

PUBLIC NOTICE

The South Platte Natural Resources District will hold a regular public meeting on April 13, 2010 at the South Platte Natural Resources District, 551 Parkland Drive, Sidney, Nebraska, at **7:00 p.m.** An agenda of the matters to be considered at such date, time and place is kept continually current and is available for public inspection during normal business hours at the South Platte NRD Office, 551 Parkland Drive, Sidney. Any person with disabilities who needs help in participating in the meeting should contact the District office (308) 254-2377, before the meeting.

FINAL AGENDA

1. Call to Order - Keith Rexroth, Chair
 - A. Nebraska Open Meetings Act
 - B. Legal Notice
 - C. *Action to Schedule May 2010 Board of Directors Meeting
 - D. Approval of Expenditures
 1. *Possible May 2010 Committee Meeting Expenditures for Meals
2. Minutes
 - A. Minutes of the March 16, 2010 meeting of the Board of Directors
 - B. Minutes of the March 16, 2010 meeting of the District Operations Committee
 - C. Minutes of the March 15, 2010 meeting of the Natural Resources/Projects and Programs Committee
3. *Treasurer's Report for March 2010 and Accounts Payable
4. Public Questions, Comments and/or Concerns
5. Airborne Geophysical Mapping Report - Jim Cannia, USGS
6. CNPPID Video Review: Inside Nebraska's Water - Tim Anderson, CNPPID
7. Director and Staff Reports
8. Agency Reports
 - A. USDA-Natural Resources Conservation Service (NRCS)
 1. NRCS Report - Kristin Miller, DC-NRCS
 2. CSP "Top Bar" Conservation Meeting and Issues - Rexroth/Miller
 - B. Nebraska Association of Resources Districts (NARD)
 1. NARD Board of Directors Meeting Report - Johnson
 2. NARD Public Relations/Communications Director - Alyssa Smola
 - C. Panhandle Resource Conservation and Development (PRC&D)
 1. PRC&D Report
 - D. Nebraska Department of Natural Resources (NDNR)
 1. NDNR Report - Rexroth

9. Spring 2010 Ground Water Level Report - Kaiser

10. Committee Reports

A. Natural Resources/Projects and Programs Committee - Hutchison, Chair

1. *Discussion and Action on Pooling Renewals
2. *Review and Action on Pooling Applications
3. Variance Advisory Group
 - a. Review Requests Brought Before the Group
 - b. *Action on Variance Requests Recommended by the Group
4. Guidelines for Commercial or Industrial Replacement and Dual Use Wells

B. District Operations Committee - Halligan, Chair

1. *Action to Approve WILD Nebraska Applications
2. *Discussion and Action on Revisions to the Conservation Awards Program
3. NETF Project - Preserving CRP Grassland Benefits in Western Nebraska
 - a. *Action to Modify Project Noting the SPNRD will Hire and Fill the Farm Bill Technician Position for the Term of the Grant
 - b. *Action to Waive Advertising for Farm Bill Technician Position
4. *Action to Reinvest LPCSI-EQIP Certificate of Deposit, Account Number 1008602839, with the Sidney Security First Bank (Expires 4-15-2010)
5. *Action to Transfer \$25,000 from the District's General Fund Checking Account (Budget Item #767-Autos and Trucks) to the Vehicle/Equipment Repurchase Account
6. *Action to Approve the Interlocal Agreement between the SPNRD and NPNRD Concerning Employing a Ground Water Modeler, Sharing Expenses and Work Product
7. FY2010 Budget Status Review
8. *Six-Month Performance Appraisal and Salary Review for Ryan Reisdorff, Water Resources Programs Specialist

11. Correspondence

12. Upcoming Dates

- A. April 14, 2010 - Western Nebraska Children's' Ground Water Festival - Sidney, NE
- B. April 27, 2010 - Basin-Wide Joint NRD Meeting, Holiday Inn Express, North Platte, NE @ 10:30 a.m. CDT
- C. April 30, 2010 - Arbor Day
- D. May 1, 2010 - State Envirothon - Alda Nature Center
- E. May 11, 2010 - SPNRD Board of Directors' Meeting
- F. May 31, 2010 - SPNRD Closed, Memorial Day

13. Adjourn

*Denotes Possible Action Items

MINUTES

The meeting of the South Platte Natural Resources District Board of Directors was held Tuesday, April 13, 2010, at the South Platte NRD Conference Room, 551 Parkland Drive, Sidney, NE, at 7:00 p.m. The public notices were published in the Sidney, Chappell and Kimball newspapers. The agenda was compiled and each member of the Board of Directors and other interested and affected persons were notified of the meeting date within the deadline.

