

MINUTES OF THE NEBRASKA NATURAL RESOURCES COMMISSION MEETING

July 11, 2007

North Platte NRD – Scottsbluff, Nebraska

Those in attendance were:

Wayne Madsen, Chair	Dallas Johannes, NRCS
Clinton Johannes, Vice Chair	Lorrie Benson, UN-L Water Center
Jim Van Marter, Member	John Miyoshi, LPNNRD
John Burkholder, Member	Mike Murren, LPNNRD
Richard Hadenfeldt, Member	Ken Berney, LENRD
Larry Moore, Member	Stan Staab, LENRD
Roger Korell, Member	Ron Cacek, NPNRD
Ladd Reeves, Member	David Christian, NPNRD
Garry Anderson, Member	Marlin Petermann, P-MRNDRD
Joseph Hergott, Member	John Berge
Keith Rexroth, Member	Jill Richters, Staff
Dan Watermeier, Member	Rex Gittins, Staff
Vincent Krampfer, Member	Ron Theis, Staff
Myron Lembke, Member	Kent Zimmerman, Staff
Beverly Donaldson, Member	Jennifer Schellpeper, Staff
David Kadlecek, Member	Kris Reed, Staff

CALL TO ORDER

The meeting was called to order by Commission Chair Wayne Madsen in the North Platte Natural Resources District's conference room in Scottsbluff, Nebraska, at 9:10 a.m.

NOTICE OF THE MEETING

Notice of the meeting was published in the SCOTTSBLUFF STARR HERALD on July 1, 2007, and in the LINCOLN JOURNAL STAR on July 2, 2007.

INFORMATIONAL MATERIAL

The following items of informational materials were distributed 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. DNR Fund Expenditures for May - June 2007
3. Republican River Conservation Practices Impacts Publication & NRCS Report
4. UNL Water Center Packet

- **Working Lands Conservation Program** – Nebraska’s CRP is very cost effective at maintaining 1.1 million acres of fragile land in Nebraska. Johannsen said NRCS does not want to see this program go away nor have benefits reduced.
- **Office Closure Plan Submitted** – NRCS has submitted a final plan to close four offices in Nebraska, including Benkelman, Chappell, Harrisburg and Loup City. The plan has not been approved in Washington, D.C. yet.
- **Duck Creek’s Archaeology Public Viewing** – The Nemaha NRD and NRCS have been working in cooperation to build a flood control/recreation project on Buck and Duck Creeks near Peru. Some unique cultural resources have been discovered at the Duck Creek site.
- **Banner County No-Till Field Day** – More than 60 people attended a recent No-Till Field Day in Banner County. Witnesses reported an obvious difference between the moisture levels in the no-till and conventional soil pits.
- **Nebraska’s RC&D’s Achieve “Circle of Diamonds” Status** – Nebraska is the only state to have all of its RC&D Councils in this “*crème of the crop*” status. Nationally there are 375 RC&D Councils.

Johannsen also distributed a publication titled “*Impacts of Conservation Practices in the Republican River Basin*” to highlight positive aspects of No-till conservation practices. There has been some recent negative publicity regarding the effects on watershed run-off and the surface water supply.

UNL Water Center

Lorrie Benson, Deputy Program Manager, Water Resources Research Initiative, briefed the Commission on the Water Center, upcoming events like the Water Colloquium on October 12, 2007, and the Water Law and Policy Conference April 27 & 28, 2008. Benson also reported on the following research projects:

- **Nebraska Agriculture Water Management Demonstration Network** – A partnership between the Upper Big Blue NRD and the University whereby 130 producers use evapo-transpiration gages and Watermark sensors to manage water use. Larry Moore commented that his farming operation is one of the partners and he is very pleased with the results and has changed the timing of irrigation deliveries.
- **Monitoring, Mapping, and Risk Assessment of Non-indigenous Invasive Species in Nebraska** – This project is funded by the Environmental Trust and the Game and Parks Commission to monitor and map invasive species in Nebraska. The group’s goal is to do a portal web site to share the information. There will be a conference on invasive species on February 7 and 8, 2008, and the Water Center may add another half day on management of invasive species.
- **Heartland Regional Water Coordination Initiative** – This is a water quality project and is in cooperation with Iowa State, Kansas State, and the University of Missouri. This group has a new survey out titled “*Water Issues in Nebraska: A Survey of Public Perceptions and Attitudes about Water*”. This survey reviews where people get information about water. This is important because communication is the key to management. The group’s priority management areas include animal manure, nutrient and pesticide, and community involvement.

