

NEBRASKA NATURAL RESOURCES COMMISSION

MEETING MINUTES - JANUARY 27, 2010

Those in attendance were:

Dick Hadenfeldt, Chair	Beverly Donaldson, Member	Mike Murren, LPNNRD
Keith Rexroth, Member	Joseph Hergott, Member	Ken Berney, LENRD
Dave Deines, Member	Garry Anderson, Member	Marlin Petermann, PNRD
Jim Van Marter, Member	Dan Nelsen, Member	Brian Dunnigan, NDNR
Dick Mercer, Member	Larry Moore, Member	Rex Gittins, NDNR
Dan Watermeier, Member	Steve Chick, NRCS	Kent Zimmerman, NDNR
Ladd Reeves, Member	Lori Benson, UNL	
David Kadlecek, Member	Bob Hilske, NNRD	

CALL TO ORDER & ROLL CALL

The meeting was called to order by Commission Chairman Hadenfeldt at 1:30 p.m. in EMBASSY SUITES HOTEL Lincoln, Nebraska. The following members were absent: Johannes, Korell and Kramper.

NOTICE OF THE MEETING

Notice of the meeting was published on the Department's web site at www.dnr.ne.gov and a copy of the public meeting statutes was available for review in the room.

INFORMATIONAL MATERIAL

The following informational materials were distributed either prior to or during the course of the meeting, and a copy of each is attached to the file copy of the minutes.

1. Commission Meeting Agenda
2. Explanation Paper
3. Expenditures – November & December 2009
4. NRCS Report to the NRC January 2010
5. NRDF Status Report
6. SWFCF Status
7. NSWCP, NRWQF, WWDF Status Reports
8. Papio-Missouri NRD Handouts (Assessment of ice conditions letter & map)
9. Nemaha NRD Handouts (Buck & Duck Watershed Structures)
10. UNL Water Center Materials (Upcoming Event Announcements)

MINUTES

Chairman Hadenfeldt asked if there were corrections or comments on the draft minutes of the November 18-19, 2009, Commission and Committee meetings. There being none, Hadenfeldt stated the minutes would stand approved as written.

EXPENDITURES REPORT

Fund expenditures reports showing fund balances for the months of November & December, 2009, were distributed. Gittins stated there were no unusual expenditures during that period.

ADVISOR REPORTS

Natural Resources Conservation Service (NRCS)

Steve Chick, distributed a report titled "Natural Resources Conservation Report to the Nebraska Natural Resources Commission and Nebraska Association of Resources Districts dated January 2010". Chick reviewed the following highlights of the report.

- Conservation Stewardship Program (CSP) – Nebraska led the nation in applications with 2,659.
- Environmental Quality Incentives Program (EQIP) – \$20 million is available and February 1 is the cutoff date for consideration.
- Agricultural Water Enhancement Program (AWEP) – Nebraska was second in second the nation with five applications for this program which started last year.
- Organic Initiative – Nebraska received \$1.5 million to help with transition into organic farming. Applications are due by March 12, and funds available on May 1.
- Cooperative Conservation Partnership Initiative (CCPI) – Funding for Nebraska is the same as last year. Some carryover will be available for new smaller projects.
- Wetland Reserve Program (WRP) – \$5.5 million is available to Nebraska landowners.
- Wildlife Habitat Incentives Program (WHIP) – Applications are due by February 1 and \$400,000 will be available on April 1.
- Grassland Reserve Program (GRP) - This program is administered with FSA and will provide just over \$1.1 million for easements and long term contracts.

Nelson commented that the timing of AWEP program application approval is not well synchronized with timing of producers' management decisions.

UNL Water Center

Lori Benson reported the following.

- Spring Lecture series is currently under way.
- Platte Water Tour will follow the South Platte into Colorado, then to the headwaters of the North Platte River and returning downstream to Scottsbluff.
- The Water for Food Conference May 3 & 4.
- Fall Research Symposium: Greater Platte River Basin. This is expected to be held in conjunction will be a one day Water Law Conference in Lincoln. Tentative dates are October 6 – 7.
- A national search will soon begin for a permanent Director of the Water Center

Nebraska Environmental Trust

Brian Dunnigan reported that the Projects Subcommittee met to review the grant applications ranking process. The next Board meeting of the Trust will be on February 4 at 1:30 p.m. in the Ferguson House.