Board Members Present

Keith Rexroth, Chair
Tom Biggs, Secretary
Paul Hutchison

Bill Halligan
Larry Rutt
Jim Johnson

Board Members Absent

Cheryl Burkhart-Kriesel, Vice Chair (excused)

Others Present

Kristin Miller, D.C., NRCS/USDA; Tim Anderson, CNPPID; Alyssa Smola, NARD; Jim Cannia, USGS; Scott Schnell, Upper Big Blue NRD

NRD Staff Present

Rod L. Horn, General Manager
Galen Wittrock, Assistant Manager
Ryan Reisdorff, Water Res. Programs Specialist
Chris Kaiser, Natural Resources Coordinator

Linda L. Suhr, Administrative Manager
Kyle Liebig, Water Resources Coordinator
Don Ogle, I & E Coordinator (part of meeting)
Travis Glanz, Water Resources Technician

Information Material

The following information was provided prior to the meeting or provided at the meeting:

1. April 13, 2010 Tentative and Final Agenda, meeting of the SPNRD Board of Directors
2. April 13, 2010 Tentative and Final Agenda, meeting of the District Operations Committee
3. April 12, 2010 Tentative and Final Agenda, meeting of the Natural Resources/Projects and Programs Committee
4. March 16, 2010 Minutes, SPNRD Board of Directors meeting
5. March 16, 2010 Minutes, District Operations Committee meeting
6. March 15, 2010 Minutes, Natural Resources/Projects and Programs Committee meeting
7. March 2010 Treasurer's Report
8. April 1, 2010 Manager's Letter and April 13, 2010 Manager's Report; March 31, 2010 Administrative Manager's Report; District Secretary's Report; and quarterly reports from Field Office Secretaries Jane Joyce and Hilary Cook
9. Groundwater Evaluation using VTEM Helicopter Electromagnetics in the South Platte NRD, Sidney, Nebraska-Reviewed at board meeting by Jim Cannia
10. April 2010 NRCS Monthly Report to the SPNRD
11. FY2009-2010 Committee Structure for the NARD
12. March 26, 2010 memo from Dean Ed. Edson, NARD Executive Director, Re: March 26 NARD Update including a final reading action and NARD Bill Summary Tracking Sheet
13. April 6, 2010 Draft of the CSP "Top Bar" Conservation Meeting held March 22, 2010
14. April 13, 2010 Draft of the Initial Industrial Accounting Protocol

15. Draft Minutes of the March 23, 2010 meeting of the Variance Advisory Group
16. April 1, 2010 memo from Kyle Liebig, Water Resources Coordinator Re: pooling renewals and attached pooling renewal agreements for the 2010 through 2012 Allocation Period
17. Pooling Renewal Arrangement Applications: Po-07-NBELF-Childers; Po-07-RoRunge/BELF; Po-07-LaGlassburn with attached March 8, 2007 VAG minutes Re: Glassburn; Po-07-DaHummermeier
18. New Pooling Applications: Po-10-Adamson; Po-10-B&M Farm; Po-10-Harroun; Po-10-StGeorge
19. Variance requests: Deer Run, LLC and NE Landholdings, LLC; F. Evelyne Leef and L. Leef
20. WILD Nebraska Spreadsheet for new Applications
21. Draft Farm Bill Technician - Duties and Annual Work Plan April 2010 - March 2011
22. Proposed Revisions to the Conservation Awards Program
23. Draft 3/26/2010 Interlocal Agreement SPNRD NPNDR re: Employing a Ground Water Modeler, Sharing Expenses and Work Product
24. Copy of LPCSI-EQIP CD with Sidney Security First Bank (Expires 4-15-2010)
25. FY2010 Nine-Month Budget Status Review-July 1, 2009 to March 31, 2010
26. Copy of April 7, 2010 Memorandum Order, Case No. CI 09 199, CNPPID vs SPNRD - Motion to Dismiss (in favor of SPNRD)
27. Miscellaneous correspondence: "Dirty Water", Star-Herald, April 10, 2010; "Nebraska Counties oppose Conservation Projects funded by Trust", Lincoln Journal-Star, March 31, 2010; "DVD on Nebraska Water Policy gets Mixed Reviews", Omaha World-Herald, April 11, 2010; and "In CPNRD's eyes, Water Video a Flop", Kearney Hub, March 26, 2010
28. April 6, 2010 letter from Deb Fisher, Senator, District 43 Re: Urging support of LB 764
29. Per Diem/Expense form

