

MINUTES
LOWER REPUBLICAN NATURAL RESOURCES DISTRICT
Lower Republican NRD Meeting Room, 30 North John Street, Alma, NE
October 13th, 2011 7:00 p.m. Variance Hearing,
Immediately followed by the Regular Monthly Board Meeting.

Board of Directors Meeting

A notice of the meeting was announced over radio station KRVN and published in the newspapers within the District.

INFORMATIONAL MATERIAL MAILED OUT PRIOR TO MEETING:

1. Agenda, 10/11
2. LRNRD Board Meeting & Index of Decisions, Variance Hearing Minutes 9/11
3. Treasurer's Report, 9/11
4. Managers' Report, 10/11
5. Assistant Manager's Report, 10/11
6. NRCS Report, 10/11
7. Copy of Letter regarding Occupation Tax
8. Change in Location of Certified Acres on Contiguous Property
 - a. June Ann Humphrey Trust
 - b. L&L Johnson Farms, Inc.
 - c. Kenneth Schoen Rev. Trust
9. Variance Requests –
 - a. PR Limited % Reed McClymont
 - b. Marietta Massey % Michael Massey
 - c. Roger Miller
10. Rural Water Treasurer Report, 9/11

MATERIALS HANDED OUT AT THE MEETING:

1. Agenda, 10/11
2. Miller and Associates Republican River Diversion Project, Presentation
3. Pick-up Bids
4. Wild Nebraska Project – Mike Overleese

Chairperson Nelson Trambly called the regular monthly meeting of the Lower Republican NRD Board of Directors to order at 7:20 p.m.

Nelson Trambly informed the audience of the Open Meetings Law posters posted in the meeting room.

Directors present: Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf.

Absent: none.

Others present: Cammie Kerner, NRCS, Pat Underwood, LRNRD Grant Writer, Chris Miller, Miller and Associates, Andy Raun, Hastings Tribune, Robert Massey, Axtell, Jesse Koch, Orleans, Reed & Sheryl McClymont, Holdrege, Roger Miller, Sutton, Gary Bunger, Hildreth, Ray Winz, Holdrege. Staff present: Mike Clements, Bryan Lubeck, and Shirlee Poyser.

Motion #1 by Jim Moore seconded by Matt Harrison to approve the board minutes from the September meetings. Motion carried. Motion carried. Roll Call. 11 Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf. Absent 0.

Motion #2 by Matt Harrison seconded by Roger Nelson to accept the September treasurer's report as distributed. Motion carried. Roll Call. 11 Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews. Absent 0.

Cammie Kerner, NRCS gave the NRCS report. A copy of this report is in the minute book.

Motion #3 by Bill Bose seconded by Matt Harrison move that the Board go into Executive Session at 7:27 p.m. to discuss the LRNRD Rules and Regulations and received an update on the Kansas vs. Nebraska lawsuit. Motion carried. Roll Call. 11 Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels. Absent 0.

Motion #4 by Marlin Murdoch seconded by Bill Bose move that the Board come out of Executive Session at 8:39 p.m. and declare that no action was taken during said closed session. Motion carried. Roll Call. 11 Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose. Absent 0.

Mike Clements had nothing to add to his Manager's report. A copy of this report is in the minute book.

Bryan Lubeck had nothing to add to his Assistant Manager's report. A copy of this report is in the minute book.

Mike Clements reviewed a copy of a letter MRNRD Manager Dan Smith had received from an attorney about questions regarding Neb. Rev. Stat. §2-3226.05. River-flow enhancement bonds; repayment of financial assistance; costs and expenses of qualified projects; occupation tax authorized; collection; accounting; lien; foreclosure. MRNRD had inquired about the permissibility to assess the occupation tax to only ground water irrigators and not to surface water irrigators; it was the attorney's opinion that the assessed tax be strictly based upon the source of the irrigation is not permissible. A copy of this letter is in the minute book.

Chris Miller, Miller and Associates presented The Republican River Diversion Project below Guide Rock Diversion Dam.

Marlin Murdoch gave the Sustainability Task Force Update. There was no update from the last month. Marlin questions whether we want to be sustainable or not. He feels this is the nuts and bolts of the Task Force, but they are being very cautious getting to the issue.

Mike Clements presented the Change in Location of Certified Acres on Contiguous Property.

Motion #5 Matt Harrison seconded by Marlin Murdoch to approve June Ann Humphrey Trust, L&L Johnson Farms, Inc., and Kenneth Schoen's Change in Location of Certified Acres on Contiguous Property. Motion carried. Roll Call. 11 Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison. Absent 0.

