

N-CORPE

Nebraska Cooperative Republican Platte Enhancement Project

Board of Directors Meeting Minutes Wednesday, June 15, 2016 Curtis Community Center, 201 Garlick, Curtis, NE

Agendas were sent to board members and others requesting agendas, Agendas were posted at www.ncorpe.org and in the following offices: Twin Platte NRD; Lower Republican NRD, Middle Republican NRD; and Upper Republican NRD.

Board Members Present: Terry Martin (Upper Republican NRD); Jerry Weaver (Twin Platte NRD) Brad Randel (Middle Republican NRD); Nelson F. Trambly (Lower Republican NRD)

Others Present: Benjie Loomis (Middle Republican NRD); Jack Russell (Middle Republican NRD); Jim Meisner (Twin Platte NRD); Dean Large (Upper Republican NRD); Kyle Shepherd (NCORPE); Pierre Dean (NCORPE); Nate Jenkins (Upper Republican NRD); Kent O. Miller (Twin Platte NRD); Bill Sellers (NCORPE); Mr. and Mrs. Dan Estermann (Wellfleet); Mike Clements (Lower Republican NRD); Tim Kahrs (Lower Republican NRD); Jim Cannia

Information Sent to Board Members: Agenda; Minutes from April 20, 2016 meeting; Water Service Agreement; Bills and expenditures April 20, 2015 through June 15, 2016; Financial statements for nine months ending March 31, 2016; NCORPE Wellfield Operation Policy.

Information Available at Board Meeting: Agenda; Minutes from April 20, 2016 meeting; Water Service Agreement; Bills and expenditures April 20, 2015 through June 15, 2016; Financial statements for nine months ending March 31, 2016; NCORPE Wellfield Operation Policy.

Terry Martin called the meeting to order at 10:05 a.m. and designated NCORPE General Manager Kyle Shepherd to chair the meeting. Shepherd pointed out that there were copies of the Open Meeting Act posted in the back of the room. Roll call was taken. Voting representatives from the Upper Republican NRD (Terry Martin); Middle Republican NRD (Brad Randel); Twin Platte NRD (Jerry Weaver); and Lower Republican NRD (Nelson F. Trambly) were present.

Minutes:

- Terry Martin moved to approve the minutes of April 20, 2016 meeting as presented and was seconded by Nelson F. Trambly. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. 4-Yes, 0-No. Motion Approved

Financial Report:

- a.) **Payables:** Kyle Shepherd presented the payables and opened the floor to questions. Jim Meismer questioned the purpose of a \$6000 expenditure and Shepherd responded that it was for preparation for flash grazing. Jim Meismer asked if the fencing being completed was still only on the exterior. Shepherd responded that yes and there is about 5 more miles to be completed. Jerry Weaver asked if the liability insurance included auto insurance. Shepherd responded that auto insurance was included and the premium was paid annually as well.

Terry Martin moved to approve the Financial Report Payables as presented and was seconded by Jerry Weaver. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. 4-Yes, 0-No. Motion Approved

- b.) **Financial Statements:** Shepherd provided an overview of the Financial Statements. Shepherd advised that the reports were up to March 31, 2016 and mentioned that the auditors are working to get the reports more current as soon as the next fiscal year. Terry Martin inquired when the fiscal year begins and Shepherd responded that it begins in July. Mike Clements asked when a budget for the next fiscal year would be available. Shepherd responded it should be available in about one month. Jim Meismer inquired about gain on sales of assets and Kyle Shepherd responded that it was over a nine month period. Nate Jenkins asked about the well / pivot repairs and Shepherd responded that due to the proximity of the neighbors well with the NCORPE's well fields, NCORPE paid for half of the cost of drilling a new well.

Terry Martin moved the motion to accept the Financial Statements as present and seconded by Nelson F. Trambly. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. 4-Yes, 0-No. Motion Approved

Project Update:

Managers Reports:

Bill Sellers – Worked flash grazing, seeding project, removal of noxious weeds, fencing, and repair of blowouts, and utilized part-time employees to complete some of these tasks.

Mike Keller – Continued to assist with loading sold auction items, shut down all pumping, maintained wellfields, monitored crossings, worked on fluctuations of well meters with vendors, preparation for monitoring models, gave NRCS tour and utilized part-time employees to complete some of these tasks.

Kyle Shepherd – Met with NRCS, met with land owners, did public relations, coordinated well and pipeline repairs.

Jack Russell asked when would the wells be ready for the model and Shepherd responded that they would be ready between June 20, 2016 and June 27, 2016.

Property Management / Operations

a.) Model Update

-Jim Cannia did a presentation on the proposed flight line. Which included routes and information on how the data would be gathered and used. About 70% of the cost of the flight line would be covered by a NET grant.

b.) Proposal on leasing land for prescribed burns

Bill Sellers advised that there would be about 160 acres allocated for prescribed burns in 2017. Jerry Weaver suggested that a bigger amount be made available for prescribed burns. Weaver also suggested waiting until more land is available before offering prescribed burn land for leasing. There will be some flexibility with the amount of land that would be available for the program.

