart to suspend the Board meeting at 7:45 PM for the special budget hearing to set the tax asking and mill-levy for FY 18-19. AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED.

- **Open Special Hearing and Public Comment – Setting of FY 18-19 Tax Asking & Mill-Levy:** Gene Kelly, Chairman of the Upper Elkhorn NRD, officially opened the 2018-2019 Fiscal Year Special Hearing at 7:47 P.M. The hearing was to remain open for a minimum of 20 minutes. The purpose of the hearing is to receive support, opposition, criticism, suggestions or observations of taxpayers relating to setting the Tax Asking & Mill-Levy different from FY 17-18. No comments were made at this time. In order to expedite the remainder of our agenda, the Budget Hearing was suspended until at least 8:07 PM and then allow any other persons wishing to testify to do so at that time.

Chairman Gene Kelly reconvened the regular monthly board meeting at 7:49 PM.

**COMMITTEE REPORTS Continued:**

**Water Quality and Watershed Committee Continued:**

- **Water quality Phase III Discussion:** Discussion included the application of nitrogen, soil types, crop rotation, corn stubble, irrigation practices and effects of Mother Nature during a crop season. The updated Phase III rules and regulations have been developed as a starting place and to slow the contamination of nitrate-nitrogen in our soil and groundwater.

**UENRD FY 18-19 SPECIAL BUDGET HEARING:**

- **Closing of Special Budget Hearing:** Gene Kelly, Chairman of the UENRD, noted that the specified time for the Special Budget Hearing had expired. ⇒ **It was moved by John Meuret and seconded by Michael Moser to suspend the Board meeting at 8:07 PM for the closing of the special budget hearing. AYE: Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. NAY: None. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED.** There being no further testimony regarding setting the 2018-2019 Tax Asking & Mill-levy different than FY 2017-2018 for the Upper Elkhorn NRD, the Special Hearing was closed at 8:09 P.M. by Gene Kelly, Chairman of the Upper Elkhorn NRD.

Chairman Gene Kelly reconvened the regular monthly board meeting at 8:09 PM.

**COMMITTEE REPORTS Continued:**

**Water Quality and Watershed Committee Continued:**

- **Water quality Phase III Discussion:** Meuret also reviewed the penalties for non-compliance. Again, this is a starting point for the Phase III rules and regulations which can always be amended to address the growing challenges of managing our groundwater quality and quantity as it relates to nitrate-nitrogen contamination. ⇒ **It was moved by John Meuret and seconded by Ted Hughes to accept the proposed changes to the UENRD Groundwater Management Phase III Rules and Regulations for the enforcement of the Nebraska Ground Water Management and Protection Act, prepare the document for publication and to hold the public hearing. AYE: Carpenter, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser & Stewart. NAY: Bartak, Dierks & Rice. ABSTAIN: None. ABSENT: Whitaker. MOTION CARRIED.** UENRD staff will schedule public information meetings to present the proposed changes to the UENRD Groundwater Management Plan Phase III Rules and Regulations.

**Personnel, Equipment, Promotion & Education Committee:**

- **Update on Water Resources Managers Vacancy:** John Meuret reported that the interviewed 3 applicants on September 7. Those present for the interviews were John Meuret, Gene Kelly, Keith Heithoff and Aaron Rice. Those present for the interviews have instructed the General Manager to offer the position to one of the candidates and report back if they accept. If they do not accept, the committee will make a recommendation for moving forward with the vacancy.

**UENRD FY 18-19 SPECIAL BUDGET HEARING Continued:**

- **Setting of FY 18-19 Tax Asking & Mill Levy:** ⇨ It was moved by John Meuret and seconded by Jim Keller to adopt the resolution motion to set the mill-levy at 0.015448 per \$100 of valuation and tax asking of \$755,985.40. **AYE:** Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Whitaker. **MOTION CARRIED.**

**COALITION/TASK FORCE UPDATE:**

**Lower Platte River Basin Water Management Plan Coalition:** No Report.

**Niobrara River Basin Alliance:** Dennis Schueth reported that the signing of the agreement is scheduled during the upcoming NARD Fall Conference.

**Nebraska Habitat Conservation Coalition (Piping Plover):** No Report.

**Nebraska Ground Water Management Coalition:** The Coalition will be meeting during the NARD Fall Conference in Kearney. They will need to replace Mike Onnen due to his retirement; and, will be discussing coalition dues.

**ADMINISTRATIVE REPORT:**

Dennis Schueth's report was mailed out to the directors prior to the board meeting in their packets. A copy is included with the official copy of the minutes in the office. Dennis handed out the 2018 Plowprint Report.

**OCTOBER BOARD MEETING:** The next regular meeting of the Upper Elkhorn NRD Board of Directors will be held October 22, 2018 at the NRD office in O'Neill.

⇨ It was moved by John Meuret and seconded by Michael Moser to adjourn at 8:40 PM. **AYE:** Bartak, Carpenter, Dierks, Gotschall, Heithoff, Hughes, Keller, Kelly, Meuret, Moser, Rice & Stewart. **NAY:** None. **ABSTAIN:** None. **ABSENT:** Whitaker. **MOTION CARRIED.**

I, the undersigned Secretary of the Upper Elkhorn Natural Resources District hereby certify that the foregoing is a true and correct copy of the proceedings had and done by the Board of Directors on September 10, 2018 that all of the subjects included in the foregoing proceedings were contained in the agenda for at least twenty-four hours prior to said meeting, the minutes of the Chairman and the Board were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body, that all news media requesting notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Gene Kelly, Chairman