DIRECTOR’S REPORT

Director Ann Bleed was unable to attend the Commission meeting and submitted a written report. Topics addressed in her report included: the purchase of the right to use this year’s supply of water in the Republican River Basin from the U.S. Bureau of Reclamation, and several irrigation districts in the basin; Frenchman Creek flooding on June 11, 2007, the Department’s Order to drain

Current status of the Implementation of the Modified Decree

- Colorado is limited to 145,000 irrigated acres, 17,000 acre-feet of storage and 60,000 acre-feet exported via trans-basin diversions.
- Wyoming is limited on number of irrigated acres, and on the amount of consumptive use required to adjudicate their ground water permits and follow allocation year procedures. The critical reach had to adjudicate surface and ground water use, monitor well pumping, and replace consumptive use water back to the river.
- The 28/40 rule describes a well that will reduce the amount of water reaching the river by 28% or more within 40 years.
- Consumptive Use Subcommittee has installed agriculture weather stations in cooperation with the High Plains Regional Climate Center for improved data.
- Sent out a 17-page survey and received a 66% response rate for an irrigation inventory. This will be conducted every five years to determine what efficiency changes are being made that will affect consumptive use.
- NPDC has sent out and received proposals and is currently reviewing whether to proceed with a Water Balance Study to further refine consumptive use of the crop.
- All of this data will then be used to do a methodology review to determine if the consumptive use cap limitation can be improved and whether the cap limitation should be adjusted.
- The Replacement Water Subcommittee will look at replacement water requirements in the triangle area for both surface and ground water uses to look at accuracy of the model and determine if improvements to the model can be made. This will help to determine what is being used and what is depleting the river.

WATER POLICY TASK FORCE

Johannes reported that the Water Policy Task Force had not met since the Commission's last meeting. The group is scheduled to meet on July 30th in North Platte. Since LB 701 passed, this has limited the need to address funding issues; however there is at least one bill for review by the Task Force. Theis added that the Legislative Subcommittee of the Task Force is working on about a dozen concept papers.

LEGISLATIVE & BUDGET COMMITTEE

Keith Rexroth reviewed two funding items which were discussed during the Legislative and Budget Subcommittee meeting that took place earlier the same day. The first was funding needs in regard to the Natural Resources Development Fund. The second was funding for the Small Watershed Flood Control Fund. It was noted that the Commission members had also noted a need for more money in the Water Conservation Fund to better support the NRD efforts of various soil and water conservation practices. Gittins stated that the fund now receives \$2,688,000.00 per year from the General Fund. He added the Small Watershed Flood Control Fund has not received General Fund appropriations in recent years, but relies on the sale of property to fund continued activities.

Dean Edson, Nebraska Association of Resources Districts, commented that as a matter of timing, the Commission needs to focus on defining funding needs in early Fall. If an attempt is to be made to work this into the State budget, it must be done this Fall for incorporation into the Department's request and the Governor's budget proposal if possible. He warned that delaying will mean going back to the appropriations committee to request the money. Edson offered to work with staff to arrange a meeting with the Appropriations Committee to refine the

Motion was made by Johannes and seconded by Korell to approve the change to the Nebraska Resources Development Fund Project Ranking and Scoring Worksheets to include criteria #11 on the project application worksheet to evaluate projects approved as of July 31, 2007, with zero allocation.

There was no discussion. Motion carried.

Aye: Donaldson, Hergott, Watermeier, Anderson, Johannes, Madsen, Lembke, Rexroth, Van Marter, Reeves, Burkholder, Kadlecek, Kramper, Hadenfeldt, and Korell
Nay: Moore
Not Present: None

Clint explained that the next item dealt with final obligation of FY 2008 NRDF funds. Staff prepared two recommendations, labeled Exhibit B-1 and Exhibit B-2, which were discussed by Commission members at the May meeting. The motion approved at that meeting was to tentatively obligate the FY2008 RDF funds as outlined on Exhibit B-1, but to obligate per Exhibit B-2 if the Leigh Dam project did not receive a U.S Army Corps of Engineers 404 permit by the July 2007 meeting. Stan Staab (Manager, LENRD), Ken Berney (Projects Manager, LENRD), and Mike Sotak (Olsson and Associates) each appeared at the Program Committee meeting on July 10 and requested an extension to the deadline for obtaining the U.S Army Corps of Engineers' 404 permit until the September meeting. Mr. Staab stated that LENRD would voluntarily surrender the Leigh Dam obligation for FY2008 if the permit is not obtained by that date.

Motion was made by Johannes and seconded by Hergott to obligate the FY2008 Nebraska Resources Development Funds as identified on Exhibit B-1 and to modify project components as necessary to accomplish this obligation.

There was no discussion. Motion carried.

Aye: Kramper, Hadenfeldt, Korell, Watermeier, Anderson, Johannes, Madsen, Lembke, Rexroth, Van Marter, Reeves, Burkholder, Donaldson, Hergott, and Kadlecek
Nay: Moore
Not Present: None

Motion was made by Watermeier and seconded by Anderson that the Natural Resources Commission having reviewed and considered the recommendation of the Department of Natural Resources, hereby make the following findings of fact:

- (1) The Lake Wanahoo Project will be of general public benefit;
- (2) The project plan does not conflict with any existing state land plan;
- (3) The project has been determined to be technically, economically, and financially feasible and environmentally acceptable according to the Resources Development Fund criteria;
- (4) The plan for development is satisfactory;
- (5) The plan minimizes any adverse impacts on the natural environment;
- (6) The Lower Platte North Natural Resources District is qualified, responsible, and legally capable of carrying out the project;
- (7) Other plans and programs of the state were taken into consideration in preparing the plan of development in accordance with section 84-135, and resources development plans of the political subdivisions of the state were considered;
- (8) The project will not jeopardize the continued existence of any threatened or endangered species or modify or destroy the habitat of any such species;

- (4) The plan for development is satisfactory;
- (5) The plan minimizes any adverse impacts on the natural environment;
- (6) The Papio-Missouri River Natural Resources District is qualified, responsible, and legally capable of carrying out the project;
- (7) Other plans and programs of the state were taken into consideration in preparing the plan of development in accordance with section 84-135, and resources development plans of the political subdivisions of the state were considered; and,
- (8) The project will not jeopardize the continued existence of any threatened or endangered species or modify or destroy the habitat of any such species.

And therefore resolves that:

- (1) The Pigeon/Jones Creek Project is eligible for funding from the Nebraska Resources Development Fund; actual funding being subject to the condition that the money required from the Fund is available and based on applying the assessment system for obligating funds; and,
- (2) Due to the unavailability of funds that can be allocated by the Commission, this project is approved but with \$0 allocation. In accordance with the revised rules adopted today but subject to the Governor's approval, the sponsor may request that this project be reconsidered at any point during the next four years for an increased allocation.

There was no discussion. Motion carried.

Aye: Donaldson, Hergott, Moore, Kadlecek, Kramper, Hadenfeldt, Korell, Watermeier, Anderson, Johannes, Madsen, Lembke, Rexroth, Van Marter, Reeves and Burkholder

Nay: None

Not Present: None

Zimmerman reviewed three Small Watershed Flood Control Fund Status Reports. The first dated May 21, 2007, corrected a previous error in which the FY 2007 base was listed as \$700,000 while the Commission had set the base at \$800,000. The second report included Fiscal Year end Expenditures, and the third listed the proposed base of \$321,600 to cover the Lower Big Blue NRD's request for fee title purchase of a tract of land associated with Site 8 of the Lower Turkey Creek Watershed Project. The table summarizing the project sponsor's projected FY2008 funding requests was also reviewed.

Motion was made by Johannes and seconded by Kramper to establish the Revolving Fund Base for the Small Watersheds Flood Control Fund at \$321,600 for Fiscal Year 2008.

There was no discussion. Motion carried.

Aye: Kadlecek, Kramper, Hadenfeldt, Korell, Watermeier, Johannes, Madsen, Lembke, Rexroth, Van Marter, Reeves, Burkholder, Donaldson, Hergott and Moore

Nay: None

Not Present: Anderson (stepped out)

Richters reviewed the Status Report for the Water Quality Fund and the Water Well Decommissioning Cash Fund noting the respective balances reflected interest receipts for May and June. Richters pointed out that in August there will be a Water Quality Fund distribution to the NRDs and that the paper work for recertification was starting to come in.

Motion was made by Johannes and seconded by Donaldson to approve continued use of the following distribution formula for the Nebraska Soil and Water Conservation Program Funds for FY 2008: \$1,000,000 distributed equally among the 23 NRDs and the distribution of any additional available funds based on the NRI formula previously adopted by the Commission.

ANNOUNCEMENTS, FUTURE MEETINGS, AGENDA ITEMS

David Kadlec reported that a plaque bearing the Commission's resolution regarding Wayne Davis's contributions to the NRC was presented to Wayne's widow, Iris Davis, at the Upper Niobrara/Hat Creek/White River NRD's board meeting in May. Mrs. Davis was very appreciative of the plaque and it was well received.

A former Commission member, LeRoy Pieper from Mitchell, attended the Commission meeting and was recognized by Chairman Madsen.

Chairman Madsen thanked Ron Cacek, Manager, North Platte River NRD for hosting the IWMPPF and NRDF project tours and generously providing space for the meeting. Many had positive comments for the information gathered on each tour and the hospitality of the NRD staff. Thanks was also extended to Myron Lembke for inviting the Commission to Scottsbluff and his coordination efforts.

Chairman Madsen directed that Program and Legislative and Budget Committee meetings be planned in September prior to the full Commission meeting. He asked Gittins and Edson to coordinate appropriate times and locations. He also requested that staff not plan any tours in November because there will be three committee meetings - Program Committee, Legislative and Budget, and Comprehensive Planning Committee.

Scheduled Commission meetings are as follows:

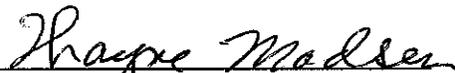
September 25 in Kearney (NARD Annual Conference 9/23-25)

November 14-15

February 6, 2008 (NARD Legislative Conf. 2/4-6) – **NOTE DATE CHANGE**

ADJOURNMENT

The meeting was adjourned at approximately 11:30 a.m..


Natural Resources Commission Chair


Director of Natural Resources