DEPARTMENT OF NATURAL RESOURCES UPDATE

Director Dunnigan gave the following update.

- We are beginning round two of the non-binding arbitration for the Republican River Basin. The arbitrator is Martha Pagel, a recognized regional leader in water law and natural resources from Oregon. A schedule for arbitration proceedings has not yet been set.
- The issues addressed by this arbitration include: the treatment of damage payments on water accounting to ensure shortages for which states already paid damages are taken out of future calculations in the running average accounting system; and the ability of a pipeline proposed by Colorado to meet its compliance requirements.

Dunnigan also noted that budget adjustments have resulted in reductions of available study funding, reduced contractual services money, and temporary employees.

LEGISLATIVE & BUDGET COMMITTEE

Committee Chair Watermeier reported that the Committee met on January 26. No new action by the Commission was proposed.

PROGRAM COMMITTEE

Committee Chair Hergott reported the Committee met at 4:00 p.m. on January 26. He and brought the following updates and motions forward.

Nebraska Resources Development Fund

- Financial Status & Quarterly Reports showed no unusual activity.
- *Hergott moved and Van Marter seconded to allow cost share on expenses related to placement and removal of flood protection materials on the Western Sarpy Project.*

Motion Passed.

Aye: Reeves, Van Marter, Mercer, Deines, Hergott, Moore, Hadenfeldt, Kadlecek, Watermeier, Nelsen, Anderson, Rexroth and Donaldson

Nay: None

Abstain: None

Not Present: Johannes, Korell and Kramper

Small Watersheds Flood Control Fund Status Report

- No unusual activity was reported.

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- *Hergott moved and Rexroth seconded to: (1) approve the Buck Creek land right appraisals with proposed adjustments as submitted by the Nemaha NRD for the Young tracts 1 & 2 and Coatney tract 8; and (2) obligate funds for reimbursement (subject to receipt of USACOE 404 permit by June 30, 2011) from the Small Watersheds Flood Control Fund as follows:*
 - *Young Tracts 1 & 2 - \$67,425 for an easement at 50% of the appraised value (\$76,445) plus value of enhanced conservation measures (\$58,405) of \$134,850.*
 - *Coatney Tract 8 - \$5,865 for an easement at 50% of the appraised value of \$11,730.*

Motion Passed.

Aye: Rexroth, Kadlecek, Hergott, Moore, Hadenfeldt, Mercer, Deines, Anderson, Van Marter, Donaldson, Reeves and Nelsen

Nay: None

Abstain: Watermeier

Not Present: Johannes, Korell and Kramper

- Hergott reported that the appraisal and high bid for a tract of land in the Little Sandy Creek Watershed Project which was originally purchased using the Small Watershed Flood Control Fund. The appraised value this 80-acre tract at the southeast corner of Site 40 was \$170,300, and the high bid at public auction was \$180,000.

Van Marter moved and Watermeier seconded to approve the high bid of \$2,250/acre for the 80 acre tract (\$180,000.00) at the January 13, 2010, auction held at the Little Blue NRD.

Motion Passed.

Aye: Nelsen, Moore, Mercer, Hadenfeldt, Anderson, Deines, Van Marter, Watermeier, Kadlecek, Reeves, Rexroth & Donaldson

Nay: None

Abstain: Hergott

Not Present: Johannes, Korell and Kramper

Soil & Water Conservation Program Fund

- Normal activity reported.

Natural Resources Water Quality Fund

- Normal activity reported.

Water Well Decommissioning Fund

- Normal activity reported.

Interrelated Water Management Plan Program

- Normal activity was reported in a verbal status report. Gittins reported that staff had prepared a contract and task order for the Elkhorn-Loup Model Project based on the sponsors' application and the adjusted grant amount for FY 2010. The contract, sent to the Lower Loup NRD for review and signature in December, has not yet been returned.

