

**MINUTES OF THE
NEBRASKA NATURAL RESOURCES COMMISSION MEETING
February 6, 2008
Lincoln, Nebraska**

Those in attendance were:

Wayne Madsen, Chair	Lalit Jha, JEO	Karen Best, NDNR
Clinton Johannes, Vice Chair	Mike Placke, JEO	Rex Gittins, NDNR
Jim Van Marter, Member	Steve Chick, NRCS	Ron Theis, NDNR
John Burkholder, Member	Stan Staab, LENRD	Jill Richters, DNR
Richard Hadenfeldt, Member	Bob Hilske, NNRD	Kent Zimmerman, NDNR
Larry Moore, Member	Jasper Fanning, URNRD	
David Kadlecek, Member	Milt Moravek, CPNRD	
Ladd Reeves, Member	Mike Onnen, LBNRD	
Beverly Donaldson, Member	Ken Berney, LENRD	
Joseph Hergott, Member	Ken Peitzmeier, LENRD	
Keith Rexroth, Member	Elden Wesely, LENRD	

CALL TO ORDER

The meeting was called to order by Commission Chairman Wayne Madsen in the Chancellors 2 & 3 Conference Room, Embassy Suites, Lincoln, Nebraska, at 1:30 p.m.

NOTICE OF THE MEETING

Notice of the meeting was published in the LINCOLN JOURNAL STAR on January 26, 2008.

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 November 2007 - January 2008
3. NRCS February 2008 Report to the NRC/NARD
 - Comparison of Senate/House Passed Farm Bill
4. IWRB Policies & Procedures Reference Guide
5. Legislative Testimony of Wayne Madsen
6. Nebraska Resources Development Fund (NRDF):
 - Status Report
 - LBNRD's Request for Allocation & Obligation Increase
 - CPNRD's Request to Transfer \$273,522.90 Within Components
 - Upper Prairie/Silver/Moores Creek Aerial Map
7. Small Watersheds Flood Control Fund Status Report

8. Soil & Water Conservation Fund Status Report
9. Interrelated Water Management Plan Program Fund Status Report
10. Committee Assignments (mailed out to Commission Members later)

MINUTES

Motion was made by Van Marter and seconded by Hergott to approve the minutes of the November 14, 2007, Legislative and Budget Committee meeting; Program Committee meeting; Comprehensive Planning Committee meeting; and the November 15 Natural Resources Commission meeting as amended.

No discussion. Motion carried.

Aye: Hadenfeldt, Donaldson, Hergott, Moore, Reeves, Burkholder, Johannes, Rexroth, Madsen, Van Marter,

Nay: None

Abstain: Kadlecek

Not Present: Lembke, Kramper, Watermeier, Anderson, and Korell

EXPENDITURES REPORT

The expenditures report for the various funds for the months of November and December 2007, and January 2008 had been distributed to Commission members. Extra copies were available.

ADVISOR'S COMMENTS

NRCS

Steve Chick, Director of NRCS, distributed a summary for February 2008, entitled "*Natural Resources Conservation Service Report to the Nebraska Natural Resources Commission and Nebraska Association of Resources Districts*" and pointed out the extensive list of contracts that should be applied this fiscal year here in Nebraska. This year there are 4,000 EQIP applications for just over \$79 Million of which they will obligate \$22 Million into about 1,000 contracts.

Chick also handed out and reviewed a Senate/House Comparison Chart and pointed out major differences such as the proposed House bill would allow dry land farming of acres enrolled in the CREP program. Chick believes this would be a good tool to use for the Platte River Cooperative Agreement.

Another significant item on the House bill is that there would be no new signups for a CSP through 2012. From 2012 through 2018 there would be a pretty well funded CSP program. Between now and then it would only be funding existing contracts.

The House is proposing to eliminate the Ground and Surface Water Component within the EQIP program which is the primary funding component to go from an inefficient irrigation system to an efficient irrigation system. The Senate restored it at the last minute in their bill with \$5 Million more than it is now.

Rexroth asked what the fall back would be with the farm bill still up in limbo. Chick replied that the President added some limited funding for the farm bill to get them buy until the farm bill is signed, when he signed the omnibus package at the end of December 2007. If Congress does not pass the Farm Bill by March 15, it reverts back to the 1949 Farm Bill.