Meeting

1. Call to Order

Chair Rexroth called the meeting to order at 7:00 p.m., stating that Burkhart-Kriesel is absent and excused. Introductions were made around the room because of the members of public present.

A. Nebraska Open Meetings Act

Rexroth stated for the record that a copy of the Nebraska Open Meetings Law is posted in the meeting room.

B. Legal Notices

Rexroth stated for the record that the meeting affidavits of publication are included with these minutes.

C. *Action to Schedule May 2010 Board of Directors Meeting

Discussion was held about rescheduling the May 2010 board of directors meeting. Hutchison moved and Rutt seconded the motion to schedule the SPNRD board of directors meeting for May 10, 2010. A roll call vote was taken.

Aye: Halligan, Johnson, Hutchison, Rexroth, Biggs, Rutt

Nay: None

Absent: Burkhart-Kriesel

Motion Carried.

D. Approval of Expenditures

1. *Possible May 2010 Committee Meeting Expenditures for Meals

Halligan moved and Rutt seconded the motion to approve May 2010 committee expenses for meals as discussed. A roll call vote was taken.

Aye: Johnson, Hutchison, Rexroth, Biggs, Rutt, Halligan
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

2. Minutes

- A. Minutes of the March 16, 2010 meeting of the SPNRD Board of Directors
These minutes were approved as presented.
- B. Minutes of the March 16, 2010 meeting of the SPNRD District Operations Committee
These minutes were approved as presented.
- C. Minutes of the March 15, 2010 meeting of the SPNRD Natural Resources/Projects and Programs Committee
These minutes were approved as presented.

3. *Treasurer's Report for March 2010 and Accounts Payable

Horn reviewed account balances as follows:

<u>Account</u>	<u>March 1, 2010</u>	<u>March 31, 2010</u>
SPNRD Checking/Repurchase	\$ 368,728.82	\$ 292,988.80
Citizens' Monitoring Committee (combined)	\$ 31,683.18	\$ 31,685.60
LPCSI-EQIP NPAIT	\$ 1.12	\$ 1.12
LPCSI-EQIP Security First Bank CDs	\$ 298,191.34	\$ 298,799.72
SPRCC Combined Funds	\$ 94,152.85	\$ 94,154.03

Horn reviewed the accounts payable. Horn urged the board to ask questions or come at any time to the office and review receipts/invoices. With no further discussion Halligan moved and Johnson seconded the motion to approve the Treasurer's Report and pay the accounts payable in the amount of \$72,419.71. A roll call vote was taken.

Aye: Hutchison, Rexroth, Biggs, Rutt, Halligan, Johnson
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

4. Public Questions, Comments and/or Concerns

None.

Agenda item 6 was addressed before 5 for the convenience of the presenter from CNPPID.

5. Airborne Geophysical Mapping Report

Jim Cannia, USGS, discussed the Airborne Geophysical mapping that was completed within the District. Cannia recognized the active roles of Steve Sibray, Jared Abraham and others in the preparation of the mapping report. This is the last year of a two-year project. Cannia hopes to have the publication of the report ready by fall 2010. He reported that the information in the report will provide the SPNRD and the Nebraska Department of Natural Resources valuable information to make water resources decisions. He also commented about the SPNRD staff/directors efforts during the recent NARD Washington, D.C. meetings, which brought national attention to the importance of geophysical mapping. It is hoped that additional funding will be available for this and similar long and short term USGS projects.

