

NEBRASKA NATURAL RESOURCES COMMISSION

SPECIAL MEETING MINUTES

April 3, 2012

Attendees:

Garry Anderson, Member	Dave Kadlecek, Vice-Chair	John Miyoshi, LPNNRD
Kenneth Brockman, Member	Tom Knutson, Member	Mike Murren, LPNNRD
Richard Hadenfeldt, Member	Dick Mercer, Chair	Rex Gittins, NDNR
Joseph Hergott, Member	Jeff Steffen, Member	Kent Zimmerman, NDNR
Clint Johannes, Member		

Attending via Teleconference:

Keith Rexroth, Member	Dan Watermeier, Member
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CALL TO ORDER & ROLL CALL

The meeting was called to order by Commission Chairman Mercer at 1:30 p.m. at the Holiday Inn & Convention Center, Kearney, Nebraska. The following members were absent: Stan Clouse, Dave Deines, Beverly Donaldson, Dan Nelsen and Ladd Reeves.

NOTICE OF THE MEETING

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

INFORMATIONAL MATERIALS

The following informational materials were distributed prior to the Commission meeting and made available during the meeting. A copy of each is attached to the file copy of these minutes.

1. Commission Special Meeting Agenda
2. Selected Agenda Topics Explanation Paper
3. Miyoshi Request March 30, 2012
4. LPNNRD & M E Collins Borrow Agreement
5. DNR & LPNNRD Contract # 70

RESOURCES DEVELOPMENT FUND

A summary description of the request from Lower Platte North NRD (LPNNRD) to lease property on the Lake Wanahoo Project for a barrow site, and circumstances that required a special Commission meeting were provided in the explanation paper emailed to Commissioners the day prior to the meeting. Kent Zimmerman briefly introduced the discussion and invited John Miyoshi, Lower Platte North NRD Manager, to describe the request in detail.

Overview of Property Affected and Implications on Project Benefits

John Miyoshi gave a brief update on the Sand Creek Environmental Restoration (Lake Wanahoo) Project and explained the benefits expected from leasing a barrow site to a local contractor, highlighting the following:

- A contract for constructing the Highway 77 bypass is scheduled to be let by Department of Roads in November, 2012.

- The recreation facilities development is complete.
- LPNNRD has entered into a contract with Game & Parks Commission to operate Lake Wanhoo as a State Recreation Area (SRA).
- Overnight use is located on the west side of the lake, day use on the east side.
- A triple boat ramp, breakwater jetties, no wake rules and fish brooding areas should make this a pristine fishery.
- Omaha Steel purchased land to relocate its plant near Wahoo in an area along the rail road which is in the Flood Fringe. Therefore, they plan to raise the elevation of the site by four feet requiring about 125,000 yards of fill. Other potential projects could result in additional local needs. A local contractor has contacted the NRD regarding purchase of up to 180,000 cubic yards of fill material at \$1 per cubic yard.
- Except for being lowered about ten feet, the site will look the same after the fill material is removed as it does now.
- The location of the proposed borrow location was described on the original plans as a shooting range and as youth mentor hunting. The contractor will provide final grading more suitable for the shooting range.
- An area designated by the State Historical Society as an ancient Indian site is identified by GPS coordinates and will be avoided. No dirt may be disturbed and vehicle traffic through the area is prohibited.
- Game & Parks has announced that the recreation area will be opened to the public on April 28.

Explanation of Resources Development Fund Contract Section 7

In accordance with RDF rules and regulations, DNR and LPNNRD entered into a contract for the purpose of administering the Resources Development Fund for the Sand Creek Environmental Restoration (Lake Wanhoo) Project. Section 7 of that contract states that disposal or lease of project lands or facilities is prohibited unless approved by the Commission. This contract also describes the method for sharing revenue if income is generated from resources that were purchased utilizing RDF funds.

Borrow Pit Lease – Revenue Projection and Lease Terms & Conditions

Miyoshi stated that the lease will allow the contractor will remove 125,000 cubic yards of fill material for the Omaha Steel plant site, and up to 55,000 more for other projects. Total revenue is expected to be between \$125,000 and \$180,000. Since Game & Parks has expressed a potential interest in building a shooting range on this site, the option for a two year extension described in this contract may not be executed.

The contract includes details and requirements for removing and replacing the top soil, reseeding the area with the same mix of 171 varieties used to establish the present cover of grass legumes and forbs, and controlling erosion and sediment run off during soil harvesting and until vegetation is re-established.

Miyoshi stated that that the USACOE was paying 65% of the land cost and the remaining 35% was being paid by the local partners, and indicated that this suggests that the RDF grant is paying only 21% of the cost (60% of 35%). Based on a prior meeting with Gittins and Zimmerman, however, he recognizes that the RDF commitment is based only on the cost that local sponsors would incur if the fund was not available. Since the USACOE will not receive any of the potential revenue, all revenue will be realized by the local sponsor. Thus, the revenue must be split between the fund and the sponsor based on the RDF cost share percentage just as it works on land rents. Zimmerman added that this is covered in the RDF contract under section No. 7.

Gittins noted that the Commission will be asked to determine how any revenue realized by RDF will be accounted for. Staff noted a preference that the LPNNRD simply report on their RDF quarterly reports the running totals of fill removed and revenue received while the site is being operated. After the lease is

completed, the Commission can decide how to adjust allocation or obligation to account for the RDF share.

Kadlecek stated that he viewed the lease as a disposal of surplus public property and asked the NRD staff whether they had advertised availability of the borrow site lease for public bids. Murren responded that the District had not published a public notice or advertised, but stated that he had:

- Checked with area contractors on prices being paid locally for fill dirt and this was a good price;
- Not heard any complaints from any local dirt moving contractors in the area; and
- Discussed this with the NRD's legal counsel and was assured that checking with a number of local contractors was sufficient.

Discussion & Possible Action to Authorize LPNNRD to Proceed

Anderson moved and Hadenfeldt seconded a motion to lease specified land within the Sand Creek Environmental Restoration (Lake Wanahoo) Project for a period of up to four years for the purpose of generating revenue by selling fill material from a borrow pit located in the SE1/4NW1/4 & NE1/4SW1/4 of Section 15, Township 15 North, Range 7 East of the 6th P.M. in Saunders County.

Motion Passed.

Aye: Anderson, Brockman, Hergott, Hadenfeldt, Rexroth, Johannes, Steffen, Kadlecek, Watermeier, Knutson and Mercer

Nay: None

Abstain: None

Not Present: Clouse, Deines, Donaldson, Reeves and Neisen

ANNOUNCEMENTS, FUTURE MEETINGS, REQUESTS FOR AGENDA ITEMS

The June meeting will be held at Central Platte NRD in Grand Island on June 19 & 20, 2012. Commissioners should plan to meet at the NRD at 1:00 pm on the 19th.

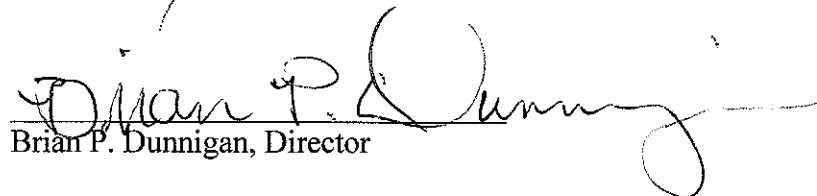
Kadlecek reviewed a recent article about Lake Wanahoo in Nebraska Land magazine and the lack of recognition for the funding provided by the Natural Resources Commission.

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The meeting was adjourned at 2:00 p.m.



Dick Mercer, Chair



Brian P. Dunnigan, Director