

**MINUTES OF THE
NEBRASKA NATURAL RESOURCES COMMISSION MEETING
FERGUSON HOUSE (ENVIRONMENTAL TRUST) – Lincoln, Nebraska
March 12, 2009**

Those in attendance were:

Dick Hadenfeldt, Chair	Myron Lembke, Vice-Chair	Rex Gittins, NDNR
Clint Johannes, Member	Joseph Hergott, Member	Kent Zimmerman, NDNR
Jim Van Marter, Member	Garry Anderson, Member	Jill Richters, NDNR
Dan Nelsen, Member	Keith Rexroth, Member	Karen Best, NDNR
David Kadlecek, Member	Dick Mercer, Member	Dave Clabaugh, LBBNRD
Vince Kramper, Member	Dean Eisenhower, UNL	Mike Murren, LPNNRD
Larry Moore, Member	Lorrie Benson, UNL	Mike Onnen, LBNRD
Roger Korell, Member	Mark Brohman, Env.Trust	
Beverly Donaldson, Member	Steve Chick, NRCS	

CALL TO ORDER

The meeting was called to order by Commission Chairman Dick Hadenfeldt at 8:40 a.m. in the Nebraska Environmental Trust offices in the Ferguson House, Lincoln, Nebraska.

NOTICE OF THE MEETING

Gittins stated that public notice of the meeting was published on the Department's web site. Public meeting statutes were available for review near the room entrance. Use of the website as the only public notice location was discussed at the January meeting. Considerations noted were the reduced public reliance on newspapers and current economic constraints. In response to questions raised by Beverly Donaldson who was not present at the January meeting, staff will further discuss this issue with legal counsel.

INFORMATIONAL MATERIAL

The following informational materials were distributed either prior to or during the course of the meeting. Copies are attached to the file copy of the minutes kept at the Department of Natural Resources.

1. Meeting Agenda
2. Fund Expenditures for January & February, 2009
3. Nebraska NRCS Report to the Commission dated March 2009
4. Nebraska Environmental Trust 2008 Annual Report
5. METRIC: Remote Sensing of Crop Water Use – University of Nebraska-Lincoln
6. Nebraska Resources Development Fund Status Report as of March 4, 2009
7. Nebraska Resources Development Fund Quarterly Report as of January 31, 2009
8. Small Watersheds Flood Control Fund Status Report as of January 31, 2009
9. Soil & Water Conservation Fund Status Report as of January 31, 2009

10. Natural Resources Water Quality Fund Status Report as of January 31, 2009
11. Water Well Decommissioning Fund Status Report as of January 31, 2009
12. Information on Selected Agenda Items
13. Interrelated Water Management Plan Program Report – March 2009 Applications
14. Project Sponsor Handouts re NRDF Project Progress – March 11, 2009:
 - Leigh Dam Project
 - Little Sandy Creek Watershed Project
 - Pigeon/Jones Creek Site #15 Status Report
 - Upper Prairie/Silver/Moores Creek Flood Control Project
 - Western Sarpy/Clear Creek Levee Project

MINUTES

Minutes of the January 27-28 Commission and Committee meetings were approved with one typographical correction to the Commission minutes.

EXPENDITURES REPORT

Fund expenditures reports for the months of January & February, 2009, were distributed to Commission members. Extra copies were available. Gittins reported there were no unusual transactions.

ADVISOR REPORTS

NRCS

Steve Chick, State Conservationist - NRCS, presented the following highlights from his report.

- NRCS received funding through the economic stimulus package for watershed rehabilitation, new PL 566 watershed projects, and flood plain easements.
- There is significant funding for watershed rehabilitation in the President's FY 2009 budget.
- The recently signed ominous bill includes significant funding for EQIP.
- Passage of the "Farm Bill" continues to be delayed which will make it difficult to implement the new programs once it passes.
- Eleven Nebraska projects were submitted for Area Water Enhanced Program (AWEP) funding.
- The President's FY 2010 budget proposal would eliminate RC&D.
- Nebraska's 70,000 acres under the Wetland Reserve Easements Program are becoming difficult to manage. NRCS is requesting proposals for management of those lands to help assure invasive species are controlled to preserve their ultimate value as wetlands.

ENVIRONMENTAL TRUST

Vince Kramper introduced the Trust's Executive Director, Mark Brohman, and thanked everyone for coming to the Ferguson House. Brohman described his background relative to the Trust and gave a brief history of the Ferguson House. Brohman handed out an annual report of the operations of the Trust and briefly reviewed the report.

UNIVERSITY OF NEBRASKA at LINCOLN WATER CENTER

Lorrie Benson, Deputy Program Manager, Water Resources Research Initiative – UNL introduced Dean Eisenhower prior to the Commission meeting. Eisenhower gave a presentation on the Hydrologic Impacts of Conservation Practices for Dryland Agriculture. The presentation was well received and Commissioners asked several questions afterward. Benson also mentioned:

- The Annual Water Law, Policy and Science Conference coming up on April 29-30 in Lincoln.
- Garry Stone, Panhandle Research and Extension Center, has announced that their web site is up at www.panhandle.unl.edu/metric for their new project METRIC: Remote sensing of crop water use. This project looks at consumptive use of water in the high plains aquifer, and will provide monthly and seasonal Evapo Transpiration maps prepared from LANDSAT images by applying High Resolution and Internalized Calibration (METRIC) algorithms.

DNR UPDATE

Gittins reported that Director Dunnigan was unable to attend the meeting due to his participation in Republican River arbitration hearings in Denver. Gittins briefly noted several key activities of the Department, including:

- DNR continues to evaluate the Department's statutory obligations and the priority of its responsibilities. Staff has been restructured to better align resources to focus on those priorities. Highest priority efforts are the Republican River Compact Administration, Platte River Recovery Implementation Program, Integrated Water Management Plan (IMP) development, and the North Platte and other decrees that must be administered.
- Hearings are being conducted on the preliminary designation of the Lower Platte, Loup and Elkhorn basins as fully appropriated. After the last hearing on March 12 in Fremont, the Department will have 30 days to consider testimony and any additional information before making a final determination.
- The Department received grants from the Environmental Trust totaling about \$750,000 last year with intent language for nearly \$600,000 in further funding over the next two years for three research projects being performed by UNL. Staff expressed the Department's sincere appreciation for the Trust's help in funding these projects and others in past years.
- The Governor has directed that \$2 million of the requested \$2.7 million appropriation to the Water Resources Cash Fund be committed to the Platte River Recovery Implementation Program in fiscal years 2010 and 2011.
- Legal support for the Commission will be provided by Pam Andersen, the Department's lead attorney. Although she will not attend Commission meetings on a routine basis, Andersen will handle any legal issues that arise.

Commissioner Rexroth asked that the opportunity be provided for commissioners to meet Andersen during the May meeting. Commissioner Mercer also requested that staff provide a tour of the DNR office during the May meeting.

LEGISLATIVE and BUDGET COMMITTEE

As neither Committee Chair Watermeier nor Vice-Chair Reeves were able to attend the Commission meeting, Commissioner Rexroth was asked to provide an update from the Legislative and Budget Committee meeting on March 11. Topics discussed by the Committee included:

- Two letters were submitted to the Chairman of the Legislature's Natural Resources Committee following the January Commission meeting. The letters stated: (1) Commission members' support for LB 651 which would create a revolving loan fund for NRDs to use for implementing water management actions, and (2) their opposition to LB 535 which would add 12 governor-appointed members to the Commission and significantly increase the public and private influence over decisions regarding projects proposed by NRDs.
- Other bills related to Commission activities and interests were identified.
- Changes were proposed by the Appropriations Committee to LB 315, the Governor's recommendation for Department budgets. These changes included reducing the annual appropriations compared to 2009 for the Soil and Water Conservation Fund by \$198,000 and for the Interrelated Water Management Plan Program by \$100,000, while increasing the Department's operating budget appropriation by a like amount. About \$278,000 in additional funding was also added to the operating budget for 2011. In testimony before the Appropriation Committee on March 9, the Department plainly stated support for the Governor's recommendation which continued funding for the two programs at 2009 levels.

PROGRAM COMMITTEE

Committee Chair Hergott provided a summary of discussion and actions at the Program Committee meeting held on March 11.

Nebraska Resources Development Fund (NRDF)

Status and quarterly reports show usual business activity.

Milt Moravek reviewed the Elm Creek project proposal and announced that Central Platte NRD plans to move forward with the application and feasibility study. Because more than one year has lapsed since the Commission approved the project proposal, Moravek asked the Commission to allow them to proceed without submitting a new project proposal. In response to questions, Moravek confirmed that the scope of the project has not changed and there have been no updates to the original cost and benefit projections. The Committee concurred that any changes in costs and/or benefits would be reviewed in the application review process, and therefore chose not to recommend that the Commission request another project proposal.

Project sponsors gave progress updates during the Program Committee meeting for each of the following projects: Leigh Dam, Little Sandy, Lower Turkey, Pigeon Jones, Upper Prairie/Silver/Moores Creek, Sand Creek Environmental Restoration (LakeWanahoo), Western Sarpy/Clear Creek.

Zimmerman reviewed the review process for sponsors' obligation requests that will take place prior to the May Commission meeting.

Interrelated Water Management Plan Program (IWMPP)

No unusual activity had been reported in this fund. A summary of the FY 2010 applications was distributed. Of 16 applications filed, three were for continued funding and 13 were newly proposed projects or phase two of previously funded projects. Application requests total \$2,517,544 of which \$490,740 were to continue previously funded projects.

There was not much discussion on IWMPP Guideline revisions. Commissioners instead directed staff to resend the list of proposed changes to NRD managers requesting responses prior to the July Commission meeting.

Commissioner Kadlecik requested a presentation by the USGS at the May Commission meeting on the HEM work and LiDAR.

Other Programs

Status reports for other programs were reviewed at the committee meeting with no unusual activity to report.

ANNOUNCEMENTS

Van Marter offered a resolution, Johannes seconded, to thank Keith Rexroth for all of his work getting the plaques. Resolution passed by a unanimous voice vote.

Gittins reminded Commissioners that they each must file NADC Form C-1 "Statement of Financial Interests", with the Nebraska Accountability and Disclosures Commission for those that have not completed them.

Gittins reminded Commissioners they are required to follow the requirements of the Department of Administrative Services and not exceed the General Services Administration rates for each area. Gittins will distribute copies of the rates for Commissioners use. Commissioner Mercer requested the option of staying in better hotels and paying the difference himself. Gittins agreed and also requested that starting and stopping points be included in millage along with the purpose of the trip. It was also agreed that Commissioners would be allowed reimbursement for one trip per year to personally report on Commission activities at board meetings of NRDs they represent.

The meeting was adjourned at 10:00 a.m.

Natural Resources Commission Chair

Director, DNR