

NEBRASKA NATURAL RESOURCES COMMISSION

MEETING MINUTES – August 19, 2021

CALL TO ORDER & ROLL CALL

Chairman Steffen called the meeting to order at 9:40 a.m. in the Holiday Inn and Convention Center, Kearney, Nebraska, and called the roll.

Roll Call:

Commissioners		Absent	Present	Commissioners		Absent	Present
Anderson	Garry		X	Krause	Timothy P	X	
Batie	Donald	X		Kubat	Rick		X
Bradley	Lawrence		X	McDonald	Mike		X
Citta Jr.	Joseph L		X	Miller	John		X
Clouse	Stan	X		Reynolds	Michael (Mick)		X
Czaplewski	Mark		X	Schroer	Lyle		X
Deines	Dave		X	Sievers	LeRoy		X
Dunbar	Brad	X		Smathers	Scott		X
Fornoff	Kevin		X	Steffen	Jeff		X
Hadenfeldt	N. Richard		X	Steinkruger	Dan	X	
Halligan	Bill		X	Strauch	Walter Dennis		X
Heaston	John		X	Taylor	Loren		X
Knutson	Thomas		X	Wilke	Greg		X
Kraus	Don		X				

DNR staff in attendance:

Tom Riley, Kent Zimmerman, and Jill Richters.

Others in attendance were:

Nick Simonson, LRNRD; Lyndon Vogt, CPNRD; & Jacob Leaver, State Budget Division DAS

Announcements:

None

NOTICE OF THE MEETING

Notice of the meeting was published on the State Public Meetings Calendar and on the Natural Resources Commission (Commission) web site at <https://nrc.nebraska.gov>. A copy of Nebraska’s open meeting statutes was available in the room. The following DHHS guidelines regarding COVID-19 were implemented:

- Tell invitees not to attend if they are sick.
- Face coverings were provided, and use was encouraged when not seated.

- Seating arrangements provide at least six feet of distancing between attendees and presenters.
- Food, beverages and snacks stations were not available to reduce physical proximity and community touching of common surfaces.
- Proper social distancing expectations was reviewed with the attendees related to discussions, training room entry and egress, restroom breaks, etc.
- Attendee roster was completed verbally and recorded by the meeting organizer instead of sign-in sheets.
- Minimize sharing resources/equipment such as pens, markers, presentation remotes, handouts, etc.

MINUTES

Sievers moved and Knutson seconded the motion to approve the minutes of the April 21st, 2021 Commission meeting.

Motion Passed.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Anderson	X				Krause				X
Batie				X	Kubat	X			
Bradley	X				McDonald	X			
Citta	X				Miller	X			
Clouse				X	Reynolds	X			
Czaplewski	X				Schroer	X			
Deines	X				Sievers	X			
Dunbar				X	Smathers	X			
Fornoff	X				Steffen	X			
Hadenfeldt	X				Steinkruger				X
Halligan	X				Strauch	X			
Heaston	X				Taylor	X			
Knutson	X				Wilke	X			
Kraus	X				TOTALS	22	0	0	5

DNR UPDATE & PUBLIC COMMENTS

Chairman Steffen opened the floor to DNR Director Tom Riley and the public for comments. Riley stated staff has been busy across the state and is now starting the review process for the WSF applications. DNR's projected move-in date for its new office at Fallbrook is March 2022. Riley also mentioned that DNR is having a hard time filling positions right now as are many businesses. No public comments were offered.

PROGRAM COMMITTEE

Staff lead discussion on agenda topics pertaining to program activities. No unusual activity was reported during review of status reports for the following funds.

Resources Development Fund

The status report showed business as usual.

Prior to the meeting, Lyndon Vogt, General Manager of the Central Platte Natural Resources District (CPNRD), filed an amendment to the application and feasibility report pursuant to Title 256 Neb. Admin. Code Ch. 4, § 016 and Paragraph 6 of the Agreement entered into by the Commission and CPNRD on June 13, 2005. (The amendment is attached to these meeting minutes). The amendment requested an additional scope of work and change of purpose be added to the Plan of Development for the Upper Prairie/Silver/Moores Flood Control Project (UPSM). DNR & NRD staff met and discussed the proposal, which is summarized as follows:

- CPNRD desires to build an education facility within the project.
- The flood control portion of the project is nearly complete.
- No additional funding is being requested, but additional benefits will be received from the education facility.
- The rate of return and cost/benefit ratio both exceed that required in RDF.
- No additional allocations can be made to RDF projects and all six remaining projects under construction are fully obligated.
- UPSM has funding obligated for purchase of the remaining United States Army Corps of Engineers (USACOE) land rights.
- Transfer of remaining USACOE land rights stalled due largely to continued staff turnover at the USACOE.
- CPNRD understands utilizing obligated cost share funds for the education facility now will result in CPNRD purchasing the land rights without RDF cost share later.

