



**PAPIO-MISSOURI RIVER
NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
February 8, 2018**

PLEDGE OF ALLEGIANCE

MEETING CALLED TO ORDER: A regular meeting of the Papio-Missouri River Natural Resources District Board of Directors was held at the Natural Resources Center, 8901 S. 154th Street, Omaha, NE on February 8, 2018. The meeting was called to order by Chairperson David Klug at 7:00 p.m.

NOTIFICATION OF OPEN MEETINGS ACT POSTING AND MEETING PROCEDURE

QUORUM CALL: The following Directors were present for the Quorum Call:

Larry Bradley	Ted Japp
Fred Conley	David Klug
John Conley	Jim Thompson
Tim Fowler	John Wiese
Mark Gruenewald	

ADOPTION OF AGENDA:

- **MOTION NO. 1:** It was moved by Director Thompson seconded by Director Fowler that the meeting agenda be adopted.

Roll call vote was held on motion. The motion carried on a vote of 9-yea.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Gruenewald, Japp, Thompson, Wiese, Klug
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

ADOPTION OF CONSENT AGENDA:

- **MOTION NO. 2:** It was moved by Director J. Conley and seconded by Director Bradley that the following resolution be adopted:

BE IT RESOLVED that the following resolutions on the consent agenda are hereby adopted.

Agenda Item 3.A.:

BE IT RESOLVED that the absences of the following Director(s) from the February 8, 2018, Board of Directors Meeting are excused:

Patrick Leahy and Rich Tesar.

Agenda Item 7. A.

BE IT RESOLVED that the January 11, 2018, Pappio-Missouri River NRD Board meeting minutes and the January 10, 2018 Dakota County Rural Water Advisory Board meeting minutes are approved as printed.

Roll call vote was held on motion. The motion carried on a vote of 9-yea.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Gruenewald, Japp, Thompson, Wiese, Klug
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

PROOFS OF PUBLICATION OF MEETING NOTICE: Notice of the meeting was published in the Omaha World Herald on February 1, 2018. The District's December 15, 2017 through January 11, 2018, expenditures were published in the Papillion Times on January 24, 2018. The Chairperson ordered the Proofs of Publication recorded in the minutes of this meeting. (They are contained as part of the file copy of these minutes.)

AGENCY AND ASSOCIATION REPORTS:

A. Natural Resources Conservation Service Report: Neil Jensen, NRCS District Conservationist at the Omaha NRCS office, gave his report on NRCS activities. Neil's report is posted to the website and attached to these minutes.

B. Nebraska Association of Resources Districts: Director Bradley reported on the NARD Legislative Conference held January 23-24, 2018, at the Embassy Suites in Lincoln, NE.

C. National Association of Conservation Districts Annual Meeting: Directors Fowler and Thompson reported on the NACD Annual Meeting held January 27-31, 2018, in Nashville, TN.

D. Legislative Report – Husch Blackwell: Ron Sedlacek, Government Relations Representative, gave the Legislative Update. He provided the Board with a report of the 105th Legislature, Second Session: Focus on Budget and Taxes. His presentation can be heard on the

District's podcast at www.papionrd.org and his written report is attached to the file copy of these minutes.

SUBCOMMITTEE REPORTS:

A. Programs, Projects and Operations Subcommittee: Director Jim Thompson reported that the PPO Subcommittee met on February 6, 2018, and gave a brief recap of the meeting.

•• **MOTION NO. 3:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #1: Construction Bids for Zorinsky Basin No. 2 Project: It is recommended that the General Manager be authorized to execute a contract with Valley Corporation Inc. for the construction of the ZB2 project for the bid amount of \$4,254,983.97, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Director Japp asked how long it would take to complete the project. Amanda Grint stated the project is expected to be completed by December 2019.

Roll call vote was held on motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Japp, Thompson, Wiese, Klug
Voting Nay	-	Gruenewald
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

•• **MOTION NO. 4:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #2: Union Dike Trench Drain Repair Project: It is recommended that the General Manager be authorized to execute a contract with Niewohner Construction, Inc. in the amount of \$103,560 for the construction of the Union Dike Trench Drain Repair Project, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 9-yea.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Gruenewald, Japp, Thompson, Wiese, Klug
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

- **MOTION NO. 5:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #3: Operations & Maintenance Outbuilding Project: It is recommended that the General Manager be authorized to execute a contract with Gingerich Structures, LLC in the amount of \$149,850 for the construction of the Operations & Maintenance Outbuilding Project without mid-span columns, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 9-yea.