6. Central Nebraska Public Power and Irrigation District (CNPPID) Video Review: Inside Nebraska's Water

Tim Anderson, CNPPID presented the video "Inside Nebraska's Water". Before beginning the video Anderson said that comments made by Rexroth when he viewed the video at an earlier date were observed and the portion relating to Rexroth's comment was removed from the video. He said the intended audience is persons that are not knowledgeable about water, live in the eastern part of Nebraska and don't understand what is going on. Following the presentation, discussion was held.

7. Director and Staff Reports

Glanz, Reisdorff, Wittrock, Kaiser and Liebig gave oral reports. Horn, Suhr, Livingstone, Joyce and Cook provided written reports. Ogle and Scott Schnell left to set up a display for tomorrow's Groundwater Festival.

- Glanz reported working on flow meter maintenance and repair cost-share which is represented in the accounts payable. He updated the maintenance data base, inspected flow meters, worked on water use reports and assisted with the tree program. He reported about 4.9% of the flow meters are broken.
- Reisdorff completed the 319 Grant semi-annual report, met with City of Chappell employees and City of Kimball employees and the Kimball Water Superintendent regarding their WHPA plans, answered questions regarding inquires into the Cash for Grass program, worked on the industrial accounting guidelines and assisted with the tree program. The Sidney WHPA plan was submitted to NDEQ. Reisdorff received their comments and is working on the changes. The Sidney WHPA plan is being reviewed by the John Hehnke, City of Sidney. He also received his Chemigation license.
- Wittrock's main work has been with the tree program. He reported about 82,000 trees are sold. The Community Forestry program has begun. He worked on the NET grant, Preserving CRP Grasslands (perimeter fence). He and Miller are continuing to work with the producer and monitor an irrigation runoff complaint. The chemigation program renewal applications have been mailed. Several new Buffer Strip Program applications were approved.
- Kaiser took water levels, and did surface water sampling, prepared the spring ground water level report, met with producers in Big spring regarding the nitrogen management reports (Liebig also went) and attended an NETF grant meeting in Scottsbluff to learn about completing paperwork for the grant, Expanding the Hydrogeological Network in the SPNRD. He also assisted Wittrock with the tree program, serviced NRD vehicles and processed well abandonment forms (in today's accounts payable). All the water level hydrographs have been mailed to producers.
- Liebig worked on variances, ownership changes, set up flow meter maintenance in water accounting GIS, and prepared pooling renewals and pooling applications. He also created a draft expedited variance form. He and Thad Kuntz worked with Tom Hayden regarding surface water on the Lodgepole Creek throughout the District. Liebig now has old surface water records. This data will be put into the new ground water model in order to develop historical stream flow. Reisdorff, Glanz and Liebig along with Gary Stone, held a moisture block meeting. He also worked on a PBHEP reimbursement request for the Adamson permanent certified irrigated acres retirement. Liebig and Cannia toured the Western Canal today. The reporting tool for water accounting GIS is created. Large scale water usage reports will now be possible.

8. Agency Reports

A. USDA-Natural Resources Conservation Service (NRCS)

1. NRCS Report

Kristin Miller, District Conservationist, distributed the NRCS month report to the SPNRD for April 2010. She discussed EQIP, CRP and Continuous CRP, CSP and WHIP. She also discussed the

upcoming no-till Western Nebraska Bus Tour, June 22-23. Her office has begun arrangements to bring on staff a Farm Bill Technician as part of the 3-year grant for CRP grassland preservation. NRCS staff will also assist with the Western Nebraska Children's Ground Water Festival. She discussed the Pheasants Forever will station a trailer complete with burn equipment in Sidney that will be available for prescribed burns.

2. CSP "Top Bar" Conservation Meeting and Issues

Rexroth reported that an April 6, 2010 draft was included in the handout information concerning the March 22, 2010 meeting held conserving the Conservation Stewardship Program. This draft document contains discussion points among the group and points offered for changes in the CSP/CMT. The group's desire is to continue dialog with NRCS as a contribution to refining CSP into a program that adequately recognizes the highest appropriate conservation practices within the region. Rexroth will continue to work with NRCS on the document.

