

LITTLE BLUE NATURAL RESOURCES DISTRICT
Minutes **January 12, 2021**

OPENING OF MEETING – Marlin Kimle

The Directors of the Little Blue Natural Resources District met in regular session on Tuesday, January 12, 2021 at the Little Blue Natural Resources District Office, Davenport, Nebraska. Chairman Kimle called the meeting to order at 7:04 p.m.

Kimle led the group in the Pledge of Allegiance.

Kimle noted that a copy of the Nebraska Open Meetings Act was posted and available for anyone who may want to review the document.

Roll call was held.

DIRECTORS PRESENT

Board members present:

Bill Glenn, Lyle Heinrichs, Joe Hergott, Jessi Hoeft, Mason Hoffman, Kevin Kissinger, Jay Meyer, Courtney Peeler, Steve Shaw, Warren Taylor, Jesse VonSpreckelsen, Alan Wiedel and Marlin Kimle. Brent Hoops, Lyle Schroer and Robert Trausch participated virtually per Executive Order 20-36.

OTHERS PRESENT

Tyler Goeschel, Marie Herbek, Kevin Orvis, Heidi McClintock, Alicia Epps, Erika Brinegar; Janet Valasek representing the NRCS, Don Blankenau, legal counsel, Kent Zimmerman, Natural Resources Commission.

PUBLICATIONS OF BOARD MEETING NOTICE

Legal notice of the regular meeting was provided to the *FAIRBURY JOURNAL NEWS* and the *HASTINGS TRIBUNE*. The agenda was sent to all board members, radio, television and newspapers in the district and posted at the NRCS offices in the district and the Little Blue NRD office.

ADOPTION OF BOARD MEETING AGENDA

MOTION # 1 – Heinrichs moved, seconded by Shaw to approve the agenda for the January 12, 2021 meeting as presented. Carried by roll call vote – 16 yes votes.

ACTION TO APPROVE CONSENT AGENDA ITEMS

Acceptance of Board Member Absences: There were no absences.

Approval of Minutes of December 8, 2020 Board Meeting: There were no changes to the minutes.

MOTION # 2 – Von Spreckelsen moved, seconded by Hoffman to approve the minutes of the December 8, 2020 as circulated. Carried by roll call vote – 16 yes votes.

Certified Acres: Goeschel reported 410-acre changes.

MOTION # 3 – Wiedel moved, seconded by Kissinger to approve the certified acre changes. Carried by roll call vote – 16 yes votes.

TREASURERS REPORTS – Jay Meyer

Copies of the Little Blue NRD Treasurer's Report were circulated. Meyer reviewed the report.

MOTION # 4 - Meyer moved, seconded by Heinrichs to approve the report as presented. Carried by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Hoops, Kissinger, Meyer, Peeler, Shaw, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. Abstain: Schroer.

Meyer reviewed the Little Blue Public Water North Project Treasurer's Report.

MOTION # 5 - Meyer moved, seconded by Glenn to approve the report as presented. Carried by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Hoops, Kissinger, Meyer, Peeler, Shaw, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. Abstain: Schroer.

Meyer reviewed the Little Blue Public Water Project - South Treasurer's Report. **MOTION # 6 - Meyer moved, seconded by Hergott to approve the report as presented.** Carried by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Hoops, Kissinger, Meyer, Peeler, Shaw, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. Abstain: Schroer.

Report of Treasurer Bonding Requirement: District policies require the District Treasurer be bonded for no less than \$50,000. The District currently retains a \$150,000 Public Official Bond for the Treasurer. The District also carries a Government Crime Policy in aggregate of \$200,000 which covers others authorized to handle district funds including the Assistant Treasurer, General Manager, Administrative Secretary, District Secretary, all NRCS Secretaries and our Water Project Clerk. These bonds provide some protection to the district from fraudulent actions relating to the District finances by those covered.

Report on District Investment Procedures: Goeschel explained the general procedures followed for making investments for the Little Blue NRD as well as for the North and South Water Projects.

LEGAL COUNSEL TO ADDRESS THE BOARD (Blankenau)

Don Blankenau addressed the Directors regarding a conflict of policy due to the Board's approval of a policy at the December 8, 2020 meeting. Blankenau's advice was to refer the matter back to the Executive Committee to draft up a redline of the changes and incorporate those changes into the Operating Policy. He also suggested the entire Operating Policy be reviewed and updated.