Terry Martin moved to approve the prescribed burn program and was seconded by Brad Randel. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. 4-Yes, 0-No. Motion Approved

c.) Grazing Update

The spring grazing program was a success and it is anticipated that next year the amount of land grazed would be much more than the estimated 3000 acres grazed this year.

d.) Fencing update

It was determined that only limited permanent interior fencing would be needed, mostly in the headquarters and north and south line areas. One interior fence could be used to separate the north and south line running about eight miles. Tim Kahrs suggested that perhaps a two line electric fence could be used for other interior temporary fencing.

e.) Wellfield Operations Update

Pumping ceased and wells were shut down on June 1, 2016 as compact obligations had been met. If rains continue and there is enough water in the Harlan Lake by July 30, 2016 there would be no need for further pumping. There was a culvert that needed to be repaired as well as bridge that is also in need of repairs.

f.) LEAD Program – Kyle Shepherd advised the board that he had applied for the LEAD program and requested the board's approval to enroll. He stated that the program is for two years with about 20 days per year costing about \$1700 annually. Terry Martin stated that he believes that attending the program would be beneficial to both NCORPE and Shepherd personally. Martin also suggested that a

policy be created to accommodate employees for any educational program that would be beneficial to NCORPE but some personal times must also be used as well.

- g.) **Corral Rent** – It was decided that the corral be maintained and perhaps it could be rented in the future.
- h.) **Medicine Creek** – Brad Randel stated that there were complaints about the water flows on Medicine Creek and water erosion. Kyle Shepherd suggested having a metric to establish what responsibilities would fall on NCORPE.
- i.) **North Pipeline Update** – Kent O. Miller said that construction on the pipeline should begin late fall or early winter. The water service agreement was presented to the board that included the easement on the Twin Platte’s property for the pipeline.

Terry Martin moved to approve the Water Service Agreement as presented and was seconded Nelson F. Trambly Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. 4-Yes, 0-No. Motion Approved.

j.) Water Sustainability Fund Grant

Nate Jenkins suggested that NCORPE approves a proposal to fund contractors to do a study of amount of excess flow that may be available.

Terry Martin moved to approve the Water Service Agreement as presented and was seconded Nelson F. Trambly. Roll Call Vote: Twin Platte NRD - No; Upper Republican NRD – Yes; Middle Republican NRD – Yes; Lower Republican NRD – Yes. Vote: 3-Yes, 1-No. Motion Approved

Operations Workshop

Jack Russell asked what happens when no mining occurs. Kent O. Miller explained that the model when completed would explain what is sustainable in terms of refreshing the aquifer. Jim Meisner noted that it cannot be expected to pump three to four years’ worth of water in one year. Meisner suggested that stricter policies be put in place because if NCORPE stopped pumping that doesn’t hinder other entities from pumping. Nelson F. Trambly suggested that some of the water table issues could be improved if excess flows from the Platte River is stored for later consumption. Jim Meisner explained that maybe at a later date that would be feasible but it is not at this time. Nate Jenkins asked what would be the appropriate levels to maintain the aquifer. Kyle Shepherd suggested that the

board waits until more work is completed on the model then continue the operations workshop.

Kyle Shepherd opened the floor to the audience. Dan Estermann complained about an issue he had with the Solle's stock well. He claimed that he was out over \$1000 due to alleged declining water table level caused by NCORPE. Estermann continued that there was erosion in Medicine Creek caused by the shutdown of NCORPE's pumping wells.

Nelson F. Trambly moved to go into executive session to discuss litigation, to include the NCORPE board and staff. Seconded by Terry Martin. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD - Yes; Middle Republican NRD - Yes; Lower Republican NRD - Yes. 4-Yes, 0-No. Motion Approved.
The board entered executive session at 1:53 p.m.

Terry Martin moved to exit executive session and enter open session. Seconded by Nelson F. Trambly. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD - Yes; Middle Republican NRD - Yes; Lower Republican NRD - Yes. 4-Yes, 0-No. Motion Approved.
The board entered open session at 2:30 p.m.

Terry Martin moved to go into executive session employee review, to include the NCORPE board and Kyle Shepherd. Seconded by Nelson F. Trambly. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD - Yes; Middle Republican NRD - Yes; Lower Republican NRD - Yes. 4-Yes, 0-No. Motion Approved.
The board entered executive session at 2:31 p.m.

Terry Martin moved to exit executive session and enter open session. Seconded by Brad Randel. Roll Call Vote: Twin Platte NRD - Yes; Upper Republican NRD - Yes; Middle Republican NRD - Yes; Lower Republican NRD - Yes. 4-Yes, 0-No. Motion Approved.
The board entered open session at 3:15 p.m. and adjourned at 3:15 p.m. as there was no other business.

Brad Randel, Board Secretary

Date