Mike Clements presented PR Limited's Variance Request.

Motion #6 by Marlin Murdoch seconded by Clark Andrews to approve PR Limited % Reed McClymont's Variance Request #153 as presented. Motion carried. Roll Call. 11 Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit. Absent 0.

Mike Clements presented Marietta Massey's Variance Request.

Motion #7 by Marlin Murdoch seconded by Clark Andrews to approve Marietta Massey % Michael R. Massey Variance Request #151. Motion carried. Roll Call. 11 Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore. Absent 0.

Mike Clements presented Roger Miller's Variance Request.

Motion # 8 by Clark Andrews seconded by Toby tenBensel to approve Roger Miller's Variance Request #152. Motion carried. Roll Call. 11 Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch. Absent 0.

There were no comments from the public.

Mike Clements spoke with four different attorneys for the board to interview to write the LRNRD Rules and Regulations. Only two will be interviewed. Steve Seglund of Lincoln and Dave Barge of Lincoln will be interviewed before the November board meeting.

Bryan Lubeck presented the 2012 Chevy Pick-up bids. Bids were received from Alexander Motor's, Superior, \$15,239.00, Tripe Motor Co., \$16,900.50, Faw's Motor Co., Cambridge, \$18,636.00 and Faw Motor Co., (Dodge Pick-up) \$17,717.00.

Motion #9 by Roger Nelson seconded by Terry Hoit to accept the bid offer for a 2012 Chevrolet Ext. Cab 4x4 Pick-up in the amount of \$15,239.00, from Alexander Motor, Inc., Superior, NE. Motion carried. Roll Call. 11 Toby tenBensel, Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson. Absent 0.

Bryan Lubeck presented the Wild NE Project for Mike Overleese. The NRD will be responsible for 20% of the \$170 per acre cost. The NRD will also be responsible for 25% of the herbicide in Phase 1 and 2. Overall, the NRD will be responsible for less the 20% of the project and should cost approximately \$200.

Motion #10 Marlin Murdoch seconded by Matt Harrison to approve the Wild Nebraska Project for Mike Overleese. Motion carried. Roll Call. 11 Nelson Trambly, Brad Wulf, Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel. Absent 0.

Mike Clements received a letter from Brian Dunnigan inquiring the repayment of the loan owed to the State of Nebraska.

Motion #11 Roger Nelson seconded by Brad Wulf to repay the loan from the State of Nebraska in three installments as follows: \$741,086 before December 31, 2011, \$741,086 in 2012, and \$741,086 on or before June 30, 2013. Motion carried. Roll Call. 9 Brad Wulf, Clark Andrews, Dave Bartels, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly. Nay 2 Bill Bose, Matt Harrison. Absent 0.

There was NARD report. Mike mailed out the resolutions that were heard and voted on at the Annual Conference.

Pat Underwood updated the board on grants. With the two Desalination Grants that were submitted, the first grant was not awarded but the second is still in review. BOR only gave out seven awards this year; unfortunately, ours was not one of them. Pat contacted the Environmental Trust per our agreement and let them know that we do not want to withdrawal or change what was submitted. Pat is waiting for another grant application period to open under which she believes we might be able to pay producers to switch from groundwater to surface water during wet years.

Pat is meeting with the COE, NGPC and their consulting engineer on a project to help stop bank erosion on Corps-owned but leased ground being caused by the otherwise good activities of the COE keeping a little more water in the lake. If this pans out she feels LRNRD would be wise to consider being a partner on the project. She will report back at the next meeting.

Motion #12 by Bill Bose seconded by Brad Wulf to approve the Rural Water Treasurer's report as presented. Motion carried. Roll Call. 11 Clark Andrews, Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Roger Nelson, Toby tenBensel, Nelson Trambly, Brad Wulf. Absent 0.

Motion #13 by Jim Moore seconded by Bill Bose to start the November board meeting at 6 p.m. immediately starting with Executive Session to interview attorneys. Motion carried. Roll Call. 9 Dave Bartels, Bill Bose, Matt Harrison, Terry Hoit, Jim Moore, Marlin Murdoch, Toby tenBensel, Nelson Trambly, Clark Andrews. Nays 2 Roger Nelson, Brad Wulf. Absent 0.

The next regularly scheduled board meeting will be November 10th, 2011 starting at 6 p.m. The Board will immediately go into closed session to conduct attorney interviews; at 7 p.m. the Board will recess and open the variance hearings, immediately following the variance hearings the meeting will reconvene.

Secretary

Date