DIRECTOR'S REPORT & UPDATE ON PLATTE/REPUBLICAN ACTIVITIES

Director Bleed described the department's activities and gave updates on the Platte, Republican, and Niobrara basins at the NARD meeting. No further report was given as Bleed was testifying at Legislative Hearings along with several Commission members.

ENVIRONMENTAL TRUST

No report was presented as both Bleed and Kramper were absent.

INTERRELATED WATER REVIEW BOARD

Theis introduced the plan and flow chart that had previously been sent to the Commission members. Johannes mentioned the reason for having this in place was to expedite the process in the event that the governor called on the Commission to nominate candidates for the Interrelated Water Review Board (IWRB). The Commission is required by statute to provide a slate of no fewer than six candidates for the governor's consideration within 20 days of notice. The flow chart document outlines the process the Commission could follow to nominate candidates, assemble and review qualifications, select candidates, and submit the slate of candidates to the governor. At that point, the Commission's role is complete.

Burkholder noted that NRD's had expressed concerns about what happens after the governor appoints the board. Madsen expressed a desire for the Commission to make a decision on this action. Gittins stated it is important to adopt a guideline to give some overall guidance and direction, adding that the Commission is still free to change the process later, if prior to the governor calling for an IWRB. Theis added that changes to the process would not require a hearing. Theis also pointed out that by signing the nomination form, Commissioners attest that he/she had talked to this person regarding their qualifications in terms of the question/issue, willingness to serve, and absence of any conflicts of interest.

Motion by Van Marter, seconded by Reeves, to adopt the proposed process and forms for the process for nominating candidates to the Governor for board membership if the Interrelated Review Board is convened.

There was brief discussion regarding the timing of this issue being right to adopt this procedure.
Motion carried.

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

Nay: None

Abstain: None

Absent: Lembke, Kramper, Watermeier, Anderson and Korell

LEGISLATIVE & BUDGET COMMITTEE

Rexroth briefly described the Committee meeting activities. He then brought forward action recommended by the Committee.

Chair Rexroth made a motion, seconded by Moore to oppose LB 1094.

There was no discussion. Motion carried.

Aye: Reeves, Kadlec, Madsen, Van Marter, Hergott, Moore, Hadenfeldt, Donaldson, Burkholder, Johannes, and Rexroth

Nay: None

Abstain: None

Absent: Korell, Kramper, Watermeier, Lembke and Anderson

Rexroth then requested that the Legislative and Budget Committee and the appointed subcommittee that met with the governor stay active and continue to have meetings. Moore noted that DNR staff works for the Administration and cannot be expected to take a position regarding requests for increased funding. He added that staff has been doing a very good job of providing requested information to Commissioners. Johannes emphasized the need for the Committee to continue follow-up with senators and also with Dean Edson and John Miyoshi to keep the Commission informed.

PROGRAM COMMITTEE

Nebraska Resources Development Fund (NRDF):

Chair Johannes reported that the Program Committee met at 10:40 a.m. this morning, and he was bringing forward three motions for recommended action.

Little Sandy Creek Watershed Project:

Motion by Johannes, seconded by Van Marter, to approve the Little Blue NRD's request for an increased allocation of \$278,061 for Component #3 (Land Rights) of the Little Sandy Creek Watershed Project bringing the total project allocation from \$2,430,594.35 to \$2,708,655.35.

There was no discussion. Motion carried.

Aye: Kadlec, Madsen, Johannes, Donaldson, Burkholder, Hergott, Van Marter, Moore, Reeves, Hadenfeldt, Rexroth

Nay: None

Abstain: None

Absent: Korell, Kramper, Watermeier, Lembke and Anderson

Motion by Johannes, seconded by Hadenfeldt, to approve the Little Blue NRD's request for an increased obligation in the amount of \$62,000 for Component #3 (Land Rights) of the Little Sandy Creek Watershed Project bringing the total project obligation from \$2,213,899.15 to \$2,275,899.15.

It was noted that this amount was essentially all funds available to obligate at this time. There was no further discussion. Motion carried.

Aye: Reeves, Donaldson, Kadlec, Burkholder, Hergott, Johannes, Van Marter, Moore, Hadenfeldt, Rexroth and Madsen

Nay: None

Abstain: None

Absent: Korell, Kramper, Watermeier, Lembke and Anderson

Motion by Johannes, seconded by Hergott, to approve the request from the Central Platte NRD to transfer \$273,522.90 from Component No. 2 (Land Acquisition) to Component No. 3(Engineering & Design).

There was no discussion. Motion carried.

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

Nay: None

Abstain: None

Absent: Watermeier, Lembke, Kramper, Anderson and Korell

SEPARATE MEETING HIGHLIGHTS PAPER

Kadlecek discussed his desire to have staff prepare a one page summary of the highlights of the Commission meetings that could be sent to the NRD managers for inclusion in their board members packets. Gittins expressed concern that if NRD staff and board members rely on one-liners, they miss out on a lot of key discussion points. Kadlecek said his goal was to provide key points to NRD managers who would not otherwise read the Commission Minutes.

Rexroth made a motion, Burkholder seconded, to send a one page summary of the meeting to the 23 NRDs.

Madsen questioned whether to include Committee Minutes. After brief discussion, it was decided to send only the summary; to the NRD managers and their Chair. Donaldson requested that more thought be given before voting.

Van Marter made a motion, Moore seconded, to table the motion for the one page summary until the next meeting.

There was no discussion. Motion carried.

Aye: Van Marter, Hergott, Hadenfeldt, Moore, Donaldson and Kadlecek

Nay: Rexroth, Burkholder, Reeves, Johannes and Madsen

Abstain: None

Absent: Korell, Kramper, Anderson, Lembke and Watermeier

This item will be placed on the agenda for the next meeting. Chair Madsen directed staff to prepare a sample one-page summary for Commission member review and consideration. He further directed that Committee minutes should only be distributed to Commission members.

ELECTION OF OFFICERS

Madsen opened the floor to nominations for Chair. Kadlecek nominated Johannes for Chair.

Motion by Van Marter, seconded by Donaldson, that nominations cease and a unanimous ballot be cast for Clint Johannes, Chair.

There was no discussion. Motion carried.

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

Nay: None

Abstain: None

Absent: Kramper, Anderson, Watermeier, Korell and Lembke

Madsen then opened the floor for nominations for Vice-Chair. Keith Rexroth and Richard Hadenfeldt were nominated.

Reeves made a Motion, seconded by Moore, to cease nominations for Vice-Chair.

There was no discussion. Motion carried.

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

Nay: None

Abstain: None

Absent: Korell, Anderson, Lembke and Watermeier

A vote was taken by secret ballot. The count was as follows: Hadenfeldt – 6 votes, Rexroth – 5 votes, members absent - 5.

Motion by Van Marter, seconded by Johannes, to offer a special thank you to Wayne Madsen for all his services this past year.

Madsen then turned the Chair over to Johannes.

COMMITTEE ASSIGNMENTS

Johannes asked each Commission member provide him with their preferences for Committee assignments. Johannes asked Gittins and Zimmerman to contact absent Commissioners so that Committee assignments could be sent out prior to the next meeting. Committee Chairs should decide if they want to meet at the next Commission meeting and inform staff. Johannes also stated that he would appoint a Nominating Committee to develop a slate of nominees for Commission Chair and Vice-Chair for next election.

ANNOUNCEMENTS, FUTURE MEETINGS, AGENDA ITEMS

Change the March meeting date to March 19-20.

Gittins requested input for the outstate meeting in July. Several offered to check and respond later. Gittins suggested looking at past locations in deciding where to hold this one. It was subsequently agreed that the July meeting will be hosted by the Lower Loup NRD in Ord.

Proposed Meeting Dates

March 19-20

May 14-15

July 16-17 (out state)

September 30 (Kearney NARD Conf.)

November 19-20

January 28, 2009 (depending on NARD

Legislative Conference date)

ADJOURNMENT

The meeting was adjourned at approximately 2:48 p.m.

Natural Resources Commission Chair

Director of Natural Resources