ELECTION OF OFFICERS (Chair & Vice-Chair)

Chairman Hadenfeldt called upon the Nominating Committee Chair Van Marter to present the Committee's recommendations. Van Marter stated the Nominating Committee, consisting of Anderson, Johannes, Korell, and himself, met in December. In keeping with the traditional rotation of the chair among the eastern, central, and western sections of the State, the Committee recommended that Keith Rexroth be nominated as chairman, and that Dan Watermeier be nominated as vice-chairman. He then made the following motions.

- *Van Marter moved and Anderson seconded to cease nominations for chairman and cast a unanimous ballot for Keith Rexroth.*

Motion Passed.

Aye: Deines, Kadlecek, Watermeier, Nelsen, Moore, Reeves, Mercer, Anderson, Van Marter, Donaldson, Hadenfeldt and Hergott

Nay: None

Abstain: Rexroth

Not Present: Johannes, Korell and Kramper

- *Van Marter moved and Kadlecek seconded to cease nominations for vice-chairman and cast a unanimous ballot for Dan Watermeier.*

Motion Passed.

Aye: Hadenfeldt, Donaldson, Kadlecek, Deines, Hergott, Moore, Reeves, Watermeier, Nelsen, Anderson, Rexroth, Mercer and Van Marter

Nay: None

Abstain: None

Not Present: Johannes, Korell and Kramper

COMMITTEE ASSIGNMENTS – 2010 Chairman

Hadenfeldt distributed a committee preference request sheet and asked Commissioners to select their preferences for committee assignments and return the sheets to Rexroth. Rexroth requested commissioners indicate whether or not they would be willing to chair a committee. A committee member list will be distributed by the March Commission meeting.

PROPOSED MEETING DATES

Hadenfeldt called on Gittins to summarize the discussion held in the Executive Committee meeting on January 26. Gittins noted the current budget constraints prompted staff to look at the possibility of reducing Commission expenses. Since Commission expenses are meeting-driven, staff reviewed rules to determine which meetings were essential and also evaluated traditional workloads by meeting date. This led to a staff proposal for the Commission to consider meeting quarterly rather than every two months, with one of those meetings sometime between mid-May and late-June. After discussion of staff's proposal and several other options, the Executive Committee decided to recommend the commission meet five times in 2010. Rexroth stated for the record that this was a temporary adjustment because of the current budget situation. Gittins noted that a meeting schedule for the next 12 months is set by the Commission at its first meeting each year.

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- *Reeves moved and Anderson seconded to approve the following meeting dates as proposed by the Executive Committee: March 24 - 25, mid-June(as agreed with the Lower Elkhorn NRD), September 27 - 28, November 17 - 18; January 25 - 26.*

Motion Passed.

Aye: Anderson, Van Marter, Kadlecek, Deines, Hergott, Hadenfeldt, Watermeier, Nelsen, Donaldson, Rexroth, Reeves and Mercer

Nay: Moore

Abstain: None

Not Present: Johannes, Korell and Kramper

Note: The meeting at the Lower Elkhorn NRD in Norfolk was arranged for June 16 – 17.

ANOUNCEMENTS

- Hadenfeldt again introduced David Deines, the new commissioner representing the North Platte Basin, and welcomed him to the Commission. Deines commented that he is on the board of the North Platte NRD and is a partner in an agricultural irrigation and municipal water supply business located in Gering.
- *Van Marter moved, and Donaldson seconded to pass a unanimous resolution thanking Hadenfeldt for his hard work and outstanding fulfillment of his obligations and all he has done for the Commission this past year.*

Motion Passed by unanimous voice vote.

- Donaldson also thanked staff for doing a good job under difficult situations. Hadenfeldt agreed, and added his appreciation for committee chairs and vice-chairs.
- Kadlecek, Moore and Anderson requested that discussion and possible action related to Resources Development Fund cost-share levels and loan provisions be included as an agenda item for the March meeting.

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The meeting was adjourned at 2:12 p.m.



N. Richard Hadenfeldt, NRC Chair



Brian P. Dunnigan, Director - DNR