Voting Yea - Bradley, F. Conley, J. Conley, Fowler, Gruenewald, Japp, Thompson, Wiese, Klug
 Voting Nay - None
 Abstaining - None
 Excused Absence - Leahy, Tesar
 Absent - Leahy, Tesar

- **MOTION NO. 6:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #4: Research Agreement with University of Nebraska Lincoln for a Vadose Zone Nitrate Study near Springfield, NE: It is recommended that the General Manager be authorized to execute the proposed research agreement with the University of Nebraska-Lincoln for a vadose zone nitrate study near Springfield, NE for a fixed cost of \$20,999, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

There was extensive discussion by Directors on the benefits of conducting this study. Chairman Klug stated the study would help the community of Springfield make an informed decision regarding the future use of wells or opting to move towards a municipal water supply system. Paul Woodward addressed questions and concerns. Director Gruenewald suggested this item be table until additional data to support the study could be provided to Directors for discussion.

- **MOTION TO TABLE:** It was moved by Director Gruenewald and seconded by Director Wiese that this item be tabled.

Roll call vote was held on the motion to table. The motion failed on a vote of 3-yea and 6-nay.

Voting Yea - Gruenewald, Japp, Wiese
 Voting Nay - Bradley, F. Conley, J. Conley, Fowler, Thompson, Klug
 Abstaining - None
 Excused Absence - Leahy, Tesar
 Absent - Leahy, Tesar

There was additional discussion by Directors with questions being addressed by Paul Woodward.

Roll call vote was held on the original motion. The original motion passed on a vote of 8-yea and 1-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Japp, Thompson, Wiese, Klug
Voting Nay	-	Gruenewald
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

•• **MOTION NO. 7:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #5.a.: Groundwater Management Plan – Adoption of Proposed Groundwater Management Plan: It is recommended that the following resolution be adopted:

WHEREAS Natural Resources Districts have the legal authority to regulate groundwater in the State of Nebraska pursuant to Neb. Rev. Stat. § 46-702; and

WHEREAS Natural Resources Districts are required to maintain a groundwater management plan pursuant to Neb. Rev. Stat. § 46-709; and

WHEREAS the Papio-Missouri River Natural Resources District in its preparation of the proposed Groundwater Management Plan, with assistance from its consultant, actively solicited public comments and opinions and utilized and drew upon existing research, data and other information as required by Neb. Rev. Stat. § 46-710; and

WHEREAS the Papio-Missouri River Natural Resources District submitted the proposed Groundwater Management Plan to the Director of Natural Resources and obtained the Director's approval of the plan as required by Neb. Rev. Stat. § 46-711; and

WHEREAS the Papio-Missouri River Natural Resources District noticed and conducted multiple public hearings for the proposed Groundwater Management Plan in compliance with Neb. Rev. Stat. § 46-743.

BE IT RESOLVED, that the proposed Groundwater Management Plan is hereby adopted and approved in its entirety.

The following individual addressed the Board:

➤ Scott Olson, 1325 US-75, Tekamah, Nebraska

There was extensive discussion by Directors regarding the Groundwater Management Plan. Paul Woodward addressed questions and concerns. General Manager Winkler stated the Groundwater Management Plan sets a plan in motion to protect a resource. It's a proactive approach to start discovering problems in our groundwater, in hopes that the future will see nitrates levels in

groundwater drop. The goal of the plan is to make things better for us and future generations. Adjustments to the plan can be made accordingly.

- **CALL THE QUESTION:** It was moved by Director F. Conley and seconded by Director Klug to call the question.