Sievers questioned Vogt as to the benefit of using RDF funding now for this education facility rather than later for the land purchase. Vogt replied CPNRD had discussed going after other sources of funding for the education facility but saw value in wrapping up the RDF grant rather than waiting another ten years for the USACOE to transfer the land rights. Vogt added that it is also a more efficient use of CPNRD's staff time and tax dollars as it would delay construction another year or two by applying for funding and going through another grant process when this funding is available now.

Kraus moved and Czaplewski seconded the motion to amend the application and expand the scope and purpose of the UPSM to include the public education facility.

Strauch asked if the money is used for the education facility, could the project be closed out prior to purchasing the remaining USACOE land rights? Reynolds pointed out that within the amendment, CPNRD has committed that CPNRD will be 100% responsible for purchasing that land. Zimmerman stated that several RDF project close-outs are tied to the final true-up with the USACOE because the USACOE is contributing to build the project. Final USACOE/sponsor true-up is an accounting of expenditures to show if each side has paid it's committed share. If the sponsor owes money to the USACOE, RDF pays a proportional cost share to the sponsor. If the USACOE owes money to the sponsor, RDF receives a proportional share of the overpayment refund. That is not the case with this project, the USACOE is not a contributing partner. As to whether or not we can close out the project prior to purchase of the remaining land, the Commission will address that issue at that time. Vogt added that CPNRD has an agreement with USACOE that CPNRD has first right of refusal. Eventually the USACOE will come through with it, CPNRD just doesn't know when. Heaston questioned if another owner would have an adverse effect on the project should the CPNRD decide not to exercise its right to purchase? Heaston also asked if the CPNRD board would write a letter committing to make the purchase when it becomes available. Reynolds replied as Chairman of the current CPNRD board he would never write that letter to commit a future board. Vogt offered to give any Commissioners a tour of the project if they are interested.

Reynolds raised the question of whether or not he would be able to vote on the issue as he is a board member of the CPNRD but does not personally derive any financial interest for or against this motion. Sievers turned to the Commission's Rules, Title 256 Neb. Admin. Code Ch. 4, § 001 which states that a Commission member shall be ineligible to participate in the action of the Commission concerning an application for a grant or loan if such member is a member of the governing body or is otherwise representing the applicant applying for assistance. Therefore, it was determined that Reynolds should abstain from voting on this matter.

Motion Passed.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Anderson	X				Krause				X
Batie				X	Kubat	X			
Bradley	X				McDonald	X			
Citta	X				Miller	X			
Clouse				X	Reynolds			X	
Czaplewski	X				Schroer	X			
Deines	X				Sievers	X			
Dunbar				X	Smathers	X			
Fornoff	X				Steffen	X			
Hadenfeldt	X				Steinkruger				X
Halligan	X				Strauch	X			
Heaston	X				Taylor	X			
Knutson	X				Wilke	X			
Kraus	X				TOTALS	22	0	1	4

Small Watersheds Flood Control Fund

This is currently an unfunded program.

Soil & Water Conservation Program Fund

The status report showed business as usual, with \$43,049.97 of unobligated funds returned by the NRDs at the end of FY 2020-2021. A total of \$1,846,161.97 was apportioned to the NRDs in July.

Natural Resources Water Quality Fund

The status report showed business as usual, with \$325,000 distributed to the NRDs in August.

Water Well Decommissioning Fund

The status report showed business as usual, with \$70,000 allocated to the NRDs in August.

Water Sustainability Fund

The status report showed business as usual. Project progress reports for several projects were discussed. Citta mentioned the Columbus Area Recharge Project indemnification issues with the city has been resolved and construction has started. Riley added that he will visit that project site tomorrow and that this project really hits the concept of what the Water Sustainability Fund is about.

The City of Blair is moving forward with its Water Supply Resilience Project to lower its water intake on the Missouri River. Riley stated the Department is watching this issue to see if there is a way to get Blair and a few others through this summer and fall. The USACOE's release projection of 12,000 cubic feet per second on the Missouri River is going to make it nip-and-tuck for the City to maintain inflow at the projected river level.

Regarding the Platte to Republican Diversion Project Riley stated the Department is reviewing the information presented during the hearing last month on standing.

The Combined Sewer Overflow Project undoubtedly helped reduce the flooding issues in Omaha that have been in the news recently. That project has received over \$6 million from the WSF and has recently filed applications for another \$2 million this year. Bradley commented that he had contacted Omaha Mayor Stothert's Chief of Staff a couple times encouraging him to continue filing CSO applications as this is a badly needed project.

WSF applications filed in July for 2021 funding included two for combined sewer overflow projects, seven requesting more than \$250,000 (large project requests) and eight requesting \$250,00 or less (small project requests). The requests total \$36 million with about \$13.7 million available.

COMMITTEE UPDATES

Executive Committee

Chairman Steffen stated the Committee met prior to this meeting and discussed the importance of keeping the information private while reviewing WSF applications. Smathers encouraged all Commissioners to refrain from discussing the applications released by the Director until such time as the Application Review Committee has made its recommendations. Smathers believes the Commission's integrity and transparency are always being scrutinized by the 49 members of the Legislature. Smathers also requested Director Riley and staff not share information.

Steffen will formalize the Application Review Committee appointments soon so that the Committee may begin inputting scores when the applications become available.

Legislative Committee

Kraus reported the Governor has approved Commission Rules Titles 259, 260, and 263; and is still reviewing Rules 257 and 262. Regarding legislation affecting the WSF, Kraus mentioned they found a path forward to keep future WSF funding secure, but it will always be an issue.

OTHER BUSINESS & AGENDA ITEMS

Chairman Steffen asked for any other business to be brought forward.

Czaplewski reminded everyone of past discussions about the need for Comprehensive Planning Committee review of issues within the Water Sustainability Fund such as funding studies and research. Heaston added the importance of putting something together soon or else we will be doing the same thing next year.

Bradley stated that a number of boards say the Pledge of Allegiance before their meeting and he would like the NRC to do the same. Therefore, Bradley brought forward the following motion:

Bradley moved and Reynolds seconded the motion to recite the Pledge of Allegiance to the United States of America prior to each Commission Meeting.

Steffen suggested bringing a small flag to the meeting, Bradley mentioned some hotels have one or an image could be projected.

Motion Passed.

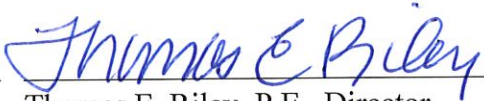
Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Anderson	X				Krause				X
Batie				X	Kubat	X			
Bradley	X				McDonald	X			
Citta	X				Miller	X			
Clouse				X	Reynolds	X			
Czaplewski	X				Schroer	X			
Deines	X				Sievers	X			
Dunbar				X	Smathers	X			
Fornoff	X				Steffen	X			
Hadenfeldt	X				Steinkruger				X
Halligan	X				Strauch	X			
Heaston		X			Taylor	X			
Knutson	X				Wilke	X			
Kraus	X				TOTALS	21	1	0	5

ADJOURNMENT

The meeting was adjourned at 10:34 a.m.



 Jeff Steffen, Chairman



 Thomas E. Riley, P.E., Director



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www.cpnrd.org

Date: August 10, 2021

To: Tom Riley, Nebraska Department of Natural Resources Director

Amendment to Formal Application and Feasibility Report for the Upper Prairie/Silver/Moores Flood Control Project

Purpose: Pursuant to Title 256 Neb. Admin. Code Ch. 4, § 016 and Paragraph 6 of the Agreement entered into by the Nebraska Natural Resources Commission and Central Platte Natural Resources District on June 13, 2005, the CPNRD is requesting an amendment to the formal application and feasibility report. The CPNRD proposes to expand the scope and purpose of this project by adding a Public Education Facility component. CPNRD desires to utilize funds currently obligated across several components for construction of the Public Educational Facility to showcase natural resources, conservation, and wildlife viewing on the project's wetland detention site. CPNRD understands that additional funding is not an option and that approval of this request will result in CPNRD paying 100% of additional land rights at a later date, if and when the USACOE sells the remaining land as originally planned. The CPNRD will contribute the partner share of a minimum of 47.5%, to build the Public Educational Facility. CPNRD understands revenue generated from use of the facility must be cost shared back to the fund at the same rate.

Amended Feasibility Report: With construction completion in 2019, the \$24.5 million Upper Prairie/Silver/Moores Project greatly reduced the risk of flooding to northwest Grand Island and its surrounding area. The Upper Prairie/Silver/Moores Project prevented \$47 million in damages during the March 2019 storm event. Approximately 600 properties were removed from the 100-year floodplain with the FEMA Flood Mapping, with approximately \$750,000 annual flood insurance premium cost reduction benefits. Assuming a 50-year project life, the benefit-to-cost ration is 13:1. The project also bolsters a rate of return of nearly 33%.

The Natural Resources Commission's contribution will not exceed what has already been obligated to the Upper Prairie/Silver/Moores Flood Project (\$1,742,186).

Sincerely,

Lyndon Vogt
General Manager
Central Platte Natural Resources District