B. Nebraska Association of Resources Districts (NARD)

1. NARD Board of Directors Meeting Report

Johnson attended NARD board and executive committee meetings on April 12, 2010. The minutes are not yet available.

2. NARD Public Relations/Communications Director

Johnson introduced Alyssa Smola, Public Relations/Communications Director with the NARD in Lincoln. Ms Smola discussed her education background. Her main focus is the statewide public relations plan for the NRDs. She also coordinates the state Envirothon and works with other education components. She will also assist with Wednesday's Western Nebraska Children's Ground Water Festival. She is interested in the NRDs at a local level, which will assist in her job to better promote NRDs. She briefly discussed information issues of concern statewide. LB 862 was passed and as of today has not been signed or vetoed by the Governor. LR 542, a study directing the standing committee of the Legislature and Executive Board of the Legislative Council to review the programs within the agencies under their subject-matter jurisdiction, as determined by the Executive Board, to identify services, programs and obligations that may be reduced or eliminated during the 2011 session. Ms Smola said NRDs were specifically named.

C. Panhandle Resource Conservation and Development (PRC&D)

1. PRC&D Report

Cheryl Burkhart-Kriesel was absent and no report was provided.

D. Nebraska Department of Natural Resources (NDNR)

1. NDNR Report

Keith Rexroth reported that the minutes of the last NDNR commission meeting should be available shortly.

9. Spring 2010 Ground Water Level Report

Kaiser gave the SPNRD Spring 2010 Ground Water Level report, discussing the results of spring 2010 ground water level measurements. He reviewed maps of water level differences of one, five ten, fifteen, twenty and thirty years. A different type of program, recommended by Thad Kuntz, was used to produce the maps. Highlights of the report included twenty year results (compared to 1991): Cheyenne County, 8.37' decline; Deuel County, .36' decline; and Kimball County, 4.45' decline. Kaiser emphasized

that overall; the twenty year results for the entire District showed that 75% of the wells have declined. This report is available at the SPNRD office and web site.

10. Committee Reports

A. Natural Resources/Project and Programs Committee

1. *Discussion and Action on Pooling Renewals

Hutchison explained each pooling renewal was reviewed by the committee and the committee recommended approval of each listed below:

Po-07-BELF-Childers-SW Section 36, Township 14 North, Range 50 West, Cheyenne County- This pooling arrangement is with the NE Board of Educational Lands and Funds (BELF) and loan Childers;

Po-07-RoRunge-BELF-NW Section 16, Township 13 North, Range 51 West (BELF Land) and SW Section 9, Township 13 North, Range 51 West (Robert Runge Land), Cheyenne County- This pooling arrangement is with the NE Board of Educational Lands and Funds (BELF) and Robert Runge;

Po-07-LaGlassburn (Glassburn Farms, Inc.)- SE Section 27 and NE of Section 34; NE¼ and N½ of S½ of Section 34; N¼ of Section 34 and W½ of Section 35, all in Township 14 North, Range 48 West, Cheyenne County- This pooling arrangement is owned by Glassburn Farms, Inc. and the certified irrigated acres are contiguous. The portion of the March 8, 2007 VAG minutes were provided for reference; and

Po-07-DaHummermeier-BELF-SW Section 36, (BELF) and SE Section 36 (Hummermeier), both in Township 13 North, Range 45 West, Deuel County- This pooling arrangement is with the NE Board of Educational Lands and Funds (BELF) and Dale Hummermeier.

Hutchison moved on behalf of the committee and Biggs seconded the motion to approve the renewal applications as follows: Po-07-BELF-Childers-SW of Section 36, Township 14 North, Range 50 West, Cheyenne County; Po-07-RoRunge-BELF-NW of Section 16, Township 13 North, Range 51 West (BELF land) and SW of Section 9, Township 13 North, Range 51 West (Robert Runge land), Cheyenne County; Po-07-DaHummermeier-BELF-SW of Section 36, (BELF) and SE of Section 36 (Hummermeier), both in Township 13 North, Range 45 West, Deuel County; and Po-07-LaGlassburn (Glassburn Farms, Inc.)- SE of Section 27 and NE of Section 34; NE¼ and N½ of S½ of Section 34; N¼ of Section 34 and W½ of Section 35, all in Township 14 North, Range 48 West, Cheyenne County. A roll call vote was taken.