Roll call vote was held on the motion to call the question. The motion passed on a vote of 8-yea and 1-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Japp, Thompson, Wiese, Klug
Voting Nay	-	Gruenewald
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

Roll call vote was held on the original motion. The original motion carried on a vote of 6-yea and 3-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Thompson, Klug
Voting Nay	-	Gruenewald, Japp, Wiese
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

- **MOTION NO. 8:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #5.b.: Groundwater Management Plan – Adoption of Proposed Rules and Regulations: It is recommended that the following resolution be adopted:

WHEREAS Natural Resources Districts have the legal authority to regulate groundwater in the State of Nebraska pursuant to Neb. Rev. Stat. § 46-702; and

WHEREAS Natural Resources Districts have the authority to promulgate rules and regulations to discharge their duties assigned under the Nebraska Ground Water Management and Protection Act to conserve groundwater resources; and

WHEREAS the Pappio-Missouri River Natural Resources District proposes amendments to the current Groundwater Rules and Regulations to implement controls set forth in the proposed Groundwater Management Plan; and

WHEREAS the Pappio-Missouri River Natural Resources District actively solicited public comment and input on the proposed rules and regulations and has noticed and conducted multiple public hearings in compliance with Neb. Rev. Stat. §§ 46-708 and 46-743.

WHEREAS the Pappio-Missouri River Natural Resources District incorporated the information and input from the public in the proposed amendments to the Groundwater Rules and Regulations.

BE IT RESOLVED, that the proposed amendments to the Groundwater Rules and Regulations be adopted and approved and be shall incorporated into Appendix N of the District’s Directors Policy Manual.

Director Gruenwald had questions regarding the Groundwater Management Plan Rules and Regulations. Paul Woodward addressed concerns.

Roll call vote was held on motion. The motion carried on a vote of 6-yea and 3-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Thompson, Klug
Voting Nay	-	Gruenewald, Japp, Wiese
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

•• **MOTION NO. 9:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #5.c.: Groundwater Management Plan – Adoption of the Proposed Groundwater Management Areas: It is recommended that the following resolution be adopted:

WHEREAS Natural Resources Districts have the legal authority to regulate groundwater in the State of Nebraska pursuant to Neb. Rev. Stat. § 46-702; and

WHEREAS Natural Resources Districts have the authority to establish groundwater management areas to accomplish the objectives of protection of groundwater quality and/ or groundwater quantity; and

WHEREAS the Papio-Missouri River Natural Resources District has identified the proposed Groundwater Management Areas in the proposed Groundwater Management Plan; and

WHEREAS the Papio-Missouri River Natural Resources District has submitted to and received approval from the Director of Natural Resources of the proposed Groundwater Management Plan which includes the proposed designation of Groundwater Management Areas; and

WHEREAS the Papio-Missouri River Natural Resources District actively solicited public comment and input on the proposed Groundwater Management Areas and has noticed and conducted multiple public hearings in compliance with Neb. Rev. Stat. §§ 46-708 and 46-743.

BE IT RESOLVED, that the area of the entire District, and all underlying groundwater, are designated as Groundwater Management Areas, as further described in the District’s Groundwater Rules and Regulations, and shall be subject to the controls authorized by Neb. Rev. Stat. § 46-739.

The following individual addressed the Board:

- Scott Olson, 1325 US-75, Tekamah, Nebraska

Paul Woodward and General Manager Winkler addressed the questions presented by Mr. Olson.

Roll call vote was held on motion. The motion carried on a vote of 6-yea and 3-nay.

Voting Yea - Bradley, F. Conley, J. Conley, Fowler, Thompson, Klug
Voting Nay - Gruenewald, Japp, Wiese
Abstaining - None
Excused Absence - Leahy, Tesar
Absent - Leahy, Tesar

B. Finance, Expenditure and Legal Subcommittee: Director Jim Thompson reported that the FEL Subcommittee met on February 6, 2018, and gave a brief recap of the meeting.

•• **MOTION NO. 10:** It was moved by Director Jim Thompson that the following recommendation be adopted:

FEL Recommendation #1: Land Acquisition for Zorinsky Basin No. 2 and Authorize Zorinsky Water Quality Basin No. 2 Land Rights Account 02-01-558-4430 to Exceed 110%: It is recommended that the General Manager be authorized to execute a purchase agreement with David F. Lanoha, Trustee of the David F. Lanoha Revocable Trust and Lanoha Pacific, Inc. for the purchase of 24.495 acres at a purchase price of \$1,224,750 and a purchase agreement with Skrupa Investment Company for the purchase of 3.834 acres and a permanent easement of 4.0 acres at a purchase price of \$392,603.38 for the Zorinsky Water Quality Basin 2 Project, and authorize Zorinsky Basin Land Rights account 02-01-558-4430 to exceed 110% of the budgeted amount, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea - Bradley, F. Conley, J. Conley, Fowler, Japp, Thompson, Wiese, Klug
Voting Nay - Gruenewald
Abstaining - None
Excused Absence - Leahy, Tesar
Absent - Leahy, Tesar

•• **MOTION NO. 11:** It was moved by Director Jim Thompson that the following recommendation be adopted:

FEL Recommendation #2: Account Over 110% Eastern Nebraska Water Resources Assessment – Contributions/Reimbursements/Cost Shares (01-05-191-4195): It is recommended that account 01-05-191-4195 (ENWRA – Contributions/Reimbursements/Cost Shares) be allowed to exceed 110% of the budgeted amount, with a maximum not-to-exceed amount of \$102,400 without further Board approval.

