

MINUTES

The Board met Thursday July 5, 2007 at 8:00 am, with Gary Housholder, Brad Peterson, Monty Dahl, and Kenny Nelson present.

Time sheets and checks were signed. Notice of Equalization Hearing for August 2, 2007 at 9:00 am was signed.

The Minutes and Financial Report were approved as mailed.

Correspondence for the month was read and discussed as follows:

- William Peck – Water Update 1st of June
- Steve Ronshaugen – H. Co. O&M actual cost 2006
- Steve Ronshaugen – O&M estimate 2008
- Steve Ronshaugen – O&M H. Co. adjustment 2007 estimate
- Steve Ronshaugen – Amendment to Contract restructure payments
- Steve Ronshaugen - Temporary Assignment of water from Cambridge

A lengthy discussion was held regarding the Corps of Engineers (COE) recently informing the Bureau of their intent to mill and pave the road across the top of the dam at an estimated cost of \$1.2 million starting this year. The Bureau sent Kansas Bostwick an updated estimate on June 29, 2007 increasing the 2007 estimated O&M charges from \$114,618 in May 2006 correspondence to \$198,667 (increase \$84,049) and increasing the 2008 estimate from \$140,007 (June 11, 2007 correspondence) to \$257,390 (increase \$117,383). The Districts (Nebraska Bostwick and Kansas Bostwick) pay 15.35% of the COE O&M charges on the dam. The charges are split between the districts based upon a formula developed by Reclamation based upon each district 3-year usage. The districts pay 2007 actual charges in 2008. The 2008 Budget is set off the 2007 estimated charges. The district is required to adopt a Budget and set Assessments 3 weeks before the Equalization Hearing which is set for August 2, 2007. Kenny explained he had raised the issue of not being able to afford the payments with the Bureau and with congressional staff. Kenny reported the Bureau did not have any avenue of relief for O&M charges. It was decided to budget for the expense and continue to seek relief from the charges. The Board instructed Kenny to prepare an article for the Newsletter to explain the situation to the irrigators. Kenny will also work with the political delegation to try to move legislation as soon as possible for relief.

The 2008 Operations and Maintenance Budget were accepted at \$1,252,000 and the Repayment Budget was set at \$188,386. The 2008 Assessment was set as follows: Class #1 & 2 \$25.75/acre; Class #3 & 4 \$25.00/acre; Repayment all classes \$4.38.

Kenny read a letter he sent to Rod Zohn regarding the White Rock Extension Drain. Kenny informed Rod a Board tour would be scheduled to review the area.

A discussion was held on the water supply. With the present supply in Harlan County, it appears 8" of water should be available throughout the district with a good carry over supply for next year. The restriction below Lovewell of 6"/acre was raised to 8"/acre at this time.

With no further business, the meeting adjourned at 9:15 am.

Secretary