Blankenau also informed the Board an Interlocal Agreement has been developed with the City of Fairbury and the Rural Water system. This agreement will create a separate legal entity that has the combined legal authorities of the City of Fairbury and the NRD which will create a new body of government. It will be comprised of members of the NRD board and members of Fairbury City Council. It is hoped this agreement will be finalized within the next month. A bank account will be set up to deposit funds in and a separate tax ID number will be created.

MOTION # 7 – Hoffman moved, seconded by Kissinger to repeal policy # 15, paragraph 6 and substitute in the policy passed December 8, 2020. Failed by roll call vote. Yes: Glenn, Heinrichs, Hoffman, Hoops, Kissinger, Taylor, Trausch and VonSpreckelsen. No: Hergott, Hoeft, Meyer, Peeler, Schroer, Shaw, Wiedel and Kimle.

MOTION # 8 – Shaw moved, seconded by Taylor to send changes to Policy # 15, paragraph 6 to the Executive Committee for consideration and then present to the full Board. Passed by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Kissinger, Meyer, Peeler, Schroer, Shaw, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. No: Hoops.

EXECUTIVE SESSION

MOTION # 9 – Kissinger moved, seconded by VonSpreckelsen to go into Executive Session at 7:56 p.m. for the purpose of discussing personnel. Carried by roll call vote – 16 yes votes.

Executive Session called for the purpose of discussing personnel.

MOTION # 10 – Kissinger moved, seconded by Hoffman to come out of Executive Session at 8:32 p.m. Carried by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Hoops, Kissinger, Meyer, Peeler, Schroer, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. Absent: Shaw.

CONSIDERATION OF POTENTIAL SUB-DISTRICT THREE BOARD MEMBER APPLICATIONS

The Director vacancy in sub-district three was advertised and no applicants were received. After discussion it was decided to re-advertise the vacancy.

ACTION TO AUTHORIZE SIGNATURES FOR BANKING ACTIVITIES

Due to the resignation of the manager a resolution was created removing his signature authority and add Tyler Goeschel at Cornerstone Bank. **MOTION 11 – Kissinger moved, seconded by VonSpreckelsen to approve the resolution removing Kyle Hauschild and add Tyler Goeschel to have signature authority at Cornerstone Bank.** Carried by roll call vote – 16 yes votes.

NOMINATIONS REPORT AND ELECTION OF NRD OFFICERS AND REPRESENTATIVES

The Nominations Committee – Bill Glenn, Alan Wiedel and Warren Taylor met to select candidates for Board positions for the year 2021.

The Committee proposed the name of Marlin Kimle for the position of Board Chairman. Glenn asked for further nominations from the floor, Heinrichs nominated Mason Hoffman. No additional nominations were received, nominations ceased, a ballot vote taken. Kimle – 10 votes, Hoffman – 6 votes. Kimle was declared Chairman.

The Committee proposed the name of Alan Wiedel for the position of Vice-Chairman. Glenn asked for further nominations from the floor. Hoffman nominated Bill Glenn. No additional nominations were received, nominations ceased, a ballot vote taken. Wiedel – 6 votes, Glenn – 10 votes. Glenn was declared Vice-Chairman.

The Committee proposed the name of Jay Meyer for the position of Treasurer. Glenn asked for further nominations from the floor. There being none, the nominations were closed. Jay Meyer was re-elected as Treasurer by unanimous consent.

The Committee proposed the name of Mason Hoffman for the position of Secretary. Glenn asked for further nominations from the floor. Shaw nominated Alan Wiedel. No additional nominations were received, nominations ceased, a ballot vote taken. Hoffman – 6 votes, Wiedel – 9 votes. Wiedel was declared Secretary.

APPOINTMENT OF VOTING DELEGATE FOR NARD LEGISLATIVE CONFERENCE

The Committee proposed the name of Lyle Heinrichs for NARD Representative. Glenn asked for further nominations from the floor. Kimle nominated Mason Hoffman. No additional nominations were received, nominations ceased, a ballot vote take. Heinrichs – 7 votes, Hoffman – 9 votes. Hoffman was declared NARD Representative and Lyle Heinrichs as alternate.

CAUCUSING FOR THE NRC

Kent Zimmerman from the Department of Natural Resources was present to preside over the caucus for the Little Blue River Basin representative to the Natural Resources Commission. Zimmerman opened the floor for nominations. Hoffman nominated Lyle Schroer. No additional nominations were received. Lyle Schroer was appointed representative to the Natural Resources Commission for four years by unanimous consensus.