Roll call vote was held on motion. The motion carried on a vote of 8-yea and 1-nay.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Japp, Thompson, Wiese, Klug
Voting Nay	-	Gruenewald
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

TREASURER'S REPORT:

- **MOTION NO. 12:** It was moved by Director John Conley and seconded by Director Klug that the following resolution be adopted:

BE IT RESOLVED that the Treasurer is authorized to expend general funds to pay: (1) claims listed in the January 2018, financial report; and, (2) any claims made prior to the next Board meeting for (a) earned salaries of District employees, (b) withholding taxes, (c) social security payments, (d) retirement program contributions, (e) utilities, (f) registration fees and expenses for upcoming meetings and conferences, (g) certified completed CAP and Special Project Area applications, (h) invoices which offer a credit or discount for payment made prior to the next Board meeting, (i) postage, and, (j) building and grounds contract expenses.

BE IT FURTHER RESOLVED that the Treasurer is authorized to pay, from the respective operating accounts of the Dakota County, Thurston County and Washington County Rural Water Supply System, the Elkhorn River Bank Stabilization Project, the Elkhorn Breakout Project, the Elk/Pigeon Creek Drainage Project, the Western Sarpy Drainage District, the Papillion Creek Watershed Partnership, and the Southern Sarpy Watershed Partnership project bills listed on the January 2018, financial report, and future claims for project utilities.

BE IT FURTHER RESOLVED that the financial reports be affixed to and made a part of the minutes.

Roll call vote was held on motion. The motion carried on a vote of 9-yea.

Voting Yea	-	Bradley, F. Conley, J. Conley, Fowler, Gruenewald, Japp, Thompson, Wiese, Klug
Voting Nay	-	None
Abstaining	-	None
Excused Absence	-	Leahy, Tesar
Absent	-	Leahy, Tesar

LEGAL UPDATE: Brent Meyer, District Legal Counsel, had nothing to report.

CHAIRPERSON'S REPORT: Chairperson Klug reported the NRDs Annual Washington D.C. Meeting will be held March 17-21, 2018. He asked that any Director interested in attending should contact him.

GENERAL MANAGER'S REPORT: General Manager Winkler reviewed the GM Report with the Board. His report is posted to the website and attached to these minutes.

INFORMATIONAL ITEMS:

A. **Future Meetings:** The Chairperson reviewed the following upcoming meetings with the Directors:

February 19, 2018	President's Day – P-MRNRD Offices Closed
February 22, 2018	Papillion Creek Watershed Partnership Meeting, 10:00 a.m., NRC
March 6, 2018	P-MRNRD Subcommittee Meetings
March 8, 2018	P-MRNRD Board Meeting
March 17-21, 2018	NARD Washington D.C. Conference
March 22, 2018	Papillion Creek Watershed Partnership Meeting, 10:00 a.m., NRC

B. **Next Meeting –** The next regularly scheduled meeting of the P-MRNRD Board of Directors will be held on March 8, 2018, at the NRC

ADJOURNMENT: Being no further business, the Chairperson declared that the meeting was adjourned at 8:43 p.m.

NOTE: These minutes reflect the actions and votes taken at the February 8, 2018, Board of Directors Meeting of the Papio-Missouri River Natural Resources District and are not an official transcript of the meeting. The audio cast of this meeting can be found on our website at www.papionrd.org.

I, the undersigned, Secretary of the Papio-Missouri River Natural Resources District, hereby certify that the foregoing are true and correct minutes of a meeting of the Board of Directors of the District held on February 8, 2018, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the District; that such subjects were contained in said agenda at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; and, that all news media requesting notification of the meeting of said body were provided advance notification of the time and place of said meeting.

Richard Tesar, District Secretary