Aye: Rexroth, Biggs, Rutt, Halligan, Johnson, Hutchison

Nay: None

Absent: Burkhart-Kriesel

Motion Carried.

2. *Review and Action on Pooling Applications

Hutchison explained each pooling application was reviewed by the committee and the committee recommended approval of each listed below:

Po-10-Adamson-Pine Bluffs to Oliver Reservoir Allocation Subarea -Alan Adamson requested to pool 30 Certified Irrigated Acres (CIA) in Section 31 with 125.3 CIA in Section 32, both in Township 15 North, Range 57 West, Kimball County. Both met the 60% rule;

Po-10-B&MFarm-Oliver Reservoir to Buffalo Bend Allocation Subarea - Nathan Magnine, B& M Farm, requested to pool 66.93 Certified Irrigated Acres (CIA), 22.97 CIA and 73.3 CIA all in Section 29, Township 15 North, Range 29 West, Kimball County. All met the 60% rule;

Po-10-Harroun-Pine Bluffs to Oliver Reservoir Allocation Subarea - Joe Harroun, Harroun & Sons Feeders, requested to pool 257.4 Certified Irrigated Acres (CIA) in Section 34 and 67.6 CIA in Section 33, both in Township 15 North, Range 57 West, Kimball County. Both met the 60% rule; and

Po-10-St.George-Sidney to Colorado Allocation Subarea - St. George Ranch, Inc. requested to pool 69.7 Certified Irrigated Acres (CIA) in Section 30, 124 CIA in Section 31, 129.8 CIA in Section 31, all in Township 14 North, Range 48 West; and 51.1 CIA in Section 25, Township 14 North, Range 49 West, Cheyenne County, with 128 Certified Irrigated Acres (CIA) owned by Randy and Terry Faessler in Section 32, Township 14 North Range 48 West, Cheyenne County. All met the 60% rule. The 51.1 CIA pumped over the allocation by 9.9%. A penalty would be included in the allocation for the pooling arrangement.

After discussion, Hutchison moved on behalf of the committee and Biggs seconded the motion to approve Po-10-Adamson-Pine Bluffs to Oliver Reservoir Allocation Subarea-in Section 31 with 125.3 CIA in Section 32, both in Township 15 North, Range 57 West, Kimball County; Po-10-B&MFarm-Oliver Reservoir to Buffalo Bend Allocation Subarea-in Section 29, Township 15 North, Range 29 West, Kimball County; Po-10-Harroun-Pine Bluffs to Oliver Reservoir Allocation Subarea-in Section 34 and 67.6 CIA in Section 33, both in Township 15 North, Range 57 West, Kimball County; and Po-10-St.George-Sidney to Colorado Allocation Subarea in Sections 4 and 32 of T13N and T14N, R49W; and 104.3 CIA; and 61.4 in Sections 32 and 33 of T14N, R49W, all in Cheyenne County. A roll call vote was taken.

Aye: Biggs, Rutt, Halligan, Johnson, Hutchison, Rexroth
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

3. Variance Advisory Group

a. *Action on Variance Requests Recommended by the Group

Hutchison explained each variance request was recommended for approval by the Variance Advisory Group and the committee reviewed and recommended approval of each listed below:

Deer Run LLC and NE Landholdings LLC - Deer Run, LLC and NE Landholding, LLC requested a variance to Rule 6.6.1 to pool 332.5 certified irrigated acres owned by Deer Run LLC and NE Landholding, LLC, farmed by Randy Miller. The pooling application involves two tracts that are tied together with 166.8 CIA in Sections 4 and 32 of T13N and T14N, R49W; and 104.3 CIA; and 61.4 in Sections 32 and 33 of T14N, R49W, all in Cheyenne County. The tracts cross subareas in Cheyenne County: Buffalo Bend to Sidney and Sidney to Colorado. All tracts met the 60% rule. It was discussed that the allocation be prorated on an acre-weighted basis according to the allocated levels, and that the tracts are contiguous acres.