AGENCY REPORTS

NRCS Report – Janet Valasek: Valasek gave a report on happenings at the NRCS.

NARD Report – Lyle Heinrichs: Heinrichs presented the Dividend Resolution of NRD Office 1208 2020 for approval. The Resolution ratifies the attestation form signed by NARD Risk Pool board representative to pool NARD and NARD Foundation funds to purchase a building. **MOTION # 12 – Kissinger moved, seconded by Taylor to approve Divided Resolution of NRD Office 1208 2020 and authorize the Chairman to sign the Resolution.** Carried by roll call vote. Yes: Glenn, Heinrichs, Hergott, Hoeft, Hoffman, Hoops, Kissinger, Peeler, Schroer Shaw, Taylor, Trausch, VonSpreckelsen, Wiedel and Kimle. Absent: Meyer.

NRC Report – Lyle Schroer: Schroer reported on the NRC meetings held the past year.

PRESENTATION FROM NEBRASKA HEALTHY SOILS TASK FORCE (Mike McDonald)

Mike McDonald gave a virtual presentation on The Nebraska Healthy Soils Task Force Report and answered questions. Discussion was held, no action will be taken at this time.

DISTRICT APPOINTMENTS

Review of Auditor: The District signed a five-year contract with Schulz & Associates P.C. for conducting the annual audit. The contract began in 2019 and will expire in 2023. The annual price of the contract was \$7,275.

Review of District’s Legal Counsel: Goeschel reported the District uses Don Blankenau on an as needed basis. Other legal counsel may be called upon if necessary.

EXECUTIVE COMMITTEE

The Executive Committee met December 29, 2020.

Recommend 50% NRD Contribution for Employee's Family Coverage: Information was presented on the estimated cost to the District if it would increase sharing the cost of family health insurance coverage. **MOTION # 13 – Kimle moved, seconded by Wiedel to increase the NRD contribution for employee family health insurance to 50%.** After discussion was held, Kimle rescinded the motion to table the discussion in order to gather more information, Wiedel agreed.

Consider Boardroom Chair Purchase: No action was taken at this time; additional information will be presented later.

Recommend to Approve NRD/NRCS Cooperative Agreement: The annual NRD/NRCS Cooperative Agreements was presented for approval. **MOTION # 14 – Kissinger moved, seconded by Hoffman to approve the NRD/NRCS Cooperative Agreement and authorize its signature.** Carried by roll call vote – 16 yes votes.

WATER RESOURCES COMMITTEE

The Water Resources Committee met prior to the regular meeting.

Groundwater Transfers (2): Two groundwater transfer requests were presented for approval. **MOTION # 15 – Shaw moved, seconded by Hoffman to approve the groundwater transfer request of WR Inc. from the NW¼ 28-4N-1E to the S½SW¼ 21-4N-1E in Jefferson County.** Carried by roll call vote – 16 yes votes.

MOTION # 16 – Shaw moved, seconded by Hoffman to approve the groundwater transfer request of Scott Elting from the SW¼ 18-3N-2W to the N½NW¼ 19-3N2W in Thayer County. Carried by roll call vote – 16 yes votes.

Other Business: There was no other business.

RURAL WATER UPDATE (Orvis)

Orvis gave an update on the progress of cooperating with the City of Fairbury in creating a separate entity to provide water to both the City and to rural water customers. USDA will be providing funding assistance through grants and loans. He reviewed projected costs and answered questions.

PUBLIC COMMENT

No public comments were made.

OTHER BUSINESS

Kimle reported on progress being made in filling the technician vacancies and the manager vacancy.

ADJOURNMENT

Kimle adjourned the meeting at 10:45 P.M.

COUNTY OF THAYER)
)
STATE OF NEBRASKA)

I, the undersigned, Secretary of the Little Blue Natural Resources District, hereby certify that these are true and correct minutes of the meeting of the Board of Directors of the District held on January 12, 2021, that all of the subjects discussed at the meeting were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the principal office of the District during normal business hours, and except for items of an emergency nature, the agenda was not altered later than twenty-four (24) hours before the scheduled commencement of the meeting; that a copy of the Nebraska Open Meetings Act was posted and available to the public; 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 and the subjects to be discussed at said meeting.

DRAFT