

NEBRASKA NATURAL RESOURCES COMMISSION
MEETING MINUTES – SEPTEMBER 29, 2015
YOUNES CONFERENCE CENTER – Kearney, Nebraska

Roll Call:

Commissioners		Absent	Present	Commissioners		Absent	Present
Amen	Karen		X	Kraus	Don		X
Anderson	Garry		X	Palm	Owen		X
Barels	Brian		X	Palmertree	Tom		X
Batie	Donald		X	Rains	Darrell M.		X
Christensen	Joel		X	Rexroth	Keith	X	
Clouse	Stan	X		Reynolds	Michael (Mick)		X
Deines	Dave		X	Smathers	Scott		X
Fornoff	Kevin		X	Smith	Lindsey		X
Hadenfeldt	N. Richard		X	Steffen	Jeff		X
Hergott	Joseph		X	Strauch	Walter Dennis		X
Huggenberger	Steve		X	Sugden	Steven		X
Kadlecek	David		X	Taylor	Loren		X
Knutson	Thomas		X	Thompson	Jim		X
Kosman	Henry (Hod)		X				

DNR staff in attendance:

Jeff Fassett, Rex Gittins, Kent Zimmerman, LeRoy Sievers and Jill Richters

Others in attendance were:

Steve Cogley, Hastings Utility; Craig Derickson, NRCS; Rick Wozniak, LENRD; Butch Koehlmoos, LLNRD; Jason Moudry, LLNRD; Russell Callen, LLNRD; Marlin Petermann, P-MRNRD; Brian Dunnigan, OA; Jim Schneider, OA; Lalit Jha, JEO; Travis Hazard, JEO; Rick Wilson, USGS; Pat O'Brien, UN-WNRD; Lynn Webster, UN-WNRD.

CALL TO ORDER, ROLL CALL

Commission Chairperson Fornoff called the meeting to order at 2:00 p.m. at the Younes Conference Center, Kearney, Nebraska.

NOTICE OF THE MEETING

Notice of the meeting was published on the State Public Meetings Calendar and on Department of Natural Resources' web site at www.dnr.ne.gov. A copy of Nebraska's public meeting statutes was available in the room.

INFORMATIONAL MATERIALS

The following informational materials were distributed at the meeting. Copies are attached to the file copy of these minutes.

1. Commission Meeting Agenda
2. Funds Expenditures and Cash Fund Balances Reports
3. Resources Development Fund (RDF) Status Report as of 9/22/15

4. Small Watershed Flood Control Fund Status Report as of 8/31/15
5. Nebraska Soil & Water Conservation Fund (NSWCPF) Status Report as of 8/31/2015
6. Nebraska Water Quality Fund Status Report as of 8/31/2015
7. Water Well Decommissioning Fund Status Report as of 8/31/2015
8. NRCS Report & NRCS Brochure
9. Water Sustainability Fund Draft Application & Draft Guidelines

MINUTES

Knutson moved and Reynolds seconded the motion to approve the minutes of the September 1, 2015, Commission meeting.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Amen	X				Kraus	X			
Anderson	X				Palm	X			
Barels			X		Palmertree	X			
Batie	X				Rains	X			
Christensen	X				Rexroth				X
Clouse				X	Reynolds	X			
Deines	X				Smathers	X			
Fornoff	X				Smith	X			
Hadenfeldt	X				Steffen	X			
Hergott	X				Strauch	X			
Huggenberger	X				Sugden	X			
Kadlecek	X				Taylor	X			
Knutson	X				Thompson	X			
Kosman	X				TOTALS	24	0	1	2

ADVISOR & PUBLIC COMMENTS

Craig Derickson, NRCS State Conservationist, distributed and reviewed an NRCS update report and program accomplishment brochure.

DNR UPDATE

Director Fassett discussed how quickly the rules were approved by the Office of the Attorney General and Governor Ricketts, and stated that the DNR staff is committed to providing the guidelines, forms, web site and application as quickly as possible.

EXPENDITURES REPORT

Fund reports showing financial activity and ending balances through August 31 were distributed prior to the meeting. No unusual expenditures were reported.

PROGRAM COMMITTEE

A separate Program Committee meeting was not held, so staff led the discussion on agenda topics pertaining to program activities. No unusual activity was reported during discussion of the following funds.

Resources Development Fund

No unusual activity since the last report.

Small Watersheds Flood Control Fund

The only activity in this fund since the last report was the addition of accrued interest.

Soil and Water Conservation Fund Program

Normal activity since the last report.

Natural Resources Water Quality Fund

A distribution to the NRDs was made in August.

Water Well Decommissioning Fund

Allocations to NRDs were made in August.

Water Sustainability Fund

No activity, rules approved.

LEGISLATIVE COMMITTEE

Chair Sugden reported that the Committee had met on September 28, 2015. Action by the Committee was focused on the issue of requesting that the Legislature establish a "cap" on WSF commitments beyond current appropriations. The purpose of a cap would be to allow the NRC to approve additional projects beyond available funding with the intent that all committed funds would be placed into separate sub-accounts for each project.

Sugden reported that he had spoken with Senator Watermeier regarding this issue after the Committee meeting. The Senator stated that the NRC should make its request in writing and include clearly stated reasons for seeking a cap. Senator Watermeier agreed to craft and introduce the legislation. Smathers asked that Senators on the Water Funding Task Force be copied on the letter also.

Sugden moved and Reynolds seconded the motion to allow the Legislative Committee to approach the Legislature to request establishment of a funding cap for the Water

Sustainability Fund and that it consider the amount of \$11 million which is one year of appropriation per intent language in LB 906.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Amen	X				Kraus	X			
Anderson	X				Palm	X			
Barels	X				Palmertree	X			
Batie	X				Rains	X			
Christensen	X				Rexroth				X
Clouse				X	Reynolds	X			
Deines	X				Smathers	X			
Fornoff	X				Smith	X			
Hadenfeldt	X				Steffen	X			
Hergott	X				Strauch	X			
Huggenberger	X				Sugden	X			
Kadlecek	X				Taylor	X			
Knutson	X				Thompson	X			
Kosman	X				TOTALS	25	0	0	2

COMPREHENSIVE PLANNING COMMITTEE

Committee Chair, Smathers, reported that the Committee had met on September 15 & 28, 2015, to work on the NRC's scoring portion of the guidelines. Sievers announced that the Titles 261 & 264 rules and regulations had been signed by Governor Ricketts and that, per rules, applications would be accepted December 16 through 30, 2015. Smathers then led discussion of each of the fifteen criteria to be scored and the Committee's draft guideline recommendations (bullets). The Commission reviewed each bullet, making several changes resulting in the following amended draft for the NRC Scoring portion of the guidelines.

Scoring

In the Commission's scoring process, points will be given to each project to assist in ranking the projects, with the total number of points resulting in the final project ranking list. The following fifteen criteria will constitute the items for which points will be assigned. Point assignments will be 0, 2, 4, or 6 for items 1 through 8; and 0, 1, 2, or 3 for items 9 through 15.

Two additional points will be awarded to projects which address issues determined by the Commission to be the result of a federal mandate.

Note:

- The responses to one criterion *will not* be considered in the scoring of other criteria. Repeat references as needed to support documentation in each criterion as appropriate. The 15 categories are specified by statute and will be used to create scoring matrixes which will ultimately determine which projects receive funding.
 - There is a total of 69 possible points, plus two bonus points. The potential number of points awarded for each criteria are noted in parenthesis. Once points are assigned, they will be added to determine a final score. The scores will determine ranking.
 - The Commission recommends providing the requested information and the requests are not intended to limit the information an applicant may provide. An applicant should include additional information that is believed will assist the Commission in understanding a proposal so that it can be awarded the points to which it is entitled.
- (1) Remediates or mitigates threats to drinking water (0, 2, 4, or 6 pts);
 - Describe the specific threats to drinking water the project will address.
 - Identify whose drinking water, how many people are affected, how will project remediate or mitigate.
 - Provide a history of issues and tried solutions.
 - Provide detail regarding long range impacts if issues are not resolved.
 - (2) Meets the goals and objectives of an approved integrated management plan or ground water management plan (0, 2, 4, or 6 pts);
 - Identify the specific plan that is being referenced including date, who issued it and whether it is an IMP or GW management plan.
 - Provide the history of work completed to achieve the goals of this plan.
 - List which goals and objectives of the management plan the project provides benefits for and how the project provides those benefits.
 -
 - (3) Contributes to water sustainability goals by increasing aquifer recharge, reducing aquifer depletion, or increasing streamflow (0, 2, 4, or 6 pts);
 - List the following information that is applicable: 1. the location, area and amount of recharge; 2. the location, area and amount that aquifer depletion will be reduced; 3. the reach, amount and timing of increased streamflow. Describe how the project will meet these objectives and what the source of the water is.
 - Provide a detailed listing of cross basin benefits, if any.
 -
 - (4) Contributes to multiple water supply goals, including, but not limited to, flood control, agricultural use, municipal and industrial uses, recreational benefits, wildlife habitat, conservation of water resources, and preservation of water resources (0, 2, 4, or 6 pts);
 - List the goals the project provides benefits for; Describe how the project will provide these benefits

- Provide a long range forecast of the expected benefits this project could have vs continuing on current path.
- (5) Maximizes the beneficial use of Nebraska's water resources for the benefit of the state's residents (0, 2, 4, or 6 pts);
- Describe how the project will maximize the increased beneficial use of Nebraska's water resources.
 - Describe the beneficial uses that will be reduced, if any.
 - Describe how the project provides a beneficial impact to the state's residents.
 -
- (6) Is cost-effective (0, 2, 4, or 6 pts);
- List the estimated construction costs, O/M costs, land and water acquisition costs, alternative options, value of benefits gained.
 - Compare these costs to other methods of achieving the same benefits.
 - List the costs of the project.
 - Describe how it is a cost effective project or alternative.
- (7) Helps the state meet its obligations under interstate compacts, decrees, or other state contracts or agreements or federal law (0, 2, 4, or 6 pts);
- Identify the interstate compact, decree, state contract or agreement or federal law.
 - Describe how the project will help the state meet its obligations under compacts, decrees, state contracts or agreements or federal law.
 - Describe current deficiencies and document how the project will reduce deficiencies.
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- (8) Reduces threats to property damage or protects critical infrastructure that consists of the physical assets, systems, and networks vital to the state or the United States such that their incapacitation would have a debilitating effect on public security or public health and safety (0, 2, 4, or 6 pts);
- Identify the property that the project is intended to reduce threats to.
 - Describe and quantify reductions in threats to critical infrastructure provided by the project and how the infrastructure is vital to Nebraska or the United States.
 - Identify the potential value of cost savings resulting from completion of the project.
 - Describe the benefits for public security, public health and safety.
 -
- (9) Improves water quality (0, 1, 2, or 3 pts);
- Describe what quality issue(s) is/are to be improved.
 - Describe and quantify how the project improves water quality, what is the target area, what is the population or acreage receiving benefits, what is the usage of the water: residential, industrial, agriculture or recreational.
 - Describe other possible solutions to remedy this issue.
 - Describe the history of the water quality issue including previous attempts to remedy the problem and the results obtained.
- (10) Has utilized all available funding resources of the local jurisdiction to support the program, project, or activity (0, 1, 2, or 3 pts);

- Identify the local jurisdiction that supports the project.
 - List current property tax levy, valuations, or other sources of revenue for the sponsoring entity.
 - List other funding sources for the project.
- (11) Has a local jurisdiction with plans in place that support sustainable water use (0, 1, 2, or 3 pts);
- List the local jurisdiction and identify specific plans being referenced that are in place to support sustainable water use.
 - Provide the history of work completed to achieve the goals of these plans.
 - List which goals and objectives this project will provide benefits for and how this project supports or contributes to those plans.
 - Describe and quantify how the project supports sustainable water use, what is the target area, what is the population or acreage receiving benefits, what is the usage of the water: residential, industrial, agriculture or recreational.
 - List all stakeholders involved in project.
 - Identify who benefits from this project.
 -
- (12) Addresses a statewide problem or issue (0, 1, 2, or 3 pts);
- List the issues or problems addressed by the project and why they should be considered statewide.
 - Describe how the project will address each issue and/or problem.
 - Describe the total number of people and/or total number of acres that would receive benefits.
 - Identify the benefit, to the state, this project would provide.
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- (13) Contributes to the state's ability to leverage state dollars with local or federal government partners or other partners to maximize the use of its resources (0, 1, 2, or 3 pts);
- List other funding sources or other partners, and the amount each will contribute, in a funding matrix.
 - Describe how each source of funding is made available if the project is funded.
 - Provide a copy or evidence of each commitment, for each separate source, of match dollars and funding partners.
 - Describe how you will proceed if other funding sources do not come through.
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- (14) Contributes to watershed health and function (0, 1, 2, or 3 pts);
- Describe how the project will contribute to watershed health and function in detail and list all of the watersheds affected.
 -
- (15) Uses objectives described in the Annual Report and Plan of Work for the State Water Planning and Review Process (Annual Report) issued by the department (0, 1, 2, or 3 pts);
- Identify the date of the Annual Report utilized.
 - List any and all objectives of the Annual Report intended to be met by the project.
 - Explain how the project meets each objective.

Federal Mandate (0 or 2 pts);

- Describe the federal mandate.
- Provide documentary evidence of the federal mandate.
- Describe how the project meets the requirements of the federal mandate.
- Describe the relationship between the federal mandate and how the project furthers the goals of water sustainability.
- List all other funding sources available to achieve this federal mandate and the status of efforts to obtain those funds.

Sugden moved and Reynolds seconded the motion to approve the “Scoring and Federal Mandates” portion of the Guidelines.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Amen	X				Kraus	X			
Anderson	X				Palm	X			
Barels	X				Palmertree	X			
Batie	X				Rains	X			
Christensen	X				Rexroth				X
Clouse				X	Reynolds	X			
Deines	X				Smathers	X			
Fornoff	X				Smith	X			
Hadenfeldt	X				Steffen	X			
Hergott	X				Strauch	X			
Huggenberger	X				Sugden	X			
Kadlecek	X				Taylor	X			
Knutson	X				Thompson	X			
Kosman	X				TOTALS	25	0	0	2

Staff reviewed the draft application. Smathers described key points for web / technology support outlined by Kim Menke, DNR’s Information Technology Division Manager, at the Committee meeting. Kim is overseeing work on the Commission’s new web site nrc.nebraska.gov and electronic application submission process. Gittins requested a deadline for comments regarding the department’s portion of the guidelines and the application. That date was later set as October 12, 2015.

ANNOUNCEMENTS / OTHER BUSINESS

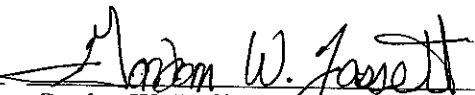
- The next meeting agenda will include Resources Development Fund project progress reports by sponsors.
- NRC Chair Fornoff announced that a 10 member ad hoc committee comprised of the Executive Committee plus five volunteers would score the first round of WSF applications and make an initial scoring recommendation to the full Commission. Fornoff stated the intent to utilize Commissioners from across the state and to use an equal number of elected and appointed Commissioners.
 - The following elected commissioners volunteered: Hadenfeldt, Steffen, Deines, Reynolds, Thompson, Rains and Hergott. Fornoff selected Hadenfeldt, Steffen and Deines, with Reynolds to serve as an alternate.
 - The following appointed members volunteered: Taylor, Christensen, Batie, and Kraus. Christensen and Batie were selected with Kraus as the alternate.
- Sievers stated that the Executive Committee had reviewed some draft policy changes and would be making suggestions for changes at the January NRC meeting. Pursuant to existing policy, changes presented at the January meeting will be placed on the table for further discussion and possible action at the next meeting.

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The meeting was adjourned at 4:06 p.m.



Kevin Fornoff, Chairman



Gordon W. "Jeff" Fasseff, P.E., Director