F. Evelyne Leef & J. Leef - F. Evelyne Leef requested to transfer 109.6 certified irrigated acres (CIA), located at the SE¼ of Section 24, T13N, R44W, Deuel County (currently flood irrigation), to the north half of the same section which is owned by J. Leef (she owns the well and F. Evelyne's acres have always been irrigated by J's well and were in a prior pooling agreement). J. Leef plans to install a pivot on the

CIA which just came out of a temporary EQIP program. It was discussed that there is no increase of irrigated acres. F. Evelyne Leef and J. Leef requested the transfer take affect after the 2010 irrigation season and waived the 60% rule due to the enrollment in the EQIP program.

Hutchison moved on behalf of the committee to approve the Deer Run, LLC and NE Landholding, LLC variance to Rule 6.6.1 to pool 332.5 certified irrigated acres owned by Deer Run LLC and NE Landholding, LLC; with two tracts that are tied together with 166.8 CIA in Sections 4 and 32 of T13N and T14N, R49W; and 104.3 CIA; and 61.4 in Sections 32 and 33 of T14N, R49W, all in Cheyenne County and also approve the F. Evelyne Leef request to transfer 109.6 certified irrigated acres (CIA), located at the SE¼ of Section 24, T13N, R44W, Deuel County, to the north half of the same section which is owned by J. Leef, to take affect after the 2010 irrigation season and waive the 60% rule due to the enrollment in the EQIP program. A roll call vote was taken.

Aye: Rutt, Halligan, Johnson, Hutchison, Rexroth, Biggs
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

4. Guidelines for Commercial or Industrial Replacement and Dual Use Wells

It was discussed that this information is necessary to fulfill requirements set forth in the IMP for commercial, industrial and dual use wells. Hutchison referred to the draft 04-13-2010 Initial Industrial Accounting Protocol, outlining guidelines for commercial or industrial replacement and dual use wells which will assist SPNRD staff to make decisions on a day to day basis and administratively fulfill the NRD's responsibilities. The draft was compiled from information provided by SPNRD legal counsel. Liebig reviewed several of the points brought forward in the draft document. He also discussed possible use of an expedited variance in the future. Determining baselines was discussed. Liebig explained that baseline data is required for the period August 1, 2001 through July 31, 2006; otherwise, offsets under the SPNRD Rules and Regulations will need to be determined by this data. Reisdorff reported that his timeline for industrial/commercial flow meter placement is August 1, 2010. This would provide a full year of usage data before August 1, 2011. No action is necessary at this time. The board was in agreement that staff could use the draft protocol as a beginning point and continue to work with SPNRD legal counsel to refine the document, as more information is gathered regarding commercial, industrial and dual use wells.

B. District Operations Committee

1. *Action to Approve WILD Nebraska Applications

Halligan reported that funds are budgeted in the amount sufficient to fund the four WILD Nebraska project applications (trees and planting). Halligan moved on behalf of the committee and Johnson seconded the motion to approve the applications: Mark Christensen-\$1,500; Naomi Bruns-\$400; Dayton Christensen-\$1,300; and Scott Trost-\$1,300. A roll call vote was taken.

Aye: Halligan, Johnson, Hutchison, Rexroth, Biggs, Rutt
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

2. *Discussion and Action on Revisions to the Conservation Awards Program

Halligan moved on behalf of the committee and Johnson seconded the motion to approve the revisions to the Conservation Awards Program as outlined in the handout material. Beginning in 2010, a Community Environmental Impact Award will be a part of the program. A roll call vote was taken.

Aye: Johnson, Hutchison, Rexroth, Biggs, Rutt, Halligan
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

3. NETF Project-Preserving CRP Grassland Benefits in Western Nebraska

a. *Action to Modify Project Noting the SPNRD will Hire and Fill the Farm Bill Technician Position for the Term of the Grant

Motion by Halligan, on behalf of the committee, to modify the Environmental Trust grant, Preserving CRP Benefits in Western Nebraska (perimeter fencing on CRP), by approving that the SPNRD hire and fill the Farm Bill technician position for the term of the grant. Second by Johnson. The employee will be located in the Sidney NRCS office. NRCS will provide a vehicle, computer and office space. A roll call vote was taken.

Aye: Hutchison, Rexroth, Biggs, Rutt, Halligan, Johnson
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

b. *Action to Waive Advertising for Farm Bill Technician Position

Halligan moved that the advertising be waived for the Farm Bill technician position since there is already a pool of qualified applicants that were evaluated and ranked. Kristin Miller and Wittrock had the opportunity to be a part of that process. Johnson seconded the motion. A roll call vote was taken.

Aye: Rexroth, Biggs, Rutt, Halligan, Johnson, Hutchison
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

4. *Action to Reinvest LPCSI-EQIP Certificate of Deposit, Account Number 1008602839, with the Sidney Security First Bank (Expires 4-15-2010)

Halligan moved and Johnson seconded the motion to authorize the manager to reinvest the expiring six-month CD into a 60-month CD at 3.03% (APY) with Security First Bank, Sidney. Discussion was held that the current CD expires April 15, 2010. Security First Bank, Sidney, offered a 6-month CD at 1.8% or a 60-month CD at 3.03% (APY). It was discussed that the 60-month CD has an early withdrawal penalty of six months loss of interest. A roll call vote was taken.

Aye: Biggs, Rutt, Halligan, Johnson, Hutchison, Rexroth
Nay: None
Absent: Burkhart-Kriesel
Motion Carried.

5. *Action to Transfer \$25,000 from the District's General Fund Checking Account (Budget Item #767-Autos and Trucks) to the Vehicle/Equipment Repurchase Account

Halligan moved and Johnson seconded the motion to authorize the Manager to transfer \$25,000 from the general fund checking account to the vehicle and equipment repurchase account. It was discussed that this transfer is a budgeted item to replace vehicles in the future and is in accordance with SPNRD operating policies. A roll call vote was taken.

Aye: Rutt, Halligan, Johnson, Hutchison, Rexroth, Biggs

Nay: None

Absent: Burkhart-Kriesel

Motion Carried.

6. *Action to Approve the Interlocal Agreement between the South Platte NRD and North Platte NRD Concerning Employing a Ground Water Modeler, Sharing Expenses and Work Product

Halligan moved and Johnson seconded the motion to approve the Interlocal Agreement between the SPNRD and NPNRD concerning employing a ground water modeler. It was discussed that this is an update of the prior agreement. The split is NPNRD 70% or about \$45,000 and SPNRD 30% or about \$19,500. A roll call vote was taken.

Aye: Halligan, Johnson, Hutchison, Rexroth, Biggs, Rutt

Nay: None

Absent: Burkhart-Kriesel

Motion Carried.

7. FY2010 Budget Status Review

Halligan reported that the 9 months ended March 31, 2010 was well within the acceptable range. The status review was included in the handout material. Halligan asked if there were any questions. After review, there were none.

8. *Six-Month Performance Appraisal and Salary Review for Ryan Reisdorff, Water Resources Programs Specialist

Halligan on behalf of the committee moved and Johnson seconded the motion to approve the updated salary pay range values, and approve the salary adjustment made according to the Salary, Grade and Pay Range Schedule provided by the Manager for Reisdorff. A roll call vote was taken.

Aye: Johnson, Hutchison, Rexroth, Biggs, Rutt, Halligan

Nay: None

Absent: Burkhart-Kriesel

Motion Carried.

11. Correspondence

Various items were provided to the board either by email or in the handout material.

12. Upcoming Dates

- A. April 14, 2010 - Western Nebraska Children's' Ground Water Festival - Sidney, NE
- B. April 27, 2010 - Basin-Wide Joint NRD Meeting, Holiday Inn Express, North Platte, NE @ 10:30 a.m. CDT
- C. April 30, 2010 - Arbor Day
- D. May 1, 2010 - State Envirothon - Alda Nature Center
- E. May 10, 2010 - SPNRD Board of Director's Meeting
- F. May 31, 2010 - SPNRD Closed, Memorial Day
- G. June 22-23, 2010 - Western Nebraska No-Till Bus Tour
- H. June 30, 2010 - No-Till on the Plains Whirlwind Expo - Jim Anderson's farm near Sidney

13. Adjourn

With no further business the meeting adjourned at 9:53 p.m.

Linda L. Suhr, Recording Secretary